




North Central Health Care
Person centered. Outcome focused.

OFFICIAL NOTICE AND AGENDA
MEETING of the North Central Community Services Program Board to be held at
North Central Health Care, 1100 Lake View Drive, Wausau, WI 54403, Wausau Board Room,
at 12:00 pm on Thursday, September 26, 2019

In addition to attendance in person at the location described above, Board members and the public are invited to attend by telephone conference. Persons wishing to attend the meeting by phone should contact Debbie Osowski at 715-848-4405 24 hours prior to the start time of the meeting for further instructions. Any person planning to attend this meeting who needs some type of special accommodation in order to participate should call the Administrative Office at 715-848-4405.
For TDD telephone service call 715-845-4928.

A QUORUM OF THE RETAINED COUNTY AUTHORITY COMMITTEE, COMPRISED OF APPOINTEES FROM LANGLADE, LINCOLN, AND MARATHON COUNTIES, MAY BE PRESENT AT THE NORTH CENTRAL COMMUNITY SERVICES PROGRAM BOARD MEETING; HOWEVER, NO VOTE OR ACTION WILL BE TAKEN BY THE RETAINED COUNTY AUTHORITY COMMITTEE.

1. Call to Order
2. Public Comment for Matters Appearing on the Agenda – Limited to 15 Minutes
3. Chairman’s Report and Announcements – J. Zriny
 - A. Overview of September 19, 2019 Executive Committee Meeting – J. Zriny
 - B. Overview of September 19, 2019 Nursing Home Operations Committee Meeting – J. Zriny
4. Consent Agenda
 - A. ACTION: Approval of 8/29/2019 NCCSP Board Meeting Minutes
 - B. Monitoring Reports
 - i. CEO Work Plan Review and Report – M. Loy
 - ii. ACTION: Review and Accept the August Quality Dashboard and Executive Summary
 - iii. Human Services Operations Report – L. Scudiere
 - iv. Nursing Home Operations Report – K. Gochanour
5. Board Education – None
6. Board Discussion and Possible Action
 - A. Chief Financial Officer’s Report – B. Glodowski
 - i. ACTION: Review and Accept August Financial Statements
 - B. ACTION: Annual Approval and Acknowledgement of Policy Governance Manual
 - C. ACTION: Annual Board Self-Evaluation of Governance
 - D. ACTION: Competency-Based Board Recruitment and Development
 - E. ACTION: Amended and Restated Bylaws of the NCCSP
 - F. ACTION: 2020 NCCSP Board Calendar
7. Review of Board Calendar and Discussion of Future Agenda Items for Board Consideration
8. Assessment of Board Effectiveness: Board Materials, Preparation and Discussion
9. Adjourn


Presiding Officer or Designee

NOTICE POSTED AT: North Central Health Care
COPY OF NOTICE DISTRIBUTED TO: Wausau Daily Herald, Antigo Daily Journal, Tomahawk Leader, Merrill Foto News,
Langlade, Lincoln & Marathon County Clerks Offices

DATE: 09/20/2019 TIME: 4:00 PM BY: D. Osowski

NORTH CENTRAL COMMUNITY SERVICES PROGRAM BOARD MEETING MINUTES

August 29, 2019

12:00 Noon

Wausau Board Room

Present:

X	Norbert Ashbeck	X	Randy Balk	EXC	Steve Benson
X	Ben Bliven	EXC	John Breske	X ^{via}	Meghan Mattek
X	Bill Metter	X	Corrie Norrbom	X ^{phone}	Rick Seefeldt
X	Romey Wagner	X	Bob Weaver	X	Theresa Wetzsteon
X	Jeff Zriny				

Also Present: Michael Loy, Brenda Glodowski, Kim Gochanour, Laura Scudiere, Tom Boutain, Jarret Nickel, Lance Leonhard, Jennifer Peaslee, Atty. John Fisher

Guest: Nancy Bergstrom, Lincoln County Corporation Counsel
Pam Resch, Langlade County Finance Director

1. Call to order

- J. Zriny called the meeting to order at 12:06 p.m.

2. Public Comment for Matters Appearing on the Agenda

- None

3. Chairman's Report and Announcements

- J. Zriny attended the Lincoln County Board meeting when the management proposal was being reviewed and provided an update for the Marathon County Board. If the proposal is approved by Lincoln County a Nursing Home Operations Committee will be created to include members from the Marathon County Board, Lincoln County Board, and Pine Crest Board of Trustees. Those who have already agreed to serve on the committee are Mr. Metter, Mr. Wagner, and Mr. Weaver.
- Jarret Nickel was introduced as the Operations Director. He will spend much of his time with Kim Gochanour and the new Administrator of Pine Crest in assisting with the initial transition of management oversight.

4. Consent Agenda

- **Motion**/second, Metter/Weaver, to approve the Consent Agenda which includes:
 - Approve 7/25/19 NCCSP Board Meeting Minutes
 - Draft Minutes of the 8/15/19 Executive Committee Meeting
 - 2018 Annual Report
 - CEO Work Plan Review and Report
 - July Quality Dashboard and Executive Summary
 - Chief Financial Officers Report and July Financial Statements
 - Human Services Operations Report
 - Nursing home Operations Report
 - Medical Staff Appointments for Tiffany Pluger, APNP and Edward Krall, M.D.
- Motion carried.

5. Board Education and Discussion

A. Presentation of the 2020 Budget – M. Loy & B. Glodowski

- a. J. Zriny noted that the level of sophistication of the report is incredible and commends those who work on the team to put this report together. M. Loy added that B. Glodowski puts in an intensive amount of time into this report and in addition, this year she also created a Pine Crest budget and presented it to the Lincoln County Board.
- b. B. Glodowski reviewed the 2020 Proposed Budget and noted it has achieved most of our financial strategies.
 - o Service lines for 2020 include the addition of Lincoln Industries, Pine Crest Nursing Home and the Youth Hospital increasing the budget by over \$20 million.
 - o The budget has a \$500,000 deficit tied to the youth hospital due to being the start-up year.
 - o We anticipate Adult Protective Services (APS) will move to the Aging and Disability Resource Center as of 1/1/2020 therefore, APS is not included in our 2020 proposed budget.
 - o With the additional programs full-time equivalent (FTE) positions have increased by 196 and we anticipate and have accounted for a significant increase in health insurance.
 - o Contingency fund is not included other than \$1 million built in as cash contingency on the balance sheet.
 - o A Development Officer is included but this position is being funded initially by the North Central Health Foundation.
 - o Benefits are increasing by \$5.2 million. Health insurance is increasing \$1.5 million prior to the new programs coming in and as recommended by our new agent.
 - o State institutes are also being increased by \$100,000. With the stabilization of physicians (currently 8), the opening of the youth hospital, expansion of the CBRF, all which will help improve capacity, and with the possible addition to our pool of vendors as an alternative to the state institutes, will help reduce diversion costs.
 - o We are anticipating an increase in revenue in aquatics with the new pool opening, and adding hours with the increasing demand for services.
 - o Review of the breakdown of the budget between the three counties was provided. Note that Pine Crest will be included under Lincoln County.
 - o Levy as a percentage of total operations from counties continues to decrease with this year's total levy at 6.1%.
 - o Discussion continued regarding diversions, health insurance, and Pine Crest.
 - o **Motion**/second, Weaver/Balk, to recommend the 2020 Proposed Budget as presented to the Retained County Authority for approval. Motion carried.

B. Mount View Care Center Survey Report

- a. K. Gochanour provided a review of the annual survey results that had been shared in April. Following an independent desk review (IDR) the State upheld the citation but reduced the level of severity due to corrections having been immediately implemented at the time of the incident. We were found deficiency free in all other aspects in the survey. Plan of correction was accepted and a verification visit completed. We are working with the state to reinstate the nurse aid training program.
- b. Take aways from this situation is re-education on when to call Admin On-Call and Clinical On-Call. With the renovation occurring, there will be a new call light system which will have an elevated call system.

6. Board Discussion and Possible Action
 - A. Pine Crest Management Agreement – M. Loy
 - a. Collectively this is great for the two counties to work together and will be the first in the State to work across county lines. Lincoln County Board has approved the management agreement. With NCCSP Board approval, will sign management agreement with implementation plan.
 - b. **Motion**/second, Metter/Weaver, to approve the Pine Crest Management Agreement. This agreement was crafted from the Marathon County agreement with N. Bergstrom's involvement (Lincoln County Corporation Counsel). Motion carried.
 - B. Memorandum of Understanding with Lincoln County Regarding Sick leave Benefits – M. Loy
 - a. Employees of Pine Crest have accumulated large amounts of sick leave and have expressed concern with how those balances will be handled. We feel we have addressed concerns to the highest degree possible. Lincoln County will be funding a transition for any sick leave balances for those over 55 with a Post Employment Health Plan. Then, NCHC would take on the remaining liability on Pine Crest financials with remaining balances, which would be unfunded by Lincoln County. Employees can use this sick leave for family medical or approved leave. Employees would not be able to add to those balances. NCHC will guarantee paid out wages on any remaining balances upon retirement. Lincoln County agrees that this falls within the scope of their responsibility.
 - b. N. Bergstrom noted that this is on par with treatment of other Lincoln County employees.
 - c. **Motion**/second, Weaver/Wagner, to approve the memorandum of Understanding with Lincoln county Regarding Sick Leave Benefits. Motion carried.
 - C. Errors and Omissions Coverage and Scope of Director Liability – J. Fisher
 - a. Atty. Fisher provided an update after review of D&O Insurance including exposures unique to non-profit healthcare organizations, claims trends, coverage limits and retention.
 - b. Objectives include assessment of coverage adequacy, identify policy terms, obtain quotes on expanded coverage, and negotiate policy terms for the new coverage year beginning January 1.
 - D. Corporate Structure Discussion – M. Loy
 - a. A review of the current administrative and clinical leadership structure was provided relative to the organization's vision.
 - b. Other key roles need to be filled and the legal position addressed.
7. Review of Board Calendar and Discussion of Future Agenda Items for Board Consideration
 - a. None provided
8. Assessment of Board Effectiveness: Board Materials, Preparation and Discussion
 - a. Would like PowerPoint presentations in packet for review prior to meeting.
9. Adjourn
 - **Motion**/second, Bliven/Ashbeck, to adjourn the meeting at 2:03 p.m. Motion carried.



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MEMORANDUM

DATE: September 20, 2019
TO: North Central Community Services Program Board
FROM: Michael Loy, Chief Executive Officer
RE: CEO Report

The following items are general updates and communications to support the Board on key activities and/or updates since our last meeting:

- 1) Campus Renovations: The pool construction has picked up pace over the last few weeks. Bids for the new Youth Hospital and Crisis CBRF have come in and the contractor will be starting soon. The new skilled nursing tower is set to have final plans ready in the next week or two with bidding to follow. Resident moves have been completed to make way for the demolition of the "E" unit. The Medically Monitored Treatment temporary space is being renovated and is set to be ready for the program to move in mid-October pending license approval. Overall, the project is on-time and within budget at this point.
- 2) Pine Crest and Lincoln Industries: The Memorandum of Understanding for the sick leave balances has been approved by the Lincoln County Board. A transition team continues to work diligently on their work plan. We are track to make the transition effective as of January 1, 2020. The new Nursing Home Operations Committee had their 1st meeting on September 19th.
- 3) Sober Living Project: Langlade County has purchased the building and the fundraising has another \$40,000 to go to achieve its goal. A group met with the Architects for the project on Friday, September 20th and initial plans and the project budget will be developed in the coming weeks prior to bidding. Environmental testing will commence next week. Recruitment for a program coordinator continues. We are still working towards being slated to open after the 1st of the year.
- 4) Behavioral Health EHR Replacement: We have received several bids to replace the electronic health record in our behavioral health programs. Bids came in within the projected budgets. Initial review and demos will be ongoing throughout the month of October. The project is slated to begin after the new year.
- 5) Strategic Plan for a Modern and Effective Mental Illness and Addiction System: HSRI will be onsite the week of September 30th for stakeholder sessions and additional data gathering. The project is ramping up and is still slated to be presented in the 1st quarter of 2020.
- 6) Recruitments: Physician recruitments continue for our open inpatient psychiatry position. Another round of interviews were held with Chief Nursing Officer candidates and we will be scheduling onsite interviews in the near future.

2019 Board - RCA - CEO Work Plan

Objective	Accountability	Start Date	Measure(s) of Success	Interim Updates	Status	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Develop NCHC into a Learning Organization	NCCSP	Jan-19	Board approved Roadmap for Learning Organization	Senior Management Team continues to meet on this initiative.	Open												
Build Medical Staff Leadership Capacity	NCCSP	Jan-19	All budgeted FTEs are filled. Physician roles defined and development plans in place. MCW PGY3 implemented.	We have hired a new Chief Medical Officer and Psychiatry Residency Program Director who will start in November. Medical Staff will review and approve their updated bylaws in October. We have transitioned all locums to direct contract and are closing in on filling our open Inpatient Psychiatry positions. An objective to get the Medical Staff President to be included on the NCCSP Board still continues.	Open												
Refresh Information Services Platform	NCCSP	Jan-19	By the end of 2021, have upgraded all of our five core systems.	The MatrixCare implementation is closing out in September. The new HR and Learning platform is on track for an October implementation and will include Pine Crest. The RFPs for the TIER replacement have been received and are under review. Proposals are within our budget.	Open												
CEO Appraisal	NCCSP	Bi-annually	Completed Appraisal forwarded to the RCA semi-annually	CEO mid-year evaluation with the RCA is in process.	Open												
Annual Audit	NCCSP	Jan-19	Acceptance of annual audit by NCCSP Board and RCA	Audit is complete and will be presented to the Board in March.	Complete												
Policy Governance for the NCCSP Board	NCCSP	Jan-19	Policy Governance Monitoring System Established	Policy Governance Manual acceptance and Board Self-Evaluation are slated for September meeting.	Open												
Nursing Home Governance	NCCSP	Jan-19	Approved Management Agreement	Sent to Marathon County Corporation Counsel for initial review.	Open												
Pool Management Governance	NCCSP	Jan-19	Approved Management Agreement	A Management Agreement for the pool will be fashioned and drafted after the Mount View Care Center Management Agreement has been approved.	Pending												
Prepare Local Plan	NCCSP	Jan-19	Adopted 3 Year Local Plan	Contract has been signed with the Human Services Research Institute which will deliver a strategic plan for behavioral health programs. The 2020 Budget will present rolling two year forecast.	Open												
Develop Training Plan for Counties	NCCSP	Jan-19	Adopted Annual Training Plan	NCHC is preparing for an annual stakeholder summit in March of 2020.	Open												
County Fund Balance Reconciliation	NCCSP	Apr-19	Fund Balance Presentation	Presented at the March NCCSP Board meeting.	Complete												
Facility Use Agreements	NCCSP	Jan-19	Signed agreements with each of the three Counties	Draft Lease Agreement is expected to be completed by Marathon County in October.	Open												
Develop Conflict Resolution Protocol	NCCSP	Jan-19	Board adoption of Conflict Resolution Protocol	Final approval slated for next RCA meeting.	Pending												
Reserve Policy Review	RCA	Apr-19	CFO will meet with County Finance Directors annually to review Audit and Financial performance relative to reserve policy and status	CFO has delivered the reports and is meeting with County Finance Directors.	Complete												
Annual Report	NCCSP	Apr-19	Annual Report Released and Presentations made to County Boards	Released in August.	Complete												
Programs and Services Report	NCCSP	Bi-annually	RCA Accepts Report	A report will be provided to the RCA as soon as it is available (delayed per above) for prior year and in August for year to date.	Open												
Financial Review	NCCSP	Bi-annually	Meeting held between the County Finance Directors and CFO and follow-up items addressed	Ongoing, as needed.	Open												
Substance Abuse Strategy	NCCSP	Jan-19	A strategic plan for substance use treatment services will be approved by the NCCSP Board	Finalizing project scope with HSRI and gathering data.	Open												

2019 Board - RCA - CEO Work Plan

Objective	Accountability	Start Date	Measure(s) of Success	Interim Updates	Status	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Develop a Comprehensive Youth Crisis Stabilization Continuum	RCA	Jan-19	A clearly defined and communicated 24/7 Youth Crisis stabilization program.	Working on one-page overview of current resources. Recruitment for a Youth Behavioral Health Director continues. Finalizing youth hospital design. Construction for the youth hospital begins in September.	Open												
Clarification and Communication of Services	RCA	Jan-19	A marketing and outreach plan will be approved by the NCCSP Board. Communication mediums will be updated and/or enhanced.	Identifying scope of the plan and resources to support its development. Working on a short resource guide for partner county agencies.	Open												
Improved Data Sharing	RCA	Jan-19	Essential crisis plan information is shared to improve care coordination while remaining protected.	Discussions on solutions to achieve success are pending.	Open												
Proposal for County Treatment Housing Needs	RCA	Jan-19	A written proposal for NCHC's service expansion in treatment focused housing.	The community fundraising for the remaining \$130,000 in needed funds is nearly completion. Langlade County has purchased the building and renovations are being initiated.	Complete												
Annual Budget	RCA	May-19	Adopted Budget within Budgetary Direction of the RCA and NCCSP Board	The NCCSP Board recommended a budget to the RCA in August. The RCA will review at their next meeting to recommend to each County Board. Staff has met with each of the Counties to review the proposed budget.	Open												
CEO Appraisal & Compensation	RCA	Jan-19	Completed Appraisal	See "CEO Appraisal" item above.	Open												
Performance Standards	RCA	Jul-19	Adopted Annual Performance Standards	Will be approved at next RCA meeting.	Pending												
Tri-County Contral Annual Review	RCA	Jan-19	Revision Recommendation to County Boards if necessary	A list of items to be examined have been provided. Meetings to occur over the next several months with the goal to have an updated Agreement for the Counties to consider in February.	Pending												

DEPARTMENT: NORTH CENTRAL HEALTH CARE																	FISCAL YEAR: 2019	
PRIMARY OUTCOME GOAL	↑↓	TARGET	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	2019 YTD	2018		
PEOPLE																		
Vacancy Rate	↓	5 - 7%	10.3%	9.0%	9.4%	9.0%	8.1%	10.0%	9.1%	9.0%					9.2%	9.5%		
Retention Rate	↑	80 - 82%	97.8%	96.5%	95.2%	94.1%	93.3%	92.1%	91.2%	88.5%					82.8%	82.0%		
SERVICE																		
Patient Experience	↑	88.3 - 90.5	90.9	89.3	90.0	90.8	84.3	89.2	85.6	90.8					88.7	N/A		
CLINICAL																		
Readmission Rate	↓	8 - 10%	6.7%	10.9%	8.6%	15.7%	12.1%	10.8%	7.8%	8.5%					10.2%	11.3%		
Nursing Home Star Rating	↑	4+ Stars	★★	★★	★★	★★★★	★★★★	★★★★	★★★★★	★★★★					★★★★	★★		
Adverse Event Rate	↓	PAT: 0.71 - 0.73	0.65	0.53	0.39	0.70	0.48	0.82	0.65	0.93					0.64	0.75		
		NCHC EMP: 3.31 - 3.51	8.90	11.49	1.26	5.67	3.78	1.84	0.00	2.52					4.16	3.77		
Hospital Days	↓	735 or less per month	770	667	821	715	768	930	875	793					792	N/A		
COMMUNITY																		
Access Rate	↑	90 - 95%	92.0%	86.2%	85.6%	80.1%	88.1%	59.1%	66.8%	69.3%					77.7%	88.3%		
FINANCE																		
Direct Expense/Gross Patient Revenue	↓	60 - 64%	64.9%	68.0%	73.3%	65.5%	71.9%	76.6%	75.3%	70.5%					70.7%	68.2%		
Indirect Expense/Direct Expense	↓	36 - 38%	33.7%	37.9%	34.7%	31.9%	34.7%	31.6%	30.7%	34.1%					33.5%	35.5%		
Net Income	↑	2 - 3%	1.3%	-1.6%	-12.4%	0.2%	-9.2%	-1.1%	-7.0%	-5.5%					-4.1%	0.7%		

↑ Higher rates are positive

↓ Lower rates are positive

DASHBOARD MEASUREMENT OUTCOME DEFINITIONS AND DETAILS

PEOPLE

Vacancy Rate	Total number of vacant positions as of month end divided by total number of authorized positions as of month end.
Retention Rate	Annualized number of employees onboard on January 1st who remain employed divided the number of employees onboard on January 1st.

SERVICE

Patient Experience	Mean score of responses to the overall satisfaction rating question on the survey.
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CLINICAL

Readmission Rate	Number of residents re-hospitalized within 30 days of admission to nursing home / total admissions. Percent of patients who are readmitted within 30 days of discharge from the Inpatient Behavioral Health hospital for Mental Health primary diagnosis. <i>Benchmark: American Health Care Association/National Center for Assistive Living (AHCA/NCAL) Quality Initiative</i>
Nursing Home Star Rating	Star rating as determined by CMS Standards.
Adverse Event Rate	Patients: # of actual harm events that reached patients/number of patient days x1000 Employees: #of OSHA Reportables x 200,000/hours worked
Total Hospital Days	Total Hospital days that all patients spend hospitalized for psychiatric stabilization or evaluation either in our inpatient unit or at external diversion sites. The current figure totals the NCHC current month hospital days to out of facility hospital days from the previous month. This lag is due to the processing time of invoices from other facilities.

COMMUNITY

Access Rate	• Adult Day Services - within 2 weeks of receiving required enrollment documents
	• Aquatic Services - within 2 weeks of referral or client phone requests
	• Birth to 3 - within 45 days of referral
	• Community Corner Clubhouse - within 2 weeks
	• Community Treatment - within 60 days of referral
	• Outpatient Services
	- within 4 days following screen by referral coordinator for counseling or non-hospitalized patients,
	- within 4 days following discharge for counseling/post-discharge check
	- 14 days from hospital discharge to psychiatry visit
	• Prevocational Services - within 2 weeks of receiving required enrollment documents
	• Residential Services - within 1 month of referral
	• Post Acute Care % of eligible referred residents admitted within 48 hours
	• Long Term Care % of eligible referred residents admitted within 2 weeks
	• CBRF % of eligible patients admitted within 24 hours
	• MMT % of eligible patients admitted within 60 days of UPC
	• Crisis Services % of individuals with commitments and settlement agreements enrolled in CCS or CSP programs for eligible individuals within 60 days of referral
• Inpatient Services	
- within 4 days following discharge for counseling/post-discharge check	
- 14 days from hospital discharge to psychiatry visit	
- Ratio of patient days served at NCHC vs. Out of County placements	

FINANCE

Direct Expense/Gross Patient Revenue	Percentage of total direct expense compared to gross revenue.
Indirect Expense/Direct Revenue	Percentage of total indirect expenses compared to direct expenses.
Net Income	Net earnings after all expenses have been deducted from revenue.

Quality Executive Summary

September 2019

Organizational Outcomes

People

❖ **Vacancy Rate**

The Vacancy Rate target range for 2019 is 5.0 - 7.0%. Currently, the rate is 9.0% for August. The year average is 9.2%, slightly lower than 2018. August orientation welcomed 19 new staff members to NCHC, but with the transition of a large student population resigning for school needs, the overall vacancy rate did not change from the prior month.

❖ **Employee Retention Rate**

The Employee Retention Rate target range for 2019 is 80.0 – 82.0%. The rate is 88.5% for the month of August. Currently, the rate is projected to end the year at 82.8%, which is within our target range.

Service

❖ **Patient Experience**

NCHC Patient Experience target is 88.3-90.5. We are measuring patient experience via mean score of responses to the overall satisfaction question on the patient experience surveys. This month, we have exceeded target at 90.8. One notable area of improvement was the CBRF, which had dramatic improvement in scores in August.

Quality

❖ **Readmission Rate**

The Readmission Rate is a combined measure consisting of the total number of residents re-hospitalized within 30 days of admission and the percent of patients who are readmitted within 30 days of discharge from the inpatient behavioral hospital for mental health primary diagnosis. BHS's readmission rate was above target at 11.3% due to a few very complex patients with high acuity. The nursing home showed another month of improvement with a rate of 3.1%. We had one readmission that was in the 30 day window which was unavoidable. Our target for 2019 is 8-10% total readmission rate. The combined rate for this month is 10.7%.

❖ **Nursing Home Star Rating**

For 2019, we will be measuring the Nursing Home Star Rating as determined by CMS Standards with a target of 4 stars. The current rating as of August is 3 star. This is a result of our annual survey and self-report which resulted in high level citation. This number is anticipated to remain at 3 stars until our next survey cycle occurs.

❖ **Adverse Event Rate**

For 2019, we will be measuring adverse events for both patients and employees. Our definition of "adverse" is actual harm that reached the patient or the employee. This measure will not include "near misses" or events that could have had the potential for harm, although this data will be collected, measured, and analyzed for quality process improvement efforts.

For 2019, the target range for Patient Adverse Event is .71-.73 per 1,000 patient days. For August, we are above target at 0.93, with a year to date rate of 0.64. August showed an increase in patient adverse events from the previous month, mostly due to injuries sustained from falls. Please see program descriptions below for more information.

The target range for Employee Adverse Events is 3.31 - 3.51. For August, we exceeded our target at 2.52 with a year to date rate of 4.16. Most injuries occurred while performing patient care duties. The average is overall trending downward after a high number of injuries in the beginning of the year due to inclement weather.

❖ **Total Hospital Days**

This measure includes the total number of days that all patients spend hospitalized for psychiatric care or evaluation either in our inpatient unit or at external diversion sites. The data for external diversion days will be at a one month lag. Our target for 2019 is 735 or less total hospital days. In August, NCHC missed the target by 58 days. This is an early indication that the programming around high utilizing patients is making an impact.

Community

❖ **Access Rate for Behavioral Health Services**

The target range for this measure for 2019 is 90-95%. This month, we are below target at 69.3%. The NCHC board was recently educated about the flaw in this measure, the residential program reported 100% access to the housing programs. However, this doesn't take into account the system that is built to handle referrals for recovery-focused housing. Since the demand is so high, and the availability so low, case managers are alerted to vacancies by the Community Living Director. This creates a reverse-referral process, which is not accounted for in this measure. The ongoing demands for residential supportive housing remains high.

Finance

❖ **Direct Expense/Gross Patient Revenue**

This measure looks at percentage of total direct expense to gross patient revenue. The 2019 target is 60-64%. This measure for August is 70.5%, which is an improvement over the prior months. This will contribute to a small improvement in the YTD percentage. Expenses overall are still above target, but did improve in August which will contribute to an improvement in this measure.

❖ **Indirect Expense/Direct Expense**

Indirect Expense/Direct Expense is the percentage of total indirect expenses compared to direct expenses and the 2019 target is 36-38%. The percentage for August is 34.1%, which is better than target. With expenses in the direct areas running over budget, support programs are trying to keep expenses down to help offset some of the direct overages.

❖ **Net Income**

Net Income is the net earnings after all expenses have been deducted from revenue. The target for 2019 is 2-3%. August shows a large loss for the month, resulting in this target being at -5.5%. With the organization showing a loss year to date, this target continues to be off target.

Program-Specific Outcomes - *items not addressed in analysis above*

The following outcomes reported are measures that were not met at the program-specific level. They do not represent all data elements monitored by a given department/program, only the targets that were not met for the month.

Human Service Operations

❖ Behavioral Health Services (Inpatient, MMT, CBRF, Crisis):

- The BHS Vacancy Rate remained the same at 13.4%. The program target is 5.8-7.8%. We still have some key leadership vacancies as well as some nursing and crisis staff vacancies.
- Patient experience improved greatly for BHS and is at 87.2. It is still slightly under target. The CBRF got a notable 90.6 score, and is in target for the first time in six months. Efforts continue to focus on the inpatient unit, which had a gain in August as well.
- Readmission rate increased to 11.3% in August. Work is being focused on high utilizers of service or patients who have frequent hospitalizations.
- Patient Adverse Event Rate is over target. The measure has a target of 0.71 to 0.73 and currently BHS is at 7.16. There were 8 adverse events reported in August. Three falls were related to 1 patient. Injuries sustained included abrasions and bruises. Fall protocols were initiated appropriately. Two events were related to 1 patient. Both were due to seizures. Injuries were minimal and the patient received treatment at an emergency room. One event was related to an altercation between patients in the CBRF. Injuries sustained were minor. Crisis had one reported event. There was a suicide attempt 3 years ago. NCHC was contacted by the coroner's office indicating the client was hospitalized recently for a medical condition attributed to injuries sustained from the suicide attempt and died. Upon admission, a MMT client reported a foot injury that occurred 3 days prior. MMT staff noted the wound should be evaluated. The client was sent to the emergency room, treated, and returned to the program. The BHS team is working to determine if there is a way to flag the medical record when someone has a history of seizures to proactively address in the treatment plan as an action item to reduce this measure in the future.
- Hospital days decreased for the third month in a row, though the unit is approximately 60 days over target. Work is being focused on high utilizers of service or patients who have frequent hospitalizations.
- Direct Expense/Gross Patient Revenue, BHS had a slight decrease from last month at 84.9% with a target of 64-69%. Cost saving efforts, and a focus on productivity have the ability to turn this around this year.

❖ Birth to 3

- Birth to 3 transferred to the Marathon County Special Education in June. Measures will no longer be reported for this program.

❖ Community Living (Residential/ADS/PreVoc):

- Vacancy Rate increased to 7.3% and is due to employee retirements and staff graduating from college and advancing. Also, the program had one 1.0 direct care staff graduate, one transfer to APS, and one retirement. It is anticipated that this measure will not improve in October, as the program's work force is aging, and there are two retirements slated for next month.
- Adverse Event Rates: Adverse events were related to a spike in fall events that resulted in injury or medical follow up. The program is actively reevaluating the procedure for falls to determine more effective response and reporting.

❖ **Outpatient/Community Treatment/Community Corner Clubhouse:**

Measures not met in this group were:

- **Vacancy:** The vacancy rate just narrowly missed being in target by 0.1%. This measure has been improving since June.
- **Access Rate:** The access rate for this service line was at 60.3% decreasing slightly from last month. Community Treatment continues to struggle with vacancies, which impacts the amount of time it takes to open new clients to the program. See above vacancy rate for more information. This rate was impacted by how the referral coordinators were recording how soon patients were scheduled. Due to this error in reporting, the measure was over-inflated for Outpatient services.
- **Direct Expense/Gross Patient Revenue:** Outpatient continues to struggle, and they are instituting a new productivity process improvement team currently, which should positively impact the financials in future months. Clubhouse has been underperforming as the revenue from groups has overcome the loss of one case manager and the change in programming. Community Treatment's revenue is tied to staff moves and vacancies.
- **Write offs** were over target by .24%. The main reasons for write offs in this department are that the documentation is past time limits for billing or the insurance companies determine that the service is not covered or is not medically necessary. Work is being done in many areas on this, most notably Day Treatment, where effort is being placed in collecting the information required for billing up front in a more effective way.

Nursing Home Operations

❖ **Aquatic Services:**

- **Vacancy Rate** is moving in the correct direction. New Physical Therapist and Physical Therapy Assistant started end of August.
- **Access** went back up in August to 94.6% with the addition of new staff members and priority of expanded hours and direction given for Physical Therapists to do more evaluations and leave the treatment plan to the Physical Therapy Assistants. This directive will help in closing our waiting list.
- **Direct Expense Budget/Gross Patient Revenue** is 51-56%. August moved down to 64.1 %; again this is related to being down the physical therapist position. We anticipate this will start to show some improvement in September.

❖ **MVCC Overall:**

- **Vacancy Rate** for the month of August was at 13.5% with a target range of 6.4-8.4%. This showed a slight increase from July. This is due to the change in student's schedules and returning to classes. The nursing home Vacancy and Retention Committee meets weekly and is working to impact this outcome. Food service is showing significant vacancies which are driving our vacancy rate as well as a fulltime opening in the Laundry Department.
- **Readmission Rate** target for 2019 is 8-10%. In August the readmission rate dropped to 3.1%. In August we had 1 readmission in the 30 day timeframe which was an unavoidable admission. Since July we have implemented some changes to our day to day operations to assist in reducing 30 day readmissions and we are seeing success with these numbers.
- **Adverse Event Rate** for August dropped to 3.8 events per 1,000 patient days which puts us above target. This is mainly showing in falls. We anticipate with moving 52 residents who have memory issues at the end of August that we may see an uptick in adverse events as the residents become acclimated to their new environments.

- Access Rate for August was at 96.7%. The short term target for 2019 is for a referral to have an admission within 48 hours after acceptance. This goal has been revised to measure when the facility accepts a referral versus actual referral date. This month we had our highest number of referrals at 122.
- Direct Expense/Gross Patient Revenue for August was at 63.4% with a target of 46-51% which is a slight increase from July. Our census showed a decline in August and payer mix remains off in Medicaid vent for the month. Expenses were high with overtime for nursing staff and equipment rental as driving factors. Team continues to work on reduction of overtime, supply management, and payer mix and has implemented a daily metric for hours worked and monitoring punched breaks to reduce. Write offs remain in line at .02% for the month.

Support Programs

❖ APS:

- Vacancy rate for July was at 10.5% with a target of 3.7-5.7%. In August the overall vacancy rate is now 9.2% as APS has been fully staffed since June 2019. The retention rate dipped to 62.5% in August as a staff person terminated due to their relocation out of the Wausau Area (the position had already been filled prior to this).
- In August, patient experience was within target, bringing the overall score within target as well.

❖ Health Information (HIM):

- Direct Expense Budget target is \$34,970 - \$36,719 per month. August came in over budget at \$38,697. This was due to 3 pay periods in August.

❖ Patient Financial Services:

- Direct Expense Budget target is \$66,088-\$69,393 per month. Expenses for August are over target due to collection expense being up. There is revenue to offset the increase in expense. Year to date expenses are off target due to the same reason.

❖ Pharmacy:

- The Direct Expense/Gross Patient Revenue for August was at 40.7% with a target range of 37-41%. This year to date is 41.8 % which is a little off target. Factor influencing this is drug costs more than budget. Working on our contract for better drug costs. Pharmacy is continuing to review better pricing for drugs and also reviewing changing off hours contract to assist in reduction of cost.

2019 - Primary Dashboard Measure List

↑ Higher rates are positive

↓ Lower rates are positive

Department	Domain	Outcome Measure	2018	↑↓	Target Level	2019 YTD
NORTH CENTRAL HEALTH CARE OVERALL	People	Vacancy Rate	9.5%	↓	5 - 7%	9.2%
		Retention Rate	82.0%	↑	80 - 82%	82.8%
	Service	Patient Experience: % Top Box Rate	N/A	↑	88.3 - 90.5	88.7
	Quality	Readmission Rate	11.3%	↓	8 - 10%	10.2%
		Nursing Home Star Rating	★★	↑	4+ Stars	★★★
		Adverse Event Rate	0.75	↓	PAT: 0.71 - 0.73	0.64
			3.77		NCHC EMP: 3.31 - 3.51	4.16
		Hospital Days	N/A	↓	<= 735 / month	792
	Community	Access Rate	88.3%	↑	90 - 95%	77.7%
	Finance	Direct Expense/Gross Patient Revenue	68.2%	↓	60 - 64%	70.7%
		Indirect Expense/Direct Expense	35.5%	↓	36 - 38%	33.5%
		Net Income	0.7%	↑	2 - 3%	-4.1%

Department	Domain	Outcome Measure	↑↓	Target Level	2019 YTD
BHS	People	BHS Vacancy Rate	↓	5.8 - 7.8%	14.9%
		BHS Retention Rate	↑	80 - 82%	79.2%
	Service	BHS Patient Experience	↑	88.3 - 90.5	84.4
	Quality	BHS Readmission Rate	↓	8 - 10%	10.0%
		BHS Adverse Event Rate	↓	PAT: 0.71 - 0.73	5.21
				NCHC EMP: 3.31 - 3.51	4.16
		Hospital Days	↓	<= 735 / month	792
	Community	BHS Access	↑	90 - 95%	N/A
	Finance	BHS Budgeted Direct Expense/Gross Patient Revenue	↓	64 - 69%	80.8%
		BHS Write-Offs	↓	0.69%	1.10%

Department	Domain	Outcome Measure	↑↓	Target Level	2019 YTD
COMMUNITY LIVING	People	Community Living Vacancy Rate	↓	4.6 - 6.6%	6.5%
		Community Living Retention Rate	↑	80 - 82%	86.1%
	Service	Community Living Patient Experience	↑	88.3 - 90.5	95.4
	Quality	Community Living Adverse Event Rate	↓	PAT: 0.73 - 0.75	0.94
				NCHC EMP: 3.31 - 3.51	4.16
	Community	Community Living Access Rate	↑	90 - 95%	44.1%
	Finance	Community Living Direct Expense/Gross Patient Revenue	↓	56 - 61%	54.2%
Community Living Write-Offs		↓	0.10%	0.01%	

Department	Domain	Outcome Measure	↑↓	Target Level	2019 YTD
OP/CT/CLUBHOUSE	People	OP/CT/Clubhouse Vacancy Rate	↓	3.3 - 5.3%	6.3%
		OP/CT/Clubhouse Retention Rate	↑	80 - 82%	82.5%
	Service	OP/CT/Clubhouse Patient Experience	↑	88.3 - 90.5	89.6
	Quality	OP/CT/Clubhouse Adverse Event Rate	↓	PAT: 0.71 - 0.73	0.05
				NCHC EMP: 3.31 - 3.51	4.16
	Community	OP/CT/Clubhouse Access Rate	↑	90 - 95%	74.4%
	Finance	OP/CT/Clubhouse Direct Expense/Gross Patient Revenue	↓	73 - 78%	87.1%
OP/CT/Clubhouse Write-Offs		↓	0.45%	0.31%	

Department	Domain	Outcome Measure	↑↓	Target Level	2019 YTD
AQUATIC	People	Aquatic Vacancy Rate	↓	3.7 - 5.7%	9.3%
		Aquatic Retention Rate	↑	80 - 82%	59.1%
	Service	Aquatic Patient Experience	↑	88.3 - 90.5	95.2
	Quality	Support Programs Overall Adverse Event Rate	↓	NCHC EMP: 3.31 - 3.51	4.16
	Community	Aquatic Access	↑	90 - 95%	94.6%
	Finance	Aquatic Direct Expense/Gross Patient Revenue	↓	51 - 56%	64.1%
		Aquatic Write-Offs	↓	0.45%	3.43%

Department	Domain	Outcome Measure	↑↓	Target Level	2019 YTD
MOUNT VIEW CARE CENTER	People	MVCC Vacancy Rate	↓	6.4 - 8.4%	13.3%
		MVCC Retention Rate	↑	80 - 82%	79.5%
	Service	MVCC Patient Experience	↑	88.3 - 90.5	90.4
	Quality	MVCC Readmission Rate	↓	8 - 10%	10.7%
		MVCC Nursing Home 5-Star Rating	↑	4+ Stars	★★★
		MVCC Adverse Event Rate	↓	2.43 - 2.55	2.80
	Community	MVCC Access Rate	↑	90 - 95%	83.1%
	Finance	MVCC Direct Expense/Gross Patient Revenue	↓	46 - 51%	60.4%
		MVCC Write-Offs	↓	0.16%	0.08%

Department	Domain	Outcome Measure	↑↓	Target Level	2019 YTD
APS	People	APS Vacancy Rate	↓	3.7 - 5.7%	9.2%
		APS Retention Rate	↑	80 - 82%	43.8%
	Service	APS Patient Experience	↑	88.3 - 90.5	91.7
	Quality	Support Programs Overall Adverse Event Rate	↓	NCHC EMP: 3.31 - 3.51	4.16
	Finance	APS Direct Expense Budget	↓	\$45,491 - \$47,765 per month	\$44,764

Department	Domain	Outcome Measure	↑↓	Target Level	2019 YTD
BUSINESS OPERATIONS	People	Business Operations Vacancy Rate	↓	3.8 - 5.8%	0.0%
		Business Operations Retention Rate	↑	80 - 82%	100.0%
	Service	NCHC Overall Patient Experience	↑	88.3 - 90.5	88.7
	Quality	Support Program Overall Adverse Event Rate	↓	NCHC EMP: 3.31 - 3.51	4.16
	Finance	Business Operations Direct Expense Budget	↓	\$57,205 - \$60,065 per month	\$52,751

Department	Domain	Outcome Measure	↑↓	Target Level	2019 YTD
HIM	People	HIM Vacancy Rate	↓	3.3 - 5.3%	8.8%
		HIM Retention Rate	↑	80 - 82%	100.0%
	Service	NCHC Overall Patient Experience	↑	88.3 - 90.5	88.7
	Quality	Support Program Overall Adverse Event Rate	↓	NCHC EMP: 3.31 - 3.51	4.16
	Finance	HIM Direct Expense Budget	↓	\$34,970 - \$36,719 per month	\$38,304

Department	Domain	Outcome Measure	↑↓	Target Level	2019 YTD
HUMAN RESOURCES	People	Human Resources Vacancy Rate	↓	3.6 - 5.6%	0.0%
		Human Resources Retention Rate	↑	80 - 82%	100.0%
	Service	NCHC Overall Patient Experience	↑	88.3 - 90.5	88.7
	Quality	Support Program Overall Adverse Event Rate	↓	NCHC EMP: 3.31 - 3.51	4.16
	Finance	Human Resources Direct Expense Budget	↓	\$74,859 - \$78,602 per month	\$58,552

Department	Domain	Outcome Measure	↑↓	Target Level	2019 YTD
IMS	People	IMS Vacancy Rate	↓	3.1 - 5.1%	1.8%
		IMS Retention Rate	↑	80 - 82%	78.6%
	Service	NCHC Overall Patient Experience	↑	88.3 - 90.5	88.7
	Quality	Support Program Overall Adverse Event Rate	↓	NCHC EMP: 3.31 - 3.51	4.16
	Finance	IMS Direct Expense Budget	↓	\$191,668 - \$201,251 per month	\$179,617

Department	Domain	Outcome Measure	↑↓	Target Level	2019 YTD
MARKETING AND COMMUNICATION	People	MARCOM Vacancy Rate	↓	6.3 - 8.3%	0.0%
		MARCOM Retention Rate	↑	80 - 82%	100.0%
	Service	NCHC Overall Patient Experience	↑	88.3 - 90.5	88.7
	Quality	Support Program Overall Adverse Event Rate	↓	NCHC EMP: 3.31 - 3.51	4.16
	Finance	MARCOM Direct Expense Budget	↓	\$30,931 - \$32,477 per month	\$32,288

Department	Domain	Outcome Measure	↑↓	Target Level	2019 YTD
ORGANIZATIONAL DEVELOPMENT	People	Org Dev Vacancy Rate	↓	8.3 - 10.3%	4.2%
		Org Dev Retention Rate	↑	80 - 82%	100.0%
	Service	NCHC Overall Patient Experience	↑	88.3 - 90.5	88.7
	Quality	Support Program Overall Adverse Event Rate	↓	NCHC EMP: 3.31 - 3.51	4.16
	Finance	Org Dev Direct Expense Budget	↓	\$44,077 - \$46,280 per month	\$33,044

Department	Domain	Outcome Measure	↑↓	Target Level	2019 YTD
PATIENT ACCESS SERVICES	People	Patient Access Services Vacancy Rate	↓	2.1 - 4.1%	1.2%
		Patient Access Services Retention Rate	↑	80 - 82%	100.0%
	Service	NCHC Overall Patient Experience	↑	88.3 - 90.5	88.7
	Quality	Support Program Overall Adverse Event Rate	↓	NCHC EMP: 3.31 - 3.51	4.16
	Finance	Patient Access Services Direct Expense Budget	↓	\$50,225 - \$52,737 per month	\$49,009

Department	Domain	Outcome Measure	↑↓	Target Level	2019 YTD
PATIENT FINANCIAL SERVICES	People	Patient Financial Services Vacancy Rate	↓	1.9 - 3.9%	0.0%
		Patient Financial Services Retention Rate	↑	80 - 82%	100.0%
	Service	NCHC Overall Patient Experience	↑	88.3 - 90.5	88.7
	Quality	Support Program Overall Adverse Event Rate	↓	NCHC EMP: 3.31 - 3.51	4.16
	Finance	Patient Financial Services Direct Expense Budget	↓	\$66,088 - \$69,393 per month	\$70,275

Department	Domain	Outcome Measure	↑↓	Target Level	2019 YTD
PHARMACY	People	Pharmacy Vacancy Rate	↓	2.7 - 4.7%	0.0%
		Pharmacy Retention Rate	↑	80 - 82%	100.0%
	Service	NCHC Overall Patient Experience	↑	88.3 - 90.5	88.7
	Quality	Support Program Overall Adverse Event Rate	↓	NCHC EMP: 3.31 - 3.51	4.16
	Finance	Pharmacy Budgeted Direct Expense/Gross Patient Revenue	↓	37 - 41%	41.8%

Department	Domain	Outcome Measure	↑↓	Target Level	2019 YTD
PURCHASING	People	Purchasing Vacancy Rate	↓	7.5 - 9.5%	0.0%
		Purchasing Retention Rate	↑	80 - 82%	100.0%
	Service	NCHC Overall Patient Experience	↑	88.3 - 90.5	88.7
	Quality	Support Program Overall Adverse Event Rate	↓	NCHC EMP: 3.31 - 3.51	4.16
	Finance	Purchasing Direct Expense Budget	↓	\$18,643 - \$19,575 per month	\$19,287

Department	Domain	Outcome Measure	↑↓	Target Level	2019 YTD
TRANSPORTATION	People	Transportation Vacancy Rate	↓	3.7 - 5.7%	0.0%
		Transportation Retention Rate	↑	80 - 82%	100.0%
	Service	NCHC Overall Patient Experience	↑	88.3 - 90.5	88.7
	Quality	Support Program Overall Adverse Event Rate	↓	NCHC EMP: 3.31 - 3.51	4.16
		Access: On-Time Arrivals	↑	90 - 95%	95.1%
	Finance	Transportation Direct Expense Budget	↓	\$32,062 - \$33,665 per month	\$32,396

Department	Domain	Outcome Measure	↑↓	Target Level	2019 YTD
VOLUNTEER SERVICES	People	Volunteer Services Vacancy Rate	↓	16.1 - 18.1%	0.0%
		Volunteer Services Retention Rate	↑	80 - 82%	100.0%
	Service	NCHC Overall Patient Experience	↑	88.3 - 90.5	88.7
	Quality	Support Program Overall Adverse Event Rate	↓	NCHC EMP: 3.31 - 3.51	4.16
	Finance	Volunteer Services Direct Expense Budget	↓	\$9,453 - \$9,926 per month	\$9,938



North Central Health Care

Person centered. Outcome focused.

MEMORANDUM

DATE: September 20, 2019
TO: North Central Community Services Program Board
FROM: Laura Scudiere, Human Services Operations Executive
RE: Monthly HSO Report

The following items are general updates and communications to support the Board on key activities and/or updates of the Human Service Operations service line since our last meeting:

1. **Zero Suicide:** Statewide data on suicide has been released and showed an upward trend for the state (<https://www.dhs.wisconsin.gov/news/releases/091019.htm>). Most notably, the state's suicide rate rose by 40% between 2000 and 2017. The state is urging organizations to adopt Zero Suicide initiatives in order to address the increase in deaths. NCHC continues to work on implementing this key program.
2. **Marathon County Exploration of Jail Medically Assisted Treatment (MAT) Program:** Daniel Shine has been hired to coordinate MAT activities for Marathon County. A meeting was held between Marathon County stakeholders and NCHC to determine next steps. The first coordination meeting determined that additional education on MAT programming is needed, and the group will be developing a work plan. The grant requires that 1 person is placed on MAT in Marathon County Jail by Jan. 1, 2020. The first full year of service will target 5 patients to ensure appropriate structure and wrap-around care.
3. **Langlade County Sober Living:** As the building has been acquired and is being prepared for operation, work is being done to adopt the Apricity model. Michelle Devine-Giese from Apricity will be attending an open town-hall in Antigo on Oct. 10, 2019 to give an overview of the model and answer questions for community members. MCW student Christopher Grant has committed to continue his work with the project and has been asked to present to the Illinois Family Practice Conference on his research and the development of the program in November. This conference will bring physicians from all over the Midwest.
4. **Langlade County Drug Court:** NCHC continues to provide assistance with Drug Court preparation. At the last meeting, potential staff structure was discussed.
5. **Lincoln County OWI Court:** NCHC continues to assist with gathering information regarding OWI court implementation. NCHC staff will be attending an upcoming training on how to develop an OWI court.

6. **North Central Recovery Coaching Collaborative:** Four coaches have been hired and were introduced to the Collaborative at their most recent meeting. These coaches will be available to coach in our three county service area once trained. The Collaborative is working toward establishing referral systems and building the program safely.
7. **Lincoln Industries:** Work continues to transition employees into NCHC's system. A work plan has been developed and is functioning in tandem with the Pine Crest transition.
8. **Crisis Process Improvement:** At the last team meeting on 8/15/19, the members in attendance reviewed every item on the original action team plan in an attempt to discern whether or not they had accomplished their charter. The team found that in fact they had accomplished many of the items on the plan and that the ones that still need to be accomplished have a plan in place for them to be accomplished in the future i.e. construction of a building for a youth crisis facility. It was decided that the team would cease meeting as a Crisis Process improvement group, but rather transition into a team devoted to information sharing and developing processes around crisis plan software use.



North Central Health Care

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MEMORANDUM

DATE: September 20, 2019
TO: North Central Community Services Program Board
FROM: Kim Gochanour, Nursing Home Operations Executive & Administrator
RE: Nursing Home Operations Report

The following items are general updates and communication to support the Board on key activities and/or updates of the Nursing Home Operations since our last meeting.

- 1) **Matrix Implementation:** In August we celebrated the Matrix implementation with a luncheon for the super users for all of their hard work and dedication throughout this project. We also celebrated with all staff at our quarterly town hall meetings by going over the successes and opportunities for improvement of implementing the new system. Our IMS Department was a large part of these meetings and gathered valuable feedback for further large project implementations. The last piece for this project to be completed is the meal tracker optimization review October 3, 2019.
- 2) **PDPM Training:** Daily meetings and ongoing training continues to review therapy and correct coding to ensure a smooth transition on October 1, 2019. Both Mount View and Pine Crest are working on these and have held some joint conversations and attended numerous workshops on this subject.
- 3) **Resident Moves:** On August 28, 2019, the Mount View transition team led by Lindsey King moved 52 residents and their belongings to their new locations. All moves and belongings unpacked were completed by 11:30 a.m. The success of this move was a team effort with assistance from many NCHC departments and volunteers as well as Pine Crest employees. With moving our most vulnerable population, we are working through some transitional changes and setting up different work flows while we await the new nursing home tower.
- 4) **Renovation updates:** August was a busy time for the renovation plans for the new Nursing Home Tower. Family meetings were held on the overall renovation plan and the reason why we were needing to relocate residents for the new nursing home tower. Marathon County Facilities Maintenance built a mock up resident room for the staff, residents and families to review. Based on the initial design, we were able to work with the architects to make changes to enhance the room design. We also reviewed call light options and made recommendations to the designs for the nursing home tower. The Mount View team is excited to see the final designs that will soon be shared with residents, families and staff.

- 5) **Aquatics Program:** In August we reviewed some coding and enrollment processes and will be working with a consultant to look at our enrollment workflow and coding processes in anticipation of increasing our overall revenue for the aquatic services.

- 6) **Pine Crest Updates:** During August most of my time was spent at Pine Crest as the Administrator to oversee the day to day operations. During this time, North Central Health Care created a proposed 2020 budget for Pine Crest, held all-staff meetings to review North Centrals current benefits, created a list of capital needs for the facility, and started the transition meetings to prepare for the January 1, 2020 date.

MEMORANDUM

DATE: September 20, 2019
TO: North Central Community Services Program Board
FROM: Brenda Glodowski, Chief Financial Officer
RE: Monthly CFO Report

The following items are general updates and communication to support the Board on key activities and/or updates of financial activity since our last meeting.

- 1) **Financial Results:** The financials continue to struggle, with August showing a loss of (\$359,187). However, August is an improvement over the prior months.
- 2) **Revenue Key Points:**
 - The nursing home census went down, averaging just under 180/day. The target is 185/day.
 - The hospital census also went down in August with an average of 13/day. The target is 14/day.
 - The decrease in the census indicated above does contribute to a decrease in revenue for the month of August as compared to prior months.
- 3) **Expense Key Points:**
 - Overall expenses for the month are over budget target by \$554,126. This is an improvement over the prior month.
 - The major drivers of the increased expenses continue to be health insurance, diversions, and contract physician services. While the diversions continue to run over the target, there was improvement. The expense for this area did decrease.
 - Food and Drugs were both high in August due to an additional invoice day.
 - Legal was over target by \$35,000.
 - Recruitment expenses were high due to the recruitment of a number of leadership positions.
 - The support programs continue to overall remain below budget targets. This continues to help with some of the overages in the direct programs.
 - The Outpatient Psychiatry program overall was at target for the month. This may be an indication that this program is stabilizing.
- 4) **New Program Transitions:** The financial set up and transition of Lincoln Industries and Pine Crest will be a priority over the remainder of the year so these programs are in place by the beginning of 2020.
- 5) **2019 Audit:** Discussion for preparation of the 2019 audit process is beginning.

**NORTH CENTRAL HEALTH CARE
COMBINING STATEMENT OF NET POSITION
AUGUST 2019**

	<u>Human Services</u>	<u>Nursing Home</u>	<u>Total</u>	<u>Prior Year Combined</u>
Current Assets:				
Cash and cash equivalents	76,321	3,479,536	3,555,857	7,425,265
Accounts receivable:				
Patient - Net	3,159,032	1,621,686	4,780,718	4,335,594
Outpatient - WIMCR & CCS	3,589,667	0	3,589,667	2,470,000
Nursing home - Supplemental payment program	0	0	0	364,000
Marathon County	(0)	0	(0)	100,035
Appropriations receivable	0	0	0	0
Net state receivable	876,147	0	876,147	931,865
Other	556,755	0	556,755	348,199
Inventory	398,393	29,294	427,687	342,220
Other	<u>489,325</u>	<u>327,306</u>	<u>816,631</u>	<u>1,013,000</u>
Total current assets	<u>9,145,640</u>	<u>5,457,822</u>	<u>14,603,462</u>	<u>17,330,178</u>
Noncurrent Assets:				
Investments	13,646,000	0	13,646,000	12,200,000
Assets limited as to use	261,655	75,418	337,073	692,058
Contingency funds	500,000	500,000	1,000,000	1,000,000
Restricted assets - Patient trust funds	16,868	24,268	41,137	40,368
Receivable restricted to pool project	3,213,262		3,213,262	0
Net pension asset	3,331,431	2,228,367	5,559,798	0
Nondepreciable capital assets	990,024	41,145	1,031,169	1,223,852
Depreciable capital assets - Net	<u>6,969,169</u>	<u>3,213,332</u>	<u>10,182,500</u>	<u>10,185,894</u>
Total noncurrent assets	<u>28,928,409</u>	<u>6,082,530</u>	<u>35,010,939</u>	<u>25,342,172</u>
Deferred outflows of resources - Related to pensions	<u>6,154,191</u>	<u>4,116,489</u>	<u>10,270,680</u>	<u>12,070,837</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>44,228,240</u>	<u>15,656,840</u>	<u>59,885,081</u>	<u>54,743,187</u>

**NORTH CENTRAL HEALTH CARE
COMBINING STATEMENT OF NET POSITION
AUGUST 2019**

	<u>Human Services</u>	<u>Nursing Home</u>	<u>Total</u>	<u>Prior Year Combined</u>
Current Liabilities:				
Current portion of capital lease liability	22,460	6,789	29,249	0
Accounts payable - Trade	510,442	341,430	851,872	1,872,751
Appropriations advances	400,486	125,000	525,486	619,260
Accrued liabilities:				
Salaries and retirement	1,013,913	678,198	1,692,111	1,329,645
Compensated absences	1,037,540	694,002	1,731,542	1,563,153
Health and dental insurance	507,522	339,478	847,000	622,000
Other Payables	125,828	84,165	209,993	239,000
Amounts payable to third-party reimbursement programs	220,000	52,151	272,151	313,112
Unearned revenue	<u>41,114</u>	<u>0</u>	<u>41,114</u>	<u>76,824</u>
Total current liabilities	<u>3,879,306</u>	<u>2,321,213</u>	<u>6,200,519</u>	<u>6,635,745</u>
Noncurrent Liabilities:				
Net pension liability	565,969	378,572	944,541	1,582,088
Long-term portion of capital lease liability	63,812	19,287	83,099	0
Related-party liability - Master Facility Plan	263,719	79,710	343,429	0
Patient trust funds	<u>16,868</u>	<u>24,268</u>	<u>41,137</u>	<u>40,368</u>
Total noncurrent liabilities	<u>910,368</u>	<u>501,837</u>	<u>1,412,205</u>	<u>1,622,456</u>
Total liabilities	<u>4,789,674</u>	<u>2,823,051</u>	<u>7,612,725</u>	<u>8,258,201</u>
Deferred inflows of resources - Related to pensions	<u>6,587,067</u>	<u>4,406,036</u>	<u>10,993,103</u>	<u>5,021,704</u>
Net Position:				
Net investment in capital assets	7,586,515	3,254,477	10,840,992	11,409,746
Restricted for capital assets - pool project	3,213,262	0	3,213,262	0
Unrestricted:				
Board designated for contingency	500,000	500,000	1,000,000	1,000,000
Board designated for capital assets	261,655	75,418	337,073	692,058
Undesignated	23,430,042	4,467,056	27,897,097	27,982,336
Operating Income / (Loss)	<u>(2,139,975)</u>	<u>130,804</u>	<u>(2,009,172)</u>	<u>379,142</u>
Total net position	<u>32,851,499</u>	<u>8,427,754</u>	<u>41,279,252</u>	<u>41,463,282</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	<u>44,228,240</u>	<u>15,656,840</u>	<u>59,885,081</u>	<u>54,743,187</u>

**NORTH CENTRAL HEALTH CARE
COMBINING STATEMENT OF REVENUES AND EXPENSES
FOR PERIOD ENDING AUGUST 31, 2019**

TOTAL	<u>CURRENT MONTH ACTUAL</u>	<u>CURRENT MONTH BUDGET</u>	<u>CURRENT MONTH VARIANCE</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>YTD VARIANCE</u>
Revenue:						
Net Patient Service Revenue	\$4,574,960	\$4,415,970	\$158,990	\$35,219,169	\$34,673,097	\$546,072
Other Revenue:						
State Match / Addendum	418,151	418,151	0	3,345,204	3,345,204	0
Grant Revenue	227,972	210,375	17,597	1,773,156	1,683,000	90,156
County Appropriations - Net	525,486	525,486	(0)	4,203,887	4,203,887	(1)
Departmental and Other Revenue	<u>343,063</u>	<u>349,219</u>	<u>(6,155)</u>	<u>2,668,431</u>	<u>2,793,749</u>	<u>(125,317)</u>
Total Other Revenue	<u>1,514,672</u>	<u>1,503,230</u>	<u>11,442</u>	<u>11,990,678</u>	<u>12,025,840</u>	<u>(35,162)</u>
Total Revenue	6,089,631	5,919,200	170,432	47,209,847	46,698,937	510,910
Expenses:						
Direct Expenses	5,005,839	4,422,619	583,220	38,472,385	34,694,729	3,777,656
Indirect Expenses	<u>1,479,221</u>	<u>1,508,315</u>	<u>(29,094)</u>	<u>11,165,664</u>	<u>11,960,099</u>	<u>(794,435)</u>
Total Expenses	<u>6,485,060</u>	<u>5,930,934</u>	<u>554,126</u>	<u>49,638,049</u>	<u>46,654,828</u>	<u>2,983,221</u>
Operating Income (Loss)	<u>(395,428)</u>	<u>(11,734)</u>	<u>(383,694)</u>	<u>(2,428,202)</u>	44,109	<u>(2,472,310)</u>
Nonoperating Gains (Losses):						
Interest Income	31,364	20,833	10,531	245,325	166,667	78,659
Donations and Gifts	4,877	0	4,877	39,015	0	39,015
Gain / (Loss) on Disposal of Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>134,690</u>	<u>0</u>	<u>134,690</u>
Total Nonoperating Gains / (Losses)	<u>36,241</u>	<u>20,833</u>	<u>15,408</u>	<u>419,031</u>	<u>166,667</u>	<u>252,364</u>
Income / (Loss)	<u>(\$359,187)</u>	<u>\$9,099</u>	<u>(\$368,286)</u>	<u>(\$2,009,171)</u>	<u>\$210,775</u>	<u>(\$2,219,946)</u>

**NORTH CENTRAL HEALTH CARE
COMBINING STATEMENT OF REVENUES AND EXPENSES
FOR PERIOD ENDING AUGUST 31, 2019**

51.42/.437 PROGRAMS	<u>CURRENT MONTH ACTUAL</u>	<u>CURRENT MONTH BUDGET</u>	<u>CURRENT MONTH VARIANCE</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>YTD VARIANCE</u>
Revenue:						
Net Patient Service Revenue	<u>\$2,832,529</u>	<u>\$2,734,477</u>	<u>\$98,052</u>	<u>\$21,401,022</u>	<u>\$21,432,518</u>	<u>(\$31,496)</u>
Other Revenue:						
State Match / Addendum	418,151	418,151	0	3,345,204	3,345,204	0
Grant Revenue	227,972	210,375	17,597	1,773,156	1,683,000	90,156
County Appropriations - Net	400,486	400,486	(0)	3,203,887	3,203,887	(1)
Departmental and Other Revenue	<u>224,165</u>	<u>238,277</u>	<u>(14,112)</u>	<u>1,674,719</u>	<u>1,906,216</u>	<u>(231,497)</u>
Total Other Revenue	<u>1,270,774</u>	<u>1,267,288</u>	<u>3,485</u>	<u>9,996,966</u>	<u>10,138,307</u>	<u>(141,342)</u>
Total Revenue	4,103,302	4,001,766	101,537	31,397,988	31,570,826	(172,838)
Expenses:						
Direct Expenses	3,634,815	3,169,938	464,877	27,701,133	24,891,105	2,810,028
Indirect Expenses	<u>846,770</u>	<u>839,181</u>	<u>7,588</u>	<u>6,244,495</u>	<u>6,654,240</u>	<u>(409,745)</u>
Total Expenses	<u>4,481,585</u>	<u>4,009,119</u>	<u>472,466</u>	<u>33,945,628</u>	<u>31,545,346</u>	<u>2,400,282</u>
Operating Income (Loss)	<u>(378,282)</u>	<u>(7,353)</u>	<u>(370,929)</u>	<u>(2,547,640)</u>	<u>25,480</u>	<u>(2,573,120)</u>
Nonoperating Gains (Losses):						
Interest Income	31,364	20,833	10,531	245,325	166,667	78,659
Donations and Gifts	3,661	0	3,661	27,650	0	27,650
Gain / (Loss) on Disposal of Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>134,690</u>	<u>0</u>	<u>134,690</u>
Total Nonoperating Gains / (Losses)	<u>35,025</u>	<u>20,833</u>	<u>14,192</u>	<u>407,665</u>	<u>166,667</u>	<u>240,998</u>
Income / (Loss)	<u>(\$343,257)</u>	<u>\$13,480</u>	<u>(\$356,737)</u>	<u>(\$2,139,975)</u>	<u>\$192,147</u>	<u>(\$2,332,122)</u>

**NORTH CENTRAL HEALTH CARE
COMBINING STATEMENT OF REVENUES AND EXPENSES
FOR PERIOD ENDING AUGUST 31, 2019**

NURSING HOME	<u>CURRENT MONTH ACTUAL</u>	<u>CURRENT MONTH BUDGET</u>	<u>CURRENT MONTH VARIANCE</u>	<u>YTD ACTUAL</u>	<u>YTD BUDGET</u>	<u>YTD VARIANCE</u>
Revenue:						
Net Patient Service Revenue	<u>\$1,742,431</u>	<u>\$1,681,492</u>	<u>\$60,938</u>	<u>\$13,818,147</u>	<u>\$13,240,579</u>	<u>\$577,568</u>
Other Revenue:						
County Appropriations - Net	125,000	125,000	0	1,000,000	1,000,000	0
Departmental and Other Revenue	<u>118,898</u>	<u>110,942</u>	<u>7,956</u>	<u>993,712</u>	<u>887,533</u>	<u>106,180</u>
Total Other Revenue	<u>243,898</u>	<u>235,942</u>	<u>7,956</u>	<u>1,993,712</u>	<u>1,887,533</u>	<u>106,180</u>
Total Revenue	1,986,329	1,917,434	68,895	15,811,859	15,128,111	683,748
Expenses:						
Direct Expenses	1,371,024	1,252,681	118,343	10,771,252	9,803,624	967,628
Indirect Expenses	<u>632,451</u>	<u>669,134</u>	<u>(36,683)</u>	<u>4,921,169</u>	<u>5,305,859</u>	<u>(384,690)</u>
Total Expenses	<u>2,003,475</u>	<u>1,921,815</u>	<u>81,660</u>	<u>15,692,421</u>	<u>15,109,483</u>	<u>582,938</u>
Operating Income (Loss)	<u>(17,146)</u>	<u>(4,381)</u>	<u>(12,765)</u>	<u>119,439</u>	<u>18,629</u>	<u>100,810</u>
Nonoperating Gains (Losses):						
Interest Income	0	0	0	0	0	0
Donations and Gifts	1,216	0	1,216	11,366	0	11,366
Gain / (Loss) on Disposal of Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Nonoperating Gains / (Losses)	<u>1,216</u>	<u>0</u>	<u>1,216</u>	<u>11,366</u>	<u>0</u>	<u>11,366</u>
Income / (Loss)	<u>(\$15,930)</u>	<u>(\$4,381)</u>	<u>(\$11,549)</u>	<u>\$130,804</u>	<u>\$18,629</u>	<u>\$112,175</u>

NORTH CENTRAL HEALTH CARE
 REPORT ON AVAILABILITY OF FUNDS
 September 30, 2019

BANK	LENGTH	MATURITY DATE	INTEREST RATE	AMOUNT	Insured/ Collateralized
CoVantage Credit Union	365 Days	10/28/2019	2.00%	\$300,000	X
Abby Bank	730 Days	10/29/2019	1.61%	\$500,000	X
CoVantage Credit Union	730 Days	11/18/2019	1.50%	\$500,000	X
CoVantage Credit Union	608 Days	11/30/2019	2.00%	\$500,000	X
PFM Investments	365 Days	12/5/2019	2.84%	\$484,000	X
PFM Investments	545 Days	12/10/2019	2.58%	\$480,000	X
Abby Bank	730 Days	12/30/2019	1.61%	\$500,000	X
PFM Investments	367 Days	1/2/2020	2.80%	\$968,000	X
PFM Investments	455 Days	2/13/2020	2.73%	\$482,000	X
BMO Harris	549 Days	2/26/2020	2.50%	\$500,000	X
Abby Bank	730 Days	3/15/2020	1.71%	\$400,000	X
People's State Bank	365 Days	3/28/2020	2.10%	\$250,000	X
PFM Investments	365 Days	4/4/2020	2.58%	\$486,000	x
PFM Investments	730 Days	4/29/2020	2.57%	\$473,000	X
Abby Bank	730 Days	5/3/2020	2.00%	\$500,000	X
BMO Harris	365 Days	5/28/2020	2.45%	\$500,000	X
People's State Bank	365 Days	5/29/2020	2.40%	\$350,000	X
People's State Bank	365 Days	5/30/2020	2.40%	\$500,000	X
PFM Investments	365 Days	6/3/2020	2.53%	\$486,000	X
PFM Investments	365 Days	7/8/2020	2.27%	\$487,000	X
People's State Bank	365 Days	8/21/2020	1.74%	\$500,000	X
Abby Bank	730 Days	8/29/2020	2.57%	\$500,000	X
Abby Bank	730 Days	9/1/2020	2.57%	\$500,000	X
CoVantage Credit Union	456 Days	12/9/2020	2.00%	\$500,000	X
Abby Bank	730 Days	1/6/2021	2.65%	\$500,000	X
Abby Bank	730 Days	2/25/2021	2.69%	\$500,000	X
CoVantage Credit Union	730 Days	3/8/2021	2.72%	\$500,000	X
Abby Bank	730 Days	7/19/2021	2.45%	\$500,000	X
TOTAL FUNDS AVAILABLE				\$13,646,000	
WEIGHTED AVERAGE		550.72 Days	2.332% INTEREST		

NCHC-DONATED FUNDS

Balance Sheet

As of August 31, 2019

ASSETS

Current Assets

Checking/Savings

CHECKING ACCOUNT

Adult Day Services	6,151.18
Adventure Camp	2,829.96
Alvin Therapy Dog	569.50
Birth to 3 Program	2,035.00
Clubhouse	3,966.98
Community Treatment - Adult	623.03
Community Treatment - Youth	7,269.37
Fishing Without Boundries	6,657.28
General Donated Funds	57,955.90
Hope House	2,252.09
Housing - DD Services	1,370.47
Inpatient	1,000.00
Langlade HCC	3,332.72
Legacies by the Lake	
Music in Memory	1,958.25
Legacies by the Lake - Other	1,921.75
Total Legacies by the Lake	3,880.00
Marathon Cty Suicide Prev Task	26,309.51
National Suicide Lifeline Stipe	3,176.37
Northern Valley West	6,377.82
Nursing Home - General Fund	4,906.88
Outpatient Services - Marathon	401.08
Pool	28,451.44
Prevent Suicide Langlade Co.	2,444.55
Recovery Coach	20,000.00
Resident Council	521.05
United Way	1,888.44
Voyages for Growth	33,442.72

Total CHECKING ACCOUNT 227,813.34

Total Checking/Savings 227,813.34

Total Current Assets 227,813.34

TOTAL ASSETS 227,813.34

LIABILITIES & EQUITY

Equity

Opening Bal Equity	123,523.75
Retained Earnings	86,757.12
Net Income	17,532.47

Total Equity 227,813.34

TOTAL LIABILITIES & EQUITY 227,813.34

**North Central Health Care
Budget Revenue/Expense Report**

Month Ending August 31, 2019

ACCOUNT DESCRIPTION	CURRENT MONTH ACTUAL	CURRENT MONTH BUDGET	YTD ACTUAL	YTD BUDGET	DIFFERENCE
<u>REVENUE:</u>					
Total Operating Revenue	<u>6,089,631</u>	<u>5,919,200</u>	<u>47,209,847</u>	<u>46,698,937</u>	<u>510,910</u>
<u>EXPENSES:</u>					
Salaries and Wages	2,667,075	2,939,119	21,492,365	22,899,977	(1,407,612)
Fringe Benefits	1,262,901	1,090,818	9,146,619	8,499,230	647,389
Departments Supplies	694,307	666,986	5,352,505	5,335,888	16,617
Purchased Services	924,290	501,254	6,207,513	4,058,033	2,149,480
Utilitites/Maintenance Agreements	410,175	259,704	2,804,786	2,077,634	727,152
Personal Development/Travel	57,168	44,663	326,745	357,300	(30,556)
Other Operating Expenses	116,566	177,224	907,536	1,417,433	(509,896)
Insurance	37,055	39,250	293,542	314,000	(20,458)
Depreciation & Amortization	158,599	145,250	1,289,083	1,162,000	127,083
Client Purchased Services	<u>156,922</u>	<u>66,667</u>	<u>1,817,354</u>	<u>533,333</u>	<u>1,284,021</u>
TOTAL EXPENSES	6,485,060	5,930,934	49,638,049	46,654,828	2,983,221
Nonoperating Income	<u>36,241</u>	<u>20,833</u>	<u>419,031</u>	<u>166,667</u>	<u>252,364</u>
EXCESS REVENUE (EXPENSE)	<u>(359,187)</u>	<u>9,099</u>	<u>(2,009,171)</u>	<u>210,775</u>	<u>(2,219,946)</u>

**North Central Health Care
Write-Off Summary
August 2019**

	<u>Current Month</u>	<u>Current Year To Date</u>	<u>Prior Year To Date</u>
<i>Inpatient:</i>			
Administrative Write-Off	\$9,202	\$48,142	\$82,547
Bad Debt	\$11,488	\$12,087	\$8,702
<i>Outpatient:</i>			
Administrative Write-Off	\$13,966	\$73,799	\$91,459
Bad Debt	\$10,514	\$13,044	\$3,421
<i>Nursing Home:</i>			
Daily Services:			
Administrative Write-Off	\$143	\$8,703	\$32,293
Bad Debt	\$177	\$1,614	\$11,163
Ancillary Services:			
Administrative Write-Off	\$170	\$2,028	\$4,216
Bad Debt	\$0	\$0	\$574
Pharmacy:			
Administrative Write-Off	\$2	\$847	\$2,997
Bad Debt	\$0	\$14	\$146
Total - Administrative Write-Off	\$23,483	\$133,519	\$213,513
Total - Bad Debt	\$22,179	\$26,758	\$24,006

**North Central Health Care
2019 Patient Days**

<u>Month</u>		<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budgeted Occupancy</u>	<u>Actual Occupancy</u>
January	Nursing Home	5,735	5,491	(244)	92.50%	88.56%
	Hospital	434	360	(74)	87.50%	72.58%
February	Nursing Home	5,180	5,050	(130)	92.50%	90.18%
	Hospital	392	336	(56)	87.50%	75.00%
March	Nursing Home	5,735	5,591	(144)	92.50%	90.18%
	Hospital	434	457	23	87.50%	92.14%
April	Nursing Home	5,550	5,367	(183)	92.50%	89.45%
	Hospital	420	420	0	87.50%	87.50%
May	Nursing Home	5,735	5,720	(15)	92.50%	92.26%
	Hospital	434	433	(1)	87.50%	87.30%
June	Nursing Home	5,550	5,538	(12)	92.50%	92.30%
	Hospital	420	465	45	87.50%	96.88%
July	Nursing Home	5,735	5,717	(18)	92.50%	92.21%
	Hospital	434	428	(6)	87.50%	86.29%
August	Nursing Home	5,735	5,570	(165)	92.50%	89.84%
	Hospital	434	404	(30)	87.50%	81.45%
September	Nursing Home	0	0	0	0.00%	0.00%
	Hospital	0	0	0	0.00%	0.00%
October	Nursing Home	0	0	0	0.00%	0.00%
	Hospital	0	0	0	0.00%	0.00%
November	Nursing Home	0	0	0	0.00%	0.00%
	Hospital	0	0	0	0.00%	0.00%
December	Nursing Home	0	0	0	0.00%	0.00%
	Hospital	0	0	0	0.00%	0.00%
YTD	Nursing Home	44,955	44,044	(911)	92.50%	90.63%
	Hospital	3,402	3,303	(99)	87.50%	84.95%

North Central Health Care
Review of 2019 Services
Langlade County

	2019 Jan-August Actual Rev	2019 Jan-August Budg Rev	Variance	2019 Jan-August Actual Exp	2019 Jan-August Budg Exp	Variance	Variance by Program
Direct Services:							
Outpatient Services	\$337,559	\$451,993	(\$114,434)	\$434,450	\$532,141	\$97,691	(\$16,742)
Community Treatment-Adult	\$447,644	\$398,195	\$49,449	\$376,851	\$404,195	\$27,344	\$76,793
Community Treatment-Youth	\$980,399	\$851,669	\$128,730	\$870,522	\$851,669	(\$18,853)	\$109,877
Day Services	\$201,849	\$217,333	(\$15,484)	\$228,951	\$217,333	(\$11,618)	(\$27,102)
	\$1,967,451	\$1,919,190	\$48,261	\$1,910,774	\$2,005,339	\$94,565	\$142,826
Shared Services:							
Inpatient	\$305,131	\$310,169	(\$5,038)	\$378,483	\$363,030	(\$15,453)	(\$20,491)
Hospital Psychiatry	\$25,361	\$61,882	(\$36,521)	\$160,754	\$125,809	(\$34,945)	(\$71,466)
CBRF	\$95,187	\$63,645	\$31,542	\$68,088	\$63,645	(\$4,443)	\$27,099
Crisis	\$47,915	\$41,474	\$6,441	\$225,039	\$197,007	(\$28,032)	(\$21,591)
MMT (Lakeside Recovery)	\$32,164	\$37,047	(\$4,883)	\$71,912	\$58,663	(\$13,249)	(\$18,133)
Outpatient Psychiatry	\$65,397	\$92,122	(\$26,725)	\$295,052	\$289,451	(\$5,601)	(\$32,326)
Protective Services	\$17,711	\$17,212	\$499	\$51,569	\$56,752	\$5,183	\$5,682
Birth To Three	\$64,241	\$69,844	(\$5,603)	\$109,477	\$128,709	\$19,232	\$13,629
Group Homes	\$192,645	\$129,793	\$62,852	\$180,410	\$129,793	(\$50,617)	\$12,235
Supported Apartments	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contract Services	\$0	\$0	\$0	\$222,090	\$65,811	(\$156,279)	(\$156,279)
	\$845,752	\$823,188	\$22,564	\$1,762,874	\$1,478,669	(\$284,205)	(\$261,641)
Totals	\$2,813,203	\$2,742,378	\$70,825	\$3,673,648	\$3,484,007	(\$189,641)	(\$118,816)
Base County Allocation	\$532,354	\$532,354	\$0				\$0
Nonoperating Revenue	\$15,859	\$10,287	\$5,572				\$5,572
County Appropriation	\$198,989	\$198,989	\$0				\$0
Excess Revenue/(Expense)	\$3,560,405	\$3,484,007	\$76,398	\$3,673,648	\$3,484,007	(\$189,641)	(\$113,243)

North Central Health Care
Review of 2019 Services
Lincoln County

	2019 Jan-August Actual Rev	2019 Jan-August Budget Rev	Variance	2019 Jan-August Actual Exp	2019 Jan-August Budg Exp	Variance	Variance By Program
Direct Services:							
Outpatient Services	\$200,872	\$285,771	(\$84,899)	\$246,202	\$434,154	\$187,952	\$103,053
Community Treatment-Adult	\$524,377	\$466,186	\$58,191	\$480,349	\$472,186	(\$8,163)	\$50,028
Community Treatment-Youth	\$1,170,470	\$1,108,549	\$61,921	\$1,243,950	\$1,108,549	(\$135,401)	(\$73,480)
	\$1,895,719	\$1,860,506	\$35,213	\$1,970,501	\$2,014,889	\$44,388	\$79,601
Shared Services:							
Inpatient	\$416,088	\$422,956	(\$6,868)	\$516,113	\$495,042	(\$21,071)	(\$27,939)
Inpatient Psychiatry	\$34,584	\$84,384	(\$49,800)	\$219,210	\$171,557	(\$47,653)	(\$97,453)
CBRF	\$129,800	\$86,789	\$43,011	\$92,848	\$86,789	(\$6,059)	\$36,952
Crisis	\$65,338	\$56,556	\$8,782	\$306,871	\$268,645	(\$38,226)	(\$29,444)
Outpatient Psychiatry	\$89,178	\$125,621	(\$36,443)	\$402,343	\$394,705	(\$7,638)	(\$44,081)
MMT (Lakeside Recovery)	\$43,860	\$50,519	(\$6,659)	\$98,062	\$79,994	(\$18,068)	(\$24,727)
Protective Services	\$24,151	\$23,471	\$680	\$70,322	\$77,389	\$7,067	\$7,746
Birth To Three	\$82,253	\$88,893	(\$6,640)	\$140,172	\$163,811	\$23,639	\$17,000
Apartments	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Contract Services	\$0	\$0	\$0	\$302,849	\$89,743	(\$213,106)	(\$213,106)
	\$885,252	\$939,190	(\$53,938)	\$2,148,790	\$1,827,676	(\$321,114)	(\$375,052)
Totals	\$2,780,971	\$2,799,696	(\$18,725)	\$4,119,291	\$3,842,565	(\$276,726)	(\$295,451)
Base County Allocation	\$553,318	\$553,318	\$0				\$0
Nonoperating Revenue	\$22,135	\$14,607	\$7,528				\$7,528
County Appropriation	\$474,944	\$474,944	\$0				\$0
Excess Revenue (Expense)	\$3,831,368	\$3,842,565	(\$11,197)	\$4,119,291	\$3,842,565	(\$276,726)	(\$287,923)

North Central Health Care
Review of 2019 Services
Marathon County

Direct Services:	2019	2019	Variance	2019	2019	Variance	Variance by Program
	Jan-August Actual Rev	Jan-August Budget Rev		Jan-August Actual Exp	Jan-August Budget Exp		
Outpatient Services	\$945,789	\$1,267,241	(\$321,452)	\$1,427,696	\$1,499,523	\$71,827	(\$249,625)
Community Treatment-Adult	\$2,544,394	\$2,607,371	(\$62,977)	\$2,591,293	\$2,660,705	\$69,412	\$6,434
Community Treatment-Youth	\$2,972,840	\$2,497,129	\$475,711	\$2,698,308	\$2,497,129	(\$201,179)	\$274,532
Day Services	\$995,296	\$993,502	\$1,794	\$977,211	\$993,502	\$16,291	\$18,085
Clubhouse	\$198,593	\$336,066	(\$137,473)	\$321,444	\$397,399	\$75,955	(\$61,518)
Demand Transportation	\$288,407	\$292,157	(\$3,750)	\$274,068	\$292,157	\$18,089	\$14,339
Aquatic Services	\$426,987	\$534,309	(\$107,322)	\$701,101	\$762,539	\$61,438	(\$45,884)
Pharmacy	\$3,707,717	\$3,418,591	\$289,126	\$3,741,724	\$3,418,591	(\$323,133)	(\$34,007)
	\$12,080,023	\$11,946,366	\$133,657	\$12,732,845	\$12,521,545	(\$211,300)	(\$77,643)
Shared Services:							
Inpatient	\$2,052,705	\$2,086,589	(\$33,884)	\$2,546,159	\$2,442,203	(\$103,956)	(\$137,841)
Inpatient Psychiatry	\$170,612	\$416,295	(\$245,683)	\$1,081,435	\$846,351	(\$235,084)	(\$480,767)
CBRF	\$640,349	\$428,161	\$212,188	\$458,048	\$428,161	(\$29,887)	\$182,301
Crisis Services	\$322,335	\$279,009	\$43,326	\$1,513,896	\$1,325,317	(\$188,579)	(\$145,253)
MMT (Lakeside Recovery)	\$216,376	\$249,228	(\$32,852)	\$483,774	\$394,639	(\$89,135)	(\$121,987)
Outpatient Psychiatry	\$439,944	\$619,730	(\$179,786)	\$1,984,894	\$1,947,213	(\$37,681)	(\$217,467)
Protective Services	\$119,144	\$115,790	\$3,354	\$346,919	\$381,784	\$34,865	\$38,219
Birth To Three	\$473,402	\$406,366	\$67,036	\$806,754	\$748,852	(\$57,902)	\$9,134
Group Homes	\$1,181,202	\$1,203,541	(\$22,339)	\$1,106,188	\$1,203,541	\$97,353	\$75,014
Supported Apartments	\$1,720,971	\$1,589,333	\$131,638	\$1,597,720	\$1,589,333	(\$8,387)	\$123,251
Contracted Services	\$0	\$0	\$0	\$1,494,057	\$442,731	(\$1,051,326)	(\$1,051,326)
	\$7,337,040	\$7,394,043	(\$57,003)	\$13,419,844	\$11,750,124	(\$1,669,720)	(\$1,726,723)
Totals	\$19,417,063	\$19,340,409	\$76,654	\$26,152,689	\$24,271,669	(\$1,881,020)	(\$1,804,366)
Base County Allocation	\$2,259,532	\$2,259,532	\$0				\$0
Nonoperating Revenue	\$207,331	\$141,773	\$65,558				\$65,558
County Appropriation	\$2,529,955	\$2,529,955	\$0				\$0
Excess Revenue/(Expense)	\$24,413,881	\$24,271,669	\$142,212	\$26,152,689	\$24,271,669	(\$1,881,020)	(\$1,738,808)



North Central Health Care

Person centered. Outcome focused.

Policy Governance Acknowledgement

As a member of the North Central Community Services Program Board of Directors, I acknowledge:

- I have received a current copy of the Policy Governance Manual.
- I have reviewed the Policy Governance Manual in its entirety.
- I have been provided with an opportunity to ask questions about the information contained in the Policy Governance Manual.
- I agree to abide by all policies contained in the Policy Governance Manual.

Signature: _____

Date: _____

Print Name: _____

Policy Governance Manual



North Central Health Care

Person centered. Outcome focused.

ADOPTED: FEBRUARY 28, 2018

MOST RECENT AMENDMENT: SEPTEMBER 27, 2019

1100 Lake View Drive | Wausau, WI 54403 | 715.848.4500

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Mission

Langlade, Lincoln and Marathon Counties partnering together to provide compassionate and high quality care for individuals and families with mental health, recovery and skilled nursing needs.

Vision

Lives Enriched and Fulfilled.

Board End Statements

People

Individuals served by North Central Health Care will have excellent outcomes as a result of a stable, highly qualified and competent staff who take pride in their work and the organization.

North Central Health Care will be an employer of choice with a strong caring culture, fostering a learning environment, providing careers with opportunities for growth and development, and ensuring a best practices focus through a commitment to continuous improvement.

Service

We exceed our Consumer and referral source expectations and satisfaction as a result of our readiness, clarity of communication, and superb ability to follow through.

Quality

North Central Health Care meets or exceeds established regulatory requirements and best practice guidelines. We are a leader in our ability to assess and develop a comprehensive treatment plan, deliver excellent services and measure outcomes in real-time.

Community

Our Community will be able to access our services through a highly responsive seamless integration of services. We have strong affiliations with both public and private partners, proactively collaborating, and developing a continuum of care both prior to and after delivering services, constantly aware of our collective impact on the health of the population we serve.

Financial

We are a financially viable organization providing increasing value by driving efficiency, growth and diversification, being highly adaptable to changing conditions, and futuristic in our perspective.

Section 1 - Executive Limitations

CORE POLICY STATEMENT

Executive Limitations are constraints on executive authority which establish the prudential and ethical boundaries for which all executive activity and decisions must take place.

Policy 1.1 – General Executive Constraint

The Chief Executive Officer shall not cause or allow any activity, decision, organizational circumstance or practice (imprudent or in violation of commonly accepted business and professional ethics or regulations of funding or regulatory bodies) to jeopardize the public image of North Central Health Care (“NCHC”) or to result in a failure to be duly licensed or accredited by the proper agencies necessary to deliver services as authorized by the Board.

Policy 1.2 – Treatment of Consumers, Community Partners & the Public

With respect to interactions with consumers, community partners and the public, the CEO shall not:

- 1) Cause or allow conditions, procedures, or decisions that are unprofessional, unsafe, untimely, undignified or unnecessarily intrusive and/or which fail to provide the appropriate confidentiality or privacy.
- 2) Fail to communicate a clear understanding of what may/may not be expected from services offered and failing to ensure consumers, community partners and the public are informed of their rights and responsibilities and are supported in exercising those rights and responsibilities.
- 3) Fail to inform or provide a grievance process to those who believe they have not been given a reasonable interpretation of their rights.

Policy 1.3 – Treatment of Employees & Volunteers

With respect to interactions with employees and volunteers, the CEO shall not:

- 1) Cause or allow conditions that are unsafe, unfair, unprofessional, or undignified.
- 2) Operate without written personnel policies which clarify rules, provide for effective handling of grievances and/or protect against wrongful conditions.
- 3) Violate federal and state employment laws.
- 4) Fail to acquaint employees with their rights under this policy.
- 5) Allow staff to be unprepared to deal with emergency situations.

Policy 1.4 – Financial Planning & Budgeting

The CEO shall not cause or allow financial planning for any fiscal year or the remaining part of any fiscal year to deviate materially from the Board’s End Statements. Further, the CEO shall not:

- 1) Fail to have a sound financial plan that accurately budgets, forecasts, monitors, and reports spending. The CEO shall not fail to report to the Board material differences between budgeted, actual and forecasted spending.
- 2) Permit Financial Planning & Budgeting activities to contain insufficient information, omit credible projection of revenues and expenses, or provide clear detail in the separation of capital and operational items, cash flow, and disclosure of planning assumptions.
- 3) Endanger the fiscal soundness or the building of organizational capability sufficient to achieve the End Statements in future years.

Policy 1.5. – Financial Conditions & Activities

With respect to ongoing financial conditions and activities, the CEO shall not cause or allow the development of financial jeopardy or material deviation of actual expenditures from Board priorities established in End Statements. Further, the CEO shall not:

- 1) Allow or cause NCHC to spend beyond the financial resources provided or to jeopardize NCHC’s long-term financial viability or stability.
- 2) Fail to maintain accurate internal accounting records, controls and reports meeting Generally Accepted Accounting Principles (GAAP).
- 3) Fail to assure that NCHC meets working capital, restricted reserves and fund balance requirements unless approved by the Board.
- 4) Fail to invest and protect operational capital and excess funds consistent with Board’s cash management and investment policies.
- 5) Indebt NCHC using any formal debt instrument other than incidental use of credit cards for authorized purchases.
- 6) Allow government ordered payments, filings or reporting to be overdue or inaccurately filed.
- 7) Pledge assets as security within any contracts without Board approval.
- 8) Sell property for less than Fair Market Value (“FMV”) or if the FMV is greater than \$30,000.
- 9) Acquire, encumber, or dispose of real estate.

Policy 1.6 – Benefits & Compensation

With respect to employment, compensation, and benefits to employees, consultants, contract workers, and volunteers, the CEO shall not cause or allow jeopardy to quality of care, financial integrity or to public image. Further the CEO shall not:

- 1) Cause or allow compensation and benefits that deviate materially from that approved by the Board of Directors.
- 2) Fail to establish benefits or compensation which materially deviate from the geographic or professional market for the skills employed or that may harm NCHC's competitive position.
- 3) Promise or imply permanent or guaranteed employment.

Policy 1.7 – Asset Protection

With respect to asset protection, the CEO shall not cause or allow organizational assets to be unprotected, inadequately maintained, or unnecessarily risked. Further, the CEO shall not:

- 1) Fail to insure against theft and casualty losses to an appropriate level and against liability losses to directors, employees, volunteers and NCHC itself in an amount greater than an amount to be specified by separate Board policy.
- 2) To develop and maintain a corporate compliance plan along with appropriate financial risk management practices consistent with the risk tolerance of the Board. The plan must adequately address fraud and abuse risks. The CEO shall not substitute his/her own risk tolerance for that of the Boards.
- 3) Fail to manage the physical assets of the organization so as to: maintain an inventory system which accounts for all equipment and furniture; provide a quality work area for employees; preclude any and all liability exposure for the organization; dispose of unneeded equipment and furniture consistent with accepted safety and recycling recommendations and all requirements which may apply based upon the origin and funding for such equipment and furniture.
- 4) Compromise the independence of the Board's audit or other external monitoring or advice.

Policy 1.8 – Emergency Executive Succession

The CEO shall not permit there to be fewer than two other Executives sufficiently familiar with Board and CEO issues and processes to enable either to take over with reasonable proficiency as an interim successor.

Policy 1.9 – Communication & Counsel to the Board

The CEO shall not fail to inform or support the Board in carrying out its responsibilities. Further, the CEO shall not:

- 1) Neglect to submit monitoring data required by the Board in a timely, accurate and understandable fashion, directly addressing provisions of the Board policies and Ends Statements being monitored.
- 2) Allow the Board to be unaware of any actual or anticipated noncompliance with any Ends or Executive Limitations policy of the Board regardless of the Board's monitoring schedule.
- 3) Let the Board be unaware of any significant incidental information it requires including relevant trends, anticipated adverse media coverage, threatened or pending lawsuits, material internal and external changes, and/or changes in the assumptions upon which any Board policy has previously been established.
- 4) Fail to report an actual or anticipated issue of non-compliance with any Board policy in a timely manner.
- 5) Fail to deal with the Board as a whole except when: (a) fulfilling individual requests for information; (b) responding to Officers or Board Committees duly charged by the Board; and/or (c) discussing confidential or sensitive matters.

Policy 1.10 – Regulatory Compliance

The CEO shall not allow nor cause NCHC to fail in meeting all regulatory and statutory requirements related to the delivery of services approved by the Board, or cause NCHC to fail to meet contractual requirements with third-party payers. Further, the CEO shall not:

- 1) Fail to process claims within industry guidelines and regulatory standards for processing efficiency, claims accuracy, and payment timelines.
- 2) Fail to assure that the responsible third-party payers are billed for services on a timely basis and consistent with generally acceptable accounting practices.
- 3) Fail to have a formal quality management function that systematically identifies compliance and performance problems and take corrective actions to resolve the problems and prevent future problems.
- 4) Cause or allow providers without required credentials to serve consumers or fail to assure that provider performance meets or exceeds basic standards for cost, quality, and delivery.
- 5) Fail to prohibit particular methods and activities to preclude grant funds from being used in imprudent, unlawful, or unethical ways.

Policy 1.11 – Other Board Policies

The CEO shall not fail to implement or adhere to any other adopted Board Policy.

Section 2 - Board Governance Process

CORE POLICY STATEMENT

The North Central Community Services Program Board is accountable to the Langlade, Lincoln and Marathon County Boards, providing governance leadership consistent with Carver Policy Governance concepts, by assuring that North Central Health Care:

- a) Achieves appropriate results for appropriate persons for appropriate costs as specified in Board Ends Policies, and
- b) Avoids unacceptable actions and situations as prohibited in Board Executive Limitations policies.

Policy 2.1 – Governing Style

The Board will govern lawfully, observing the principles of the Policy Governance model, with an emphasis on:

1. Outward vision rather than an internal preoccupation;
2. Encouragement of diversity in viewpoints;
3. Strategic leadership more than administrative detail;
4. Clear distinction of Board and Chief Executive roles;
5. Collective rather than individual decisions;
6. Future orientation, rather than past or present; and
7. Proactivity rather than reactivity.

Further, the Board will:

8. Cultivate a sense of group responsibility. The Board will be responsible for excelling in governing. The Board will be an initiator of policy, not merely a reactor to Management initiatives. The Board may use the expertise of individual members to enhance the ability of the Board as a body, rather than to substitute the individual judgments for the Board's values.
9. Direct, control and inspire the organization through the careful establishment of broad written policies reflecting the Board's values and perspectives. The Board's major policy focus will be on outcomes value and the limitation of risk, not on Management methods of attaining those effects.
10. Enforce upon itself whatever education and potential corrective action is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policymaking principles, respect of roles, and ensuring the continuity of

governance capability. Although the Board can change its governance process policies at any time, it will observe them in full effect while in force.

11. Continual Board development will include orientation of new members in the Board's governance process and periodic Board discussion of process improvement.
12. The Board will monitor and discuss the Board's process and performance at regular intervals and formally on an annual basis no later than the October meeting of each calendar year. Self-monitoring will include comparison of Board activity and discipline to policies in the Governance Process and Board-Management Delegation categories.
13. The Board will not allow the Chair, any Director, or any Committee of the Board to hinder the fulfillment of its commitments or be an excuse for not fulfilling those commitments.

Policy 2.2 – Board Job Description

The Board's specific job outputs, as an informed agent of the ownership and corresponding contractual obligations, are those that ensure an unbroken chain of accountability from stakeholders to the appropriate organizational performance. These include the responsibility to:

1. Cultivate a credible link between ownership, stakeholders and NCHC.
2. Establish written governing policies that address the broadest levels of all NCHC decisions and situations including:
 - a. End Statements: Expected performance in terms of the organizational impacts, benefits, outcomes and recipients of benefits desired by owners, stakeholders and beneficiaries.
 - b. Executive Limitations: Constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place.
 - c. Governance Processes: Specification of how the Board conceives, carries out and monitors, and ensures long-term competence in its own tasks.
 - d. Board-Management Delegation: Describes how power is delegated and its proper use monitored; the CEO's role, authority and accountability.
3. Assurance of successful management performance stated in Ends Statements and Executive Limitations.

Policy 2.3 – Board Agenda Planning

To accomplish its job with a governance style consistent with Board policies, the Board will follow an annual agenda which (a) completes a re-exploration of Ends Statement policies, (b) reexamines Executive Limitations policies and their sufficiency of their protection from risk, and (c) continually improves Board performance through Board education, enriched input and deliberation.

1. The cycle will conclude each year on the last day of December, so that administrative planning and budgeting can be based on accomplishing a one year segment of the Board's stated Ends Statements.
2. The cycle will start with the Board's development of its agenda for the next year.
 - a. Consultations with selected groups in the ownership or other methods of gaining ownership input will be determined and arranged in the fourth quarter.
 - b. Governance education and education related to Ends determination will be arranged in the first quarter, to be held during the balance of the year.
3. When incorporated as part of an agenda, the Board will attend to the consent agenda items as expeditiously as possible.
4. CEO monitoring will be included on the agenda if monitoring reports show policy violations, or if policy criteria are to be debated.
5. CEO compensation will be recommended for adoption after a review of the elements of the CEO's employment agreement and review of monitoring reports received in the last year, as soon as practical during the first quarter.
6. The Board Chair's finalization of each meeting agenda will provide the flexibility to include emerging issues, the recommendation of additional items by individual directors, and a public comment period. Any individual Board member has the ability to request the Board Chair include an item on a future Board meeting agenda. The Board Chair will comply with all requests on a timely basis. All agendas will be created, posted, and conducted consistent with Wisconsin Open Meeting law requirements.
7. In order to assist the Board Chair with assuring Board meetings and process are conducted consistent with the adopted Policy Governance model, the Vice Chair of the Board is assigned the duty of observing and monitoring Board meeting activity and is charged with identifying and bringing to the Board's attention opportunities for proceeding improvements.

Policy 2.4 – Board Chair Role

The Chair of the Board is a specially empowered member of the Board, the Chief Governance Officer, whose role is to assure the integrity of the Board's process and, secondarily, represent the Board as needed to outside parties, including, but not limited to, owners/stakeholders.

1. The successful discharge of duties of the Chair's job is that the Board behaves consistently with its own rules and those legitimately imposed upon it from outside the organization.
 - a. Meeting discussion content will be on those policy issues that, according to Board policy, belong to the Board to decide or monitor, not to the CEO.

- b. Deliberation will be fair, open, and thorough, but also timely, orderly, and kept to the point.
2. The authority of the Chair consists in making decisions that fall within topics covered by Board policies on Governance Process and Board-CEO Relationship policies, with the exception of employment or termination of a CEO and any portions of this authority that the Board specifically delegates to others. The Board Chair is authorized to use any reasonable interpretation of the provisions in Governance Process and Board-CEO Relationship policies.
 - a. The Board Chair is empowered to chair Board meetings with all the commonly accepted power of that position, such as ruling and recognizing.
 - b. The Chair has no authority to make decisions about policies created by the Board within Ends and Executive Limitations policy areas. As requested by the CEO, the Board Chair may assist the CEO with interpretation of the Board's policy statements.
 - c. The Board Chair may represent the Board to outside parties in announcing Board-stated positions and in stating Chair decisions and interpretations within the area delegated to the Chair.
 - d. The Chair may delegate this authority to another Director but remains accountable for its use.

Policy 2.5 – Director's Conduct

The Board commits itself and its members to ethical, businesslike and lawful conduct, including proper use of authority and appropriate decorum when acting as directors.

1. Members must have loyalty to the ownership that is not conflicted by loyalties to management, other organizations and any self-interest.
2. Shall not attempt to exercise individual authority over NCHC.
3. Will properly prepare themselves for Board meetings and deliberations.
4. Will respect to the confidentiality appropriate to issues of a sensitive nature, and respectful of applicable public body open meeting requirements including those set forth in 19.81(2), Wis. Stats. and the specific exceptions permitted under 19.85(1), Wis. Stats:
 - a. Information disclosed or discussed in a permitted closed session of the Board or authorized subsidiary body shall be kept in confidence by closed session participants and not disclosed to non-participants in any manner.
 - b. While Board actions based on such information will necessarily become public information when taken or reported when the body reconvenes in public session,

the closed session proceedings and disclosures remain confidential unless and until such time as the Board acts to make some or all of them public.

Policy 2.6 – Conflict of Interest

Members of the Board of Directors must avoid conflict of interest with respect to their fiduciary duties.

1. Members will annually disclose their involvements with other organizations or with vendors and any associations that might be reasonably seen as representing a conflict of interest. The Wisconsin code of ethics for public employees and criminal justice penalties sections of State Statutes pertaining to public officials and conflicts of interest apply to all NCHC Board of Directors.
2. Disclosing Conflicts of Interests. Consistent with and as a means of implementing State Statutes and public employee code of ethics, at the beginning of each Board meeting, or as soon thereafter when it is determined by the individual Board member that they have a conflict of interest, they will announce their conflict of interest regarding topic(s) to be discussed by the Board. Upon disclosing a conflict of interest, that individual Board member will recuse themselves from the discussion and/or voting on that/those particular issue(s). Each individual Board member is personally responsible for identifying and announcing their own conflicts of interest. In the interest of the Board identifying all real and/or perceived conflicts of interests, it is an acceptable practice for a Board member to inquire of another Board member to determine if that Board member may have overlooked or not recognized a real or perceived conflict of interest.

Policy 2.7 – Board Committee Principles

Board Committees, when used, will be assigned so as to reinforce the wholeness of the Board's job and so as never to interfere with delegation from the Board to the CEO.

1. Board Committees are to help the Board do its job, not to help, advise or exercise authority over Management. Committees will assist the Board ordinarily by preparing policy alternatives and implications for Board deliberation or by performing specific audit functions.
2. Committees will be used sparingly and ordinarily in an ad-hoc capacity.
3. Board Committees may not speak or act for the Board except when formally given such authority for specific and time-limited purposes.
4. Expectations, composition, and authority of each committee will be carefully stated by policy in order to establish performance timelines and the monitoring schedule of committee work, as well as to avoid conflicting with authority delegated to the CEO.
5. Board committees cannot exercise authority over staff. The CEO works for the full Board, and will therefore not be required to obtain the approval of a Board committee before an executive action.

6. A committee is a Board committee only when its existence and charge come from the Board, whether or not Directors sit on the committee. This policy does not apply to committees formed under the authority of the CEO.

Policy 2.8 – Board per Diem and Travel Expense Reimbursement

Because poor governance costs more than learning to govern well, the Board will invest in its governance capacity.

1. To provide fair and equitable per diem and expense reimbursement for attendance of Directors at authorized Board or Committee meetings and Board Related events, the following policy shall be applied:
 - a. Per Diem stipends for community members serving on the Board will be \$100 per month. Per Diem stipends for a County Board Supervisor or County Employee serving on the Board will be determined according to each County's policy, but shall be paid/reimbursed by NCHC as requested by each County if applicable.
 - b. Automobile travel mileage will be reimbursed by NCHC at the allowable rates established by the Internal Revenue Service (IRS).
 - c. Actual meal expenses supported by receipts will be reimbursed consistent with the organization's employee meal reimbursement rates and policies.
 - d. Authorized lodging accommodation (overnight) expenses supported by receipts will be reimbursed at the lodging institution's government rate if available, or at the next lowest rate available.
 - e. Per Diem stipends and travel expense reimbursement for other authorized Board NCHC related/represented activities (e.g., meetings with state officials, consultants, etc.) will be reimbursed under this policy with additional provisions specified as needed to take into account special circumstances.
 - f. A Board expense invoice form shall be created by the CEO and used to claim reimbursement under this policy. All expense reimbursements, except Per Diems and mileage reimbursement related to monthly Board meeting attendance, will be approved by the Board.

Policy 2.9 – Charge to the Medical Staff

The Board's accountability for the quality of medical practice will be discharged in part by depending on the medical judgment of an organized Medical Staff. While the formal Medical Staff organization, consisting of all Physicians privileged to practice in the organization, shall be responsible directly to the Board, this does not relieve or otherwise affect the responsibility of individual Physicians to meet requirements duly imposed by the CEO.

1. The Medical Staff will provide to the Board its judgment as to the capability of relevant practices, personnel, and premises to support or provide quality care.

2. The Medical Staff will provide to the Board its judgment as to the qualification of medical practitioners to render services and standards incumbent upon the organization or upon the Medical Staff.
3. The Medical Staff will provide the Board with a representative summary of Physician opinion by September 1 each year with respect to Ends deliberations of the Board.
4. The Medical Staff will be held accountable by the Board for its compliance with all laws, regulations and standards that may be binding on the formal Medical Staff organization itself.
5. The Medical Staff will be accountable for an assessment of medical performance on the criteria in 1 and 2 above;
 - a. Annually by an internal examination by a mechanism established by the Medical Staff; and
 - b. Not less than every three years by an external, disinterested third party of the Board's choice, with whom the Medical Staff must fully cooperate; or
 - c. At any time that the Board deems it necessary by either internal or external audit.

Section 3 - Board – Chief Executive Officer Relationship

CORE POLICY STATEMENT

The Board's sole official connection to the operational organization, its actions and achievements, and conduct shall be through the Chief Executive Officer (CEO). All authority and accountability of employees, as far as the Board is concerned, is considered the authority and accountability of the CEO. While the Board may be required to respond to and operate under a traditional public governmental form of governance, the relationship between the NCHC Board and its CEO will function consistent with the Policy Governance Model.

Policy 3.1 – Delegation of Executive Authority

The CEO is accountable only to the Board acting as a body of the whole. Only officially passed motions of the Board are binding on the CEO. The Board will instruct the CEO through the End Statements, Executive Limitations, CEO Position Description, CEO Annual Plan of Work, and other written Board policies, delegating to the CEO, reasonable interpretation and implementation of those policies and expectations.

- 1) Decisions or instructions of individual Board Directors, Officers, or Committees are not binding on the CEO except in rare instances when the Board has specially authorized such exercise of authority.

- 2) The Board will not give instructions to staff who report directly or indirectly to the CEO. Further, the Board shall not conduct an evaluation either formally or informally of any staff other than the CEO. Should the CEO become aware of incidents regarding this policy, the CEO shall report the issue to the Executive Committee for resolution.

Policy 3.2 – Monitoring CEO Performance

The systematic and rigorous monitoring of CEO performance shall be solely against the Board's outcomes and management limitations policies as revealed by any formal monitoring system. The CEO's performance assessment will be completed no less than annually through a process designed and implemented by the Board with the following processes:

- 1) Monitoring to determine the degree to which Board policies are being met. Information that does not do this will not be considered to be monitoring information. The Board will acquire monitoring data by one or more of three methods:
 - A. By internal report, in which the CEO discloses compliance information, along with justification for the reasonableness of their policy interpretation;
 - B. By external report, in which an external, disinterested third party selected by the Board, or any certifying or accrediting body, assesses compliance with Board policies, augmented with the CEO's justification for the reasonableness of their policy interpretation; and/or
 - C. By direct Board inspection, in which a designated member or members of the Board assess compliance with policy, with access to the CEO's justification for the reasonableness of their policy interpretation.
- 2) In every case, the standard for compliance shall be any reasonable interpretation by the CEO of the Board policy being monitored. The Board remains the final arbiter of reasonableness.
- 3) All policies that instruct the CEO will be monitored at a frequency and by a method chosen by the Board. The Board can monitor any policy at any time by any method, but will ordinarily depend on a routine schedule.
- 4) The Board may change its policies from time to time, thereby shifting the boundary between Board and CEO domains. By doing so, the Board changes the discretion given the CEO. However as long as any particular delegation is in place, the Board will respect and support the CEO's interpretation and choices.

Policy 3.3 – Noncompliance Remediation and Grievance Process against the CEO

Board members who allege the CEO has violated Board policy shall contact the Chair about such grievances. The Chair shall present the alleged violations to the Board as a whole.

Policy 3.4 – CEO Compensation

Compensation will cover all types of compensation including, but not limited to, salary, benefits, and incentive compensation.

- 1) Performance considered for compensation purposes by the Board will only be against stated Board policies as revealed through the formal monitoring system.
- 2) The Board may form a Committee or as a whole, gather compensation information and to provide CEO compensation options and analysis for full Board consideration.
- 3) The Board shall not fail to have a written employment agreement with the CEO, addressing, but not limited to, compensation, performance, and termination.

Policy 3.5 – CEO Termination

- 1) The CEO serves at the pleasure of the Board and may be terminated for or without cause consistent with the CEO's Employment Agreement.
- 2) Any decision by the Board to terminate the CEO for cause must consider the CEO's performance against stated Board policies as revealed by any formal monitoring system and the CEO Employment Agreement.
- 3) A decision to terminate employment of the CEO must be conducted consistent with the CEO's Employment Agreement and requires a majority vote of a Quorum of Board members at a regularly scheduled Board meeting.



North Central Health Care

Person centered. Outcome focused.

MEMORANDUM

DATE: September 20, 2019
TO: Executive Committee of the North Central Community Services Program Board
FROM: Michael Loy, Chief Executive Officer
RE: Competency-Based Board Recruitment and Development

Background

Best practice and contemporary board governance includes shifting board recruitment and development to a competency-based approach. Numerous studies have concluded that hospital and health system boards should use a competency-based approach, not only to recruit new board members but also to assess, educate, and develop existing members – ultimately creating a board with the right mix of knowledge and expertise, experience, personal attributes, and diversity to position the organization for the future. To move to a competency-based board recruitment and development approach there are a number of steps involved over a 3-5 year period.

- Step 1:* Create a Governance Committee of the NCCSP Board to oversee the process and to serve as the Nominating Committee for the NCCSP Board
- Step 2:* Defer the Annual Meeting to May of each year and extend current Board Officer's appointments and expiring Board of Director terms until May
- Step 3:* Identify a set of competencies critical for the future of North Central Health Care
- Step 4:* Evaluate the current competency gap of the Board
- Step 5:* Update NCCSP Board Job Description
- Step 6:* Amend the Joint County Agreement and NCCSP Bylaws
- Step 7:* Create a 5-year Board Development Plan
- Step 8:* Develop a rolling 3-year Board Recruitment Plan

Recommendations

- Step 1:** Create a Governance Committee of the NCCSP Board to oversee the process and to serve as the nominating committee for the NCCSP Board

Effective competency-based efforts for board recruitment and development are best led by a sub-unit of the governing committee often classified as a Governance Committee. The Governance Committee would discharge responsibilities in evaluating board governance effectiveness, recruitment and development. The Governance Committee would also serve as the nominating committee to coordinate and recommend a slate of Board Officers according to the By-laws. It is important that the Governance Committee has current Directors who have significant experience and tenure on the governing board.

Currently, Section 5.3. of the NCCSP Board Bylaws address the Board Officer nomination process.

A nomination for each of the Board Officers shall be made by the majority agreement of a three (3) person Nominating Committee, which shall be appointed by the Chair of the Board from the members of the Board.

The bylaws would need to be amended to create an official Governance Committee of the Board and to transfer the duties of the current Nominating Committee in addition to coordinating evaluation of Board governance effectiveness, development and recruitment. Until that time, the Executive Committee could also serve in this role. The Board will be presented with a proposal to amend the Bylaw's at its September meeting to support this transition.

Step 2: Defer the Annual Meeting to May of each year and extend current Board Officer's appointments and expiring Board of Director terms until May

The Joint County Agreement is in the process of being reviewed as required within the Agreement. This review will occur over the next several months with a timeline to have an updated Agreement recommendation to each County Board by February. During the discussions, the NCCSP Board can request that modifications be made to support its vision for Board recruitment and development as outlined in this memo. There will also be consideration in those deliberations on the overall structure of the NCCSP Board as well as the structure of the Retained County Authority, including, can it exist within the NCCSP Board structure. For reference, due to the nature of NCHC, the NCCSP Board is required by state statute to have the following structure:

- *Fourteen (14) Directors on the Board;*
- *At least one (1) County Board Supervisor from each County, but not more than three (3);*
- *One (1) Director who is/has received services for themselves or a member of their family; and*
- *Three (3) year board appointment terms.*

The Joint County Agreement uniquely also requires:

- *Representation to be split with ten (10) Directors from Marathon County, two (2) from Langlade County, and two (2) from Lincoln County. Only the total number of Directors (14) is required by the state statute, not the mix; and*
- *Residency, the Director must live in the County they are representing.*

The Joint County Agreement requirements are not found in any other administrative or state law and therefore, are only subject to the mutual agreement of the partner Counties and could be amended.

Going forward, in addition to meeting the statutory obligations of the NCCSP Board, the recommendations the Board will be asked to make include the following items:

- Board seats per County based on the relative total revenue basis by each County. In the case of the 2020 Budget, that would end up having nine (9) seats for Marathon County, three (3) for Lincoln County and (1) for Langlade County. The Board seat mix would be effective for the duration of the new Agreement.
- Residency would not be required, this could be a limiting factor in filling future Board seats on a competency-based board seeking distinct expertise.
- No more than one (1) County Board member would represent each County on the Board and would be the County Board Chair or his/her designee.
- If the RCA is integrated, the highest level Administrative Official (County Administrator or Administrative Coordinator) from each of the three Counties would occupy a designated seat on the NCCSP Board and would be part of body within the NCCSP Board that would discharge any "retained authorities" as part of an evolved committee structure.
- One Board seat would be designated for the current Medical Staff President.
- The remaining seven (7) seats would be filled by community representatives that would fill in any gaps in competencies identified and not filled by the designated Board seat representation. These community based seats would include one from Lincoln and six from Marathon County if the revenue basis is used and given the assignment of seats above.

The above items will be specific items of consideration we would look to have support on in amending the Joint County Agreement.

The Annual Meeting of the NCCSP Board is required to be held in November of each year by the Bylaws. The purpose of this provision is specifically important to the election of Officers for the upcoming year. Currently, Officers of the NCCSP Board include the Chair, Vice Chair, Secretary/ Treasurer and the Immediate Past Chair. I would propose that the Board make a motion to extend the current appointments of Officers and expiring Board terms until the adoption of the new Joint County Agreement. Further, it would be prudent to future Board recruitment to have the Annual Meeting coincide with the May Board meeting where it would follow the election cycle for County Board appointments. The upcoming 2020 April elections include four of the six current County Board members on our Board who have expiring terms at the end 2019. I would also recommend that the updated Bylaws would change the Officer structure to allow for defined Board succession and leadership development opportunity. I propose that the Board Officer positions be one (1) year terms and would include a Chair-Elect, Chair, Past- Chair, and Secretary. Each year the Governance (Nominating) Committee, would vote to only fill the Chair-Elect and Secretary Officer seats with both the Chair and Chair-Elect succeeding respectively into the Past- Chair and Chair seats.

Lastly, we need to review the history of Board appointments to get a balance in timing of expiring terms.

Following the adoptions of an updated Joint County Agreement, the Bylaws of the NCCSP Board can be updated once more if necessary, and the expiring terms could be reappointed or filled in April, and Officers could be elected in May.

Step 3: Identify a set of competencies critical for the future of North Central Health Care

Prior to the Board’s September meeting, the Executive Committee reviewed the set of draft competencies below. These are being presented to the Board for additional discussion and identification of competency important to the success of the Board. The competency-based board recruitment and development could be based on the following knowledge & expertise, personal/professional experience, and personal attributes:

Knowledge & Expertise
<ul style="list-style-type: none"> • Health care industry knowledge • Business/financial knowledge • Human resources/organizational development knowledge • Knowledge of reliability science for improving quality and patient safety • Knowledge of customer service process improvement • Expertise in fund development • Knowledge of informatics and information systems • Expertise in public health, social determinants of health, and community health policy/planning • Clinical expertise • Legal or regulatory knowledge • Marketing and Business Development knowledge • Faith-based expertise
Personal/Professional Experience
<ul style="list-style-type: none"> • Service on board of large organization • Experience in managing complexity or governing a complex organization • Ability to maintain resiliency to achieve the objectives in the face of organizational pressures • Experience in successfully navigating an organization during a period of rapid change • Experience in other community organizations • Services to youth or connection to K-16 educational sector
Personal Attributes (Behaviors)
<ul style="list-style-type: none"> • Integrity • Critical thinking • Strategic thinking • Collaborative leadership style • Ability to build consensus • Ability to influence others • Appreciation for perspectives of all stakeholders • Good listening and communication skills • Appreciation for benefits from diversity on the board • Ability to hold self and others accountable for achieving goals • Interest in continuous learning/curiosity

Once the Board determines a comprehensive list of competencies relevant to the future success of NCHC, the Board will be surveyed to prioritize and comment on the list. Once completed, the Executive Committee will review the list and make a final recommendation to the Board in October.

Following adoption of the competencies, competency within each of the areas will be evaluated at both a general and expertise level for the current board will be performed. This will include an evaluation by the Executive Committee as well as asking for self-evaluation from the Board. A gaps analysis will be provided following these exercises. Going forward, Board recruitment and development will be based primarily on filling the competencies identified in the Knowledge & Expertise area.

Prior to moving into any later steps in the implementation, the Board must consider the recommendations above and whether they should be set in motion over the next several months. At later stages of the process, the remaining steps will be flushed out in more detail in planning and execution. Moving to a competency-based board does not supplant the Policy Governance approach, rather it strengthens it. Having defined expertise, knowledge and experience is important for an organization like NCHC and it is best not to leave the acquisition of this talent in future years up to happenstance.

**AMENDED AND RESTATED BYLAWS OF
NORTH CENTRAL COMMUNITY SERVICES PROGRAM**

DATED: September 27, 2019

Deleted: February 22, 2018

These Amended and Restated Bylaws (hereinafter "Bylaws") of the North Central Community Services Program ("NCCSP" or the "Program") are hereby enacted to be effective on the date hereinabove referenced. These Bylaws shall be approved by the North Central Community Services Board who shall file the Bylaws and any amendments with the County Clerk of Langlade, Lincoln and Marathon Counties, Wisconsin (the "Counties" and individually the "County").

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ARTICLE 1 - Purpose and Background

Section 1.1 - Langlade, Lincoln and Marathon Counties by action of their respective boards of supervisors have entered into a certain Joint County Agreement (the "Agreement") for the purpose of establishing the North Central Community Services Program to administer a community mental health, developmental disabilities, alcoholism and drug abuse program, pursuant to Section 51.42 of the Wisconsin Statutes ("Governing Statutes"). NCCSP shall be operated pursuant to the terms of the Agreement. The purpose of these Bylaws is to compliment the Agreement by establishing policies and procedures to guide the orderly and efficient operation of NCCSP in order to enhance the ability of NCCSP and the Counties to properly meet their responsibilities for the well-being, treatment and care of the mentally ill, developmentally disabled, alcoholic and other drug dependent citizens as required by and subject to the terms, conditions and limitations provided under Section 51.42 of the Governing Statutes.

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Section 1.2 - While the core statutory requirements of the NCCSP are contained in the Agreement, the North Central Community Services Board (the "Board") is authorized pursuant to Section 51.42(5) to develop county community program board operating procedures. Furthermore, the Counties wish to ratify the operational procedures, memorialize the delegation of authority to the Board as permitted under the Governing Statutes, all of which is intended to assist NCCSP and the Board to efficiently operate consistent with in the terms of the Agreement and the Governing Statutes.

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Section 1.3 - The previous Bylaws dated February 22, 2018 are being amended and restated in their entirety in order to assure consistency and remove duplication between these Bylaws and the provisions of the Agreement. It is intended that these Bylaws and the Agreement shall be consistent and complimentary with the Agreement setting forth the primary governing provisions of NCCSP and these Bylaws defining procedures for proper and efficient administration of NCCSP consistent with the Governing Statutes. In the event there is any conflict between these Bylaws and the Agreement, the terms of the Agreement shall control.

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ARTICLE 2 - Name and Office

The name of the Program shall be as provided in the Agreement. As of the date of adopting these Amended and Restated Bylaws, the name of the Program is "North Central Community Services Program." The legal entity is identified with government agencies as the Human Services Board serving North Central Health Care Facility d/b/a North Central Health Care. The principal office of NCCSP shall be at 1100 Lake View Drive, Wausau, Wisconsin 54403.

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ARTICLE 3 - Board of Directors

The Program shall be governed by the Board which shall be governed by the terms of the Agreement. Appointment, election, qualification, removal, powers and all other matters relating to the Board shall be governed by the Agreement.

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ARTICLE 4 - Delegation of Program Administration

Section 4.1 - Pursuant to Section 51.42(4)(a), each of Langlade, Lincoln and Marathon Counties, by and through action taken by their respective board of supervisors, hereby delegate all of the powers and duties of the county departments of community programs of each such County not expressly retained as described in the Agreement to the Board.

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Section 4.2 - In order to fulfill the responsibility to provide Program services as delegated by the Counties, the Board may by resolution create subsidiary agencies, and joint ventures, cooperative working agreements, contractual arrangements, including subunits of the Board, committees or subcommittees of the Board, or corporations, nonprofit corporations or other legal entities that are controlled by NCCSP, to operate and govern specific health care programs and services that are not inconsistently with the purposes set forth in the Agreement, the Governing Statutes, or approved by the Counties. The Board is authorized to appoint and remove all members of the governing body committee or subcommittee of each subsidiary or subunit agency that it creates, and shall have final authority over each such organization's or operating unit's budget, bylaws, policies, procedures, instruments, operational documents and other matters. The subsidiary agency's governing instruments shall reflect the requirements of this Section 4.2 and shall specify the purpose of such subsidiary agency. Any subsidiary agency that is a corporation shall be organized as a non-stock, not-for-profit, corporation organized under Chapter 181 of the Wisconsin Statutes.

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ARTICLE 5 - Officers

Section 5.1 - The officers of the Board shall be a Chair, ~~Chair-Elect~~, and ~~Secretary/Treasurer~~, and ~~the Chair-Elect and Secretary/Treasurer~~ shall be elected by the Board at its annual meeting. The Chair, ~~Chair-Elect~~ and ~~Secretary/Treasurer~~, along with the ~~Immediate Past-Chair~~ shall make up the Executive Committee, which shall have the authority to act for and on behalf of the Board of Directors between Board meetings in emergency situations only and can be delegated specific responsibilities by the Board. The Committee shall exercise additional responsibility as set forth in these bylaws and in the corresponding Policy Governance Manual. The Chair, ~~Chair-Elect~~ and ~~Secretary/Treasurer~~ shall be referred to as the "Board Officers."

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Section 5.2 - NCCSP shall also have, at a minimum, the following additional officers, none of which shall be members of the Executive Committee or Board: (i) Chief Executive Officer (“CEO”); (ii) Chief Financial Officer (“CFO”); and (iii) Compliance Officer. Notwithstanding the above, the CEO shall be an ex-officio member of the Executive Committee but shall not have a vote on any matter.

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Section 5.3 - A nomination for each of the Board Officers shall be made by the majority agreement of the Executive Committee. The slate of Board Officers selected by the Executive Committee shall be presented to the Board at the annual meeting. The Chair shall also call for additional nominations from the membership of the Board at the annual meeting of the Board. Vacancies of Board Officers that occur during the year shall be filled upon nomination from the Executive Committee, additional nominations from the floor, and shall be elected by the Board as required in Section 3. Filled vacancies shall serve the remaining term of the member that they replaced.

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Section 5.4 - Board Officers shall be elected by the Directors casting their written and signed ballots for each office. The nominee receiving the most votes for each office shall be elected.

Section 5.5 - The term of office of each Board Officer shall be one (1) year from the annual meeting but shall continue until a successor shall be duly elected, the officer resigns, or is terminated by the Board.

Section 5.6 - The Chair shall preside at all meetings of the Board and Executive Committee and be responsible for setting the agenda.

Section 5.7 - The Chair-Elect shall, in the absence or incapacity of the Chair, perform the duties of that officer.

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Section 5.8 - The Secretary/Treasurer shall be responsible for the minutes of the meetings of the Board and Executive Committee and shall assure the notices of all meetings of the Board and Executive Committee are provided as required hereunder.

Section 5.9 – The CEO, CFO and Board members shall not be eligible to serve as the Compliance Officer. The Compliance Officer shall have direct access to the Board of Directors, shall administratively report directly to the CEO, but may be terminated only by majority vote by the Board.

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ARTICLE 6 - Board Procedures

Section 6.1 - The annual meeting of the Board shall be held in May at the time and place designated by the Chair.

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Section 6.2 - The regular meetings of the Board will be held on the last Thursday of each month or as otherwise scheduled by the Chair.

Section 6.3 - Special meetings of the Board shall be called by the Secretary/~~Treasurer~~ upon request of the Chair or on written request of one-third (1/3) of the members of the Board.

Section 6.4 - Notice of regular and special meetings of the Board shall be given at least twenty-four (24) hours before such meeting in a manner which complies with the Wisconsin Open Meetings Law.

Section 6.5 - At all meetings of the Board, the presence of eight (8) members shall constitute a quorum and action shall be taken by majority vote of members present and constituting the quorum.

Section 6.6 - The Board shall arrange for an annual audit of its finances using an independent certified public accounting firm.

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Section 6.7 - The fiscal year of the Board shall be from January 1 through December 31.

Section 6.8 - All parliamentary practice in conducting the business of the meeting not herein specifically provided for shall follow "Roberts' Rules of Order (Newly Revised)."

Section 6.9 - Members shall be paid for meeting attendance and travel expenses in accord with the Board's policy.

Section 6.10 - Constructive Presence at a Meeting: A member of the Board or Committee of the Board may participate in a meeting of such Board or Committee by a videoconference, telephone or similar communication equipment, by means of which all persons participating in the meeting can hear each other at the same time, and provided that members of the public shall be able to hear all members so as to conform with the public meeting requirements of Wis. Stats. 19.83, where such meetings are required to be open to the public. All meetings of the Board that are required to be open and accessible to the public shall take place at the location indicated in the public notice issued pursuant to Wis. Stats. 19.84. Any Board member participating by telecommunications shall be responsible for making arrangements in advance to facilitate participation at the designated meeting location by arranging for speaker phone or other suitable device. Participating by means of telecommunications shall constitute presence in person at a meeting except for purposes of determining whether a quorum is present at such meeting.

ARTICLE 7 - Board Committees

Section 7.1 - The Board will have the following committees enfranchised in these bylaws in addition to any Ad-Hoc committees created from time to time by the Chair to advise the Board;

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A. Executive Committee.

- (1) Composed of the Chair, ~~Chair-Elect~~, Immediate Past Chair and Secretary/Treasurer. The CEO shall be an ex-officio, non-voting member of the Executive Committee.

(2) The Executive Committee shall have the authority to act on behalf of the Board between board meetings in the event of an emergency requiring timely action that cannot be taken by the board of directors due to the circumstances. Any action taken by the Executive Committee under this provision shall be subject to ratification by the Board.

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B. Governance Committee.

(1) The Governance Committee includes the three (3) members of the Board appointed by the Chair.

(2) The Governance Committee shall have the authority to develop the means necessary to help facilitate the assessment of whether the Board is functioning appropriately and effectively within the Policy Governance Manual. The Governance Committee shall coordinate the Board's recruitment and development activities in accordance with Board defined competencies.

C. Ad-Hoc Committees.

(1) It is the intent and desire of the Board to seek broad participation from various experts from within County Stakeholders and Community Resources in order to maximize available expertise to address issues that are defined by the Board. The Board is authorized to create Ad-Hoc Committees on specific issues and to advise the Board with respect to those issues.

D. Structure and Operation of Committees

(1) Chairperson of Committee. The Board Chair assigns the Chairperson of the Committee.

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(2) Committee Meetings. The Committee shall meet as frequently as required to fulfill its duties and responsibilities. Meetings shall be at such times and places as the Committee deems necessary to fulfill its responsibilities. The Board shall also have the authority to convene a meeting of the Committee for any purpose.

(3) Special Committee Meetings. The Board Chair or the CEO may call a special meeting of any Committee.

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(4) Committee Agenda. The Committee will set its own general agenda based on issues that it deems to be of importance in respect to the Committee's Charter. The Board Chair may also request that an item be placed on the agenda of the Committee at a regular or a special meeting. Upon receipt of any such request, the Chairperson of the Committee shall place the requested item on the Agenda for the next regularly scheduled meeting of the Committee; provided that the issue is within the scope of the Committee's Charter. The requesting party shall be responsible for summarizing and presenting the issue. The Committee shall vote whether to take further action on the recommended agenda item. Proposed agenda items that are declined because they are not within the scope of Committee authority will be reported to the Board. Approved agenda items will be assigned for further action by the Committee. The Board of Directors of NCCSP may also direct the Committee to place any item on its agenda.

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(5) Committee Reporting. Committees shall report regularly and upon request to the Board regarding its actions and make recommendations to the Board as appropriate.

(6) Governing Rules. Committees are governed by the same rules regarding meetings (including meetings in person or by telephone or other similar communications equipment), action without meetings, notice, waiver of notice, and voting requirements as are applicable to the Board.

(7) Review of Charter. Committees shall review this Charter at least annually and recommend any proposed changes to the Board for approval.

(8) Terms of Committee Members. The members of the Committee shall serve for such terms as the Board may determine or until earlier resignation or death. The Board may remove any member from the Committee at any time with or without cause and may restructure the Committee in its discretion to maximize goals and objectives. Committee members who are appointed based on their office or position shall be replaced by their successor to that office or position subject to approval by the Board. In the event that a member of the Committee resigns or is otherwise unavailable or unwilling to actively and regularly serve on the Committee, the Board is authorized to replace such members.

(9) Each Committee shall consist of at least three (3) appointed members, at least two (2) of which must be Board members. The Chair may appoint as members of committees persons who are qualified to serve but who are not members of the Board. The number of members appointed to committees may be increased by the Board Chair. A majority of the committee members shall constitute a quorum to transact business. Actions of committees shall be approved by majority vote.

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(10) Following the annual meeting of the Board, the Chair will appoint members of the Board to respective committees and also designate committee chairs and vice-chairs. The Chair and Vice-Chair of the committees must be a Board member.

(11) All Board members may attend any committee meeting as ex-officio members but cannot vote unless appointed to the committee by the chair.

ARTICLE 8 - Chief Executive Officer

Section 8.1 - The Chief Executive Officer shall be appointed as provided for in the Agreement and shall have the powers and duties enumerated within the Agreement.

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Section 8.2 - The Chief Executive Officer shall fulfill the role and execute all of the duties, powers and obligations of the community programs director as defined in the Governing Statutes.

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Section 8.3 - The Chief Executive Officer has the power and authority to execute contracts and agreements and take all necessary actions to fulfill the policies of the Board and to take actions to administer the Programs and facilities that are under the operational control of NCCSP.

ARTICLE 9 - Facilities

Section 9.1 - The Chief Executive Officer will operate facilities owned, leased, or managed by NCCSP in consultation and as determined by the Board. The business of the Board's facilities shall be operated collectively under the name of North Central Health Care.

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ARTICLE 10 - Amendments

Upon five (5) days written notice, these Bylaws may be amended at any regular meeting of the Board or at any special meeting called for the purpose of amendment, by a vote of two-thirds (2/3) of the members present; provided that any amendment that increases the delegation and authority to the Board from any of the Counties shall require consent by such Counties.

2020 NCCSP BOARD CALENDAR

Thursday January 30, 2020 – 3:00 PM – 5:00 PM

Educational Presentation: Industry Update – An external resource will present on recent or anticipated changes in the operating environment. This presentation should facilitate the generative topic below.

Board Action: CEO Performance Review – Initiate review of Chief Executive’s performance, the method and timing of the executive’s performance review

Board Policy Discussion Generative Topic: Identify 5 priorities for Board Development and potential policy making for the year. These five priorities should be informed through future Board Educational Presentations and/or Discussion Generative Topics.

Thursday February 27, 2020 – 3:00 PM – 5:00 PM

Educational Presentation: Financial Review – Review and discuss the past year’s financial reports and how the organization’s financial performance informs the plans for the current year and beyond.

Board Action: Report of recent investigations related to corporate compliance activities and significant events.

Board Policy to Review: Capital Assets Management Policy, Cash Management Policy

Board Policy Discussion Generative Topic: TBD

Thursday April 16, 2020 (3rd Thursday) – 3:00 PM – 5:00 PM

Educational Presentation: Audit Presentation

Annual Report & Program Review – Presentation of the Annual Report from prior year. Review and discuss the organization’s major programs and how the organization’s programmatic performance informs the plans for the current year and beyond.

Board Action: Bi-monthly report of investigations related to corporate compliance activities and significant events. Accept Annual Financial Audit and Fund Balance Statement, Write-off of Accounts Receivable Policy.

Board Policy to Review: Fund Balance Policy, Write-off Policy, Risk Reserve Policy

Board Policy Discussion Generative Topic: TBD

2020 NCCSP BOARD CALENDAR

Thursday May 28, 2020 – 12:00 PM – 5:00 PM (Annual Meeting & Board Retreat)

Elections: Election of directors and officers consistent with applicable provisions in the bylaws.

Board Policy to Review: Board Strategic Planning Policy

Board Policy Discussion Generative Topic: Focus on the environment, competition, and opportunities for collaboration.

Review Mission and Vision – Reflect on the organization’s mission, vision, end statements and compare them against its activities, governing documents, and communications.

Review Strategic Plan – Review progress on the strategic plan, update as necessary.

Board and Committees – Review the Board’s composition; appoint and authorize committees, as necessary; delegate duties; discuss board training/development; determine adequacy of oversight and planning activities.

Budget Assumptions & Priorities – Develop the upcoming budget assumptions and priorities in collaboration with the Retained County Authority Committee.

Capital Projects – Review capital budget and forecast for the organization.

Thursday July 16, 2020 (3rd Thursday) – 3:00 PM – 5:00 PM

Educational Presentation: Corporate Compliance and Quality Obligations of the NCCSP Board – Emerging Compliance Trends

Review Employee Compensation, Recruitment and Retention Strategies – Review current practices and performance around the human capital management of the organization.

Board Action: Performance Expectations – Review and approve the performance expectations in conjunction with the Retained County Authority Committee. Report of recent investigations related to corporate compliance activities and significant events.

Board Policy to Review: Employee Compensation Policy and Manual, Business Associate Agreements Policy, Investment Policy, Contract Review Policy

Board Policy Discussion Generative Topic: Risk Management, Legal and Corporate Compliance Review – Evaluate past and potential issues regarding employment practices, internal policy compliance, required licenses and permits, nonprofit and 501(c)(3) compliance, facilities and real property, and intellectual property.

2020 NCCSP BOARD CALENDAR

Thursday August 27, 2020 – 3:00 PM – 5:00 PM

Educational Presentation: Budget Presentation

Board Action: Budget – Recommend to Retained County Authority Committee

Board Policy to Review: Budget Policy

Board Policy Discussion Generative Topic: TBD

Thursday September 24, 2020 (ANTIGO OFFICE) 3:00 PM – 5:00 PM

Educational Presentation: Annual Report from the Medical Staff

Board Action: Annual Board self-evaluation of governance, Board calendar for upcoming year, and review of Bylaws. Report of recent investigations related to corporate compliance activities and significant events.

Board Policy to Review: Policy Governance Manual

Board Policy Discussion Generative Topic: Focus on the board's performance and areas for improvement.

Thursday October 29, 2018 – 3:00 PM – 5:00 PM

Educational Presentation: Annual Quality Audit – Update on the Status of the Quality, Compliance and Safety Plan

Board Action: TBD

Board Policy to Review: Contract Review Policy; CEO Recruitment, Retention, and Removal Policy

Board Policy Discussion Generative Topic: Annual CEO Succession Planning Exercise

2020 NCCSP BOARD CALENDAR

Thursday December 17, 2020 (3rd Thursday) – 3:00 PM – 5:00 PM

Educational Presentation: TBD

Board Action: Approve the Quality, Compliance and Safety Plan for the upcoming year. Review and approve proposed Operational Plan, CEO and Board Work Plan, Quality, Organizational Dashboard, Code of Conduct and Utilization Review Plan for upcoming year. Report of recent investigations related to corporate compliance activities and significant events.

Board Policy to Review: Purchasing Policy, Complaints and Grievance Policy, Employee Grievance Policy

Board Policy Discussion Generative Topic: TBD

2019 NCCSP BOARD CALENDAR – Next Three Months

Thursday October 31, 2019– 12:00 PM – 2:00 PM

Educational Presentation: Annual Quality Audit – Update on the Status of the Quality, Compliance and Safety Plan; Update on Medical Staff Initiatives;

Board Action: Competencies for Board Recruitment and Development

Board Policy to Review: Contract Review Policy; CEO Recruitment, Retention, and Removal Policy

Board Policy Discussion Generative Topic: Annual CEO Succession Planning Exercise

November – No Meeting

Thursday December 12, 2019 (2nd Thursday) – 12:00 PM – 2:00 PM

Educational Presentation: TBD

Board Action: Approve the Quality, Compliance and Safety Plan for the upcoming year. Review and approve proposed Operational Plan, CEO and Board Work Plan, Quality, Organizational Dashboard, Code of Conduct and Utilization Review Plan for upcoming year. Report of recent investigations related to corporate compliance activities and significant events.

Board Policy to Review: Purchasing Policy, Complaints and Grievance Policy, Employee Grievance Policy

Board Policy Discussion Generative Topic: TBD