

ADDENDUM B

Finance Committee- Skilled Services Update

Palomar Pomerado Health

Palomar Pomerado SNF's

□ Villa Pomerado - Distinct Part

- * 129 Beds with 20 Sub-Acute (Vent) Level
- * 40-50 Admits/Discharges Per month

□ Palomar Continuing Care-Distinct Part

- * 96 Bed Free Standing
- * 50-60 Admits/Discharges Per Month

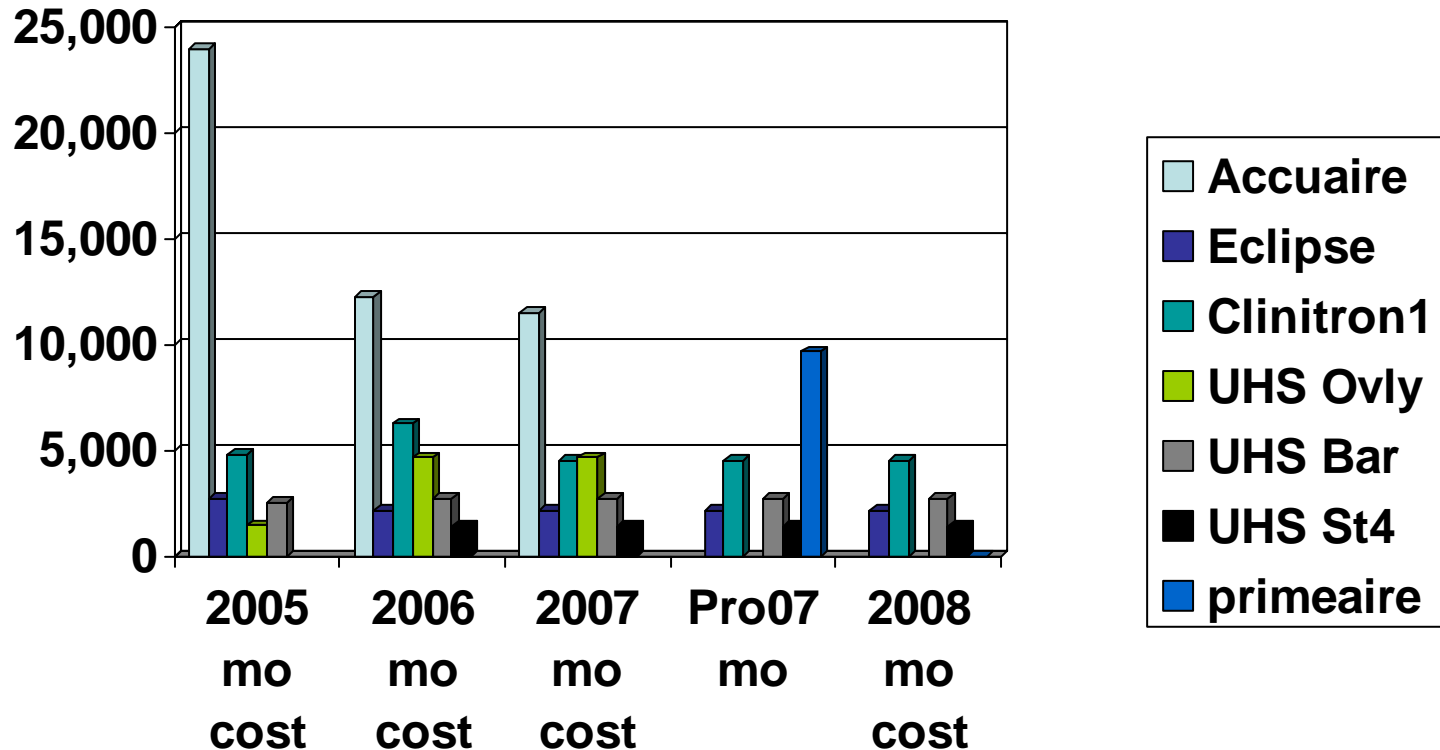
Additional Cash Flows-Fiscal '07

- Medi-Cal Retro Rate Increases to 8/1/06
- PCCC Rate Increase \$14 per day
- Villa Pom Rate Increase \$10 per day
- Subacute Rate Increase \$90 per day
- Projected Annualized Impact \$930,388

Year to Date Performance-Nov 06

- Patient Days-PCCC (138) Days YTD but +520 Days Over Prior Year/VP (103) Days YTD/SubAcute (40) Days YTD but +100 Days Over Prior Year
- Net Income based on Zone Reports-VP +\$689,000 variance over budget, SubAcute +\$275,745 variance over budget,PCCC (\$279,960) variance under budget(\$60,000-Undocumented Care and \$253,000-Bad Debts -YTD)
- Productivity-99.8% Combined,OT Monitored
- Changes to Leadership-Villa Pom DON
- Renegotiating Kaiser Rates including Sub-acute Care

**Cost Savings Projects Specialty Bed Utilization-Monthly
**Costs-Lease Purchase of Primeaires to replace Accuaires &
 UHS Overlays Saves \$73,000 year one & \$177,000 years 2+
 less depreciation (approximately \$24,000 per year)****



Savings Project-Glucose Test Strips

- ❑ POCT Test Strips Supplied by Central Supply
- ❑ Facilities use over 2200 boxes (50 Strips bx) each year - **\$45,000**
- ❑ Medi-Cal will cover the cost of strips for Medi-Cal Patients only Billed Via Pharmacy
- ❑ Savings for billing direct To Medi-Cal **\$30,000** per year
- ❑ Working with Lab, Pharmacy & Compliance on how to implement project to ensure testing & integrity

DHS Survey Licensure Process

SEVERITY/SCOPE	ISOLATED	PATTERN	WIDESPREAD
IMMEDIATE JEOPARDY TO RESIDENT HEALTH AND SAFETY	J	K	L
ACTUAL HARM THAT IS NOT IMMEDIATE JEOPARDY	G	H	I
NO ACTUAL HARM WITH POTENTIAL FOR MORE THAN MINIMAL HARM THAT IS NOT IMMEDIATE JEOPARDY	D	E	F
NO ACTUAL HARM WITH POTENTIAL FOR MORE THAN MINIMAL HARM	A	B	C
SEVERITY/SCOPE	ISOLATED	PATTERN	WIDESPREAD

Changes to Pharmacy Services

- ❑ Changed Services to Pharmerica 12-1-06- VP
PCCC changing as of 1/15/07
- ❑ Introduce Electronic MAR as of 4-1-07
- ❑ Utilize Wireless Laptops on Drug & Treatment Carts-Part of Contract with Pharmerica
- ❑ Electronically Document Drug Disposition
- ❑ Electronically Reorder Meds
- ❑ Updates Resident Records When Order Entered
- ❑ Nursing Teams More Productive/Patient Focused

Digital Pens for C N A's

- Contract with ISS in Utah
 - ISS has Grant with AHRQ
- 24 Nursing Centers- USA
- Contract Pays 60% of Cost
- C N A's Chart w/ digital pens- scan sheets
- Digital Pens Downloaded Daily
- Reports Provide Real Time Care and Interventions for Residents
- Documented Improvements Should come from Decreased Pressure Ulcers and Decreased Costs

Facility Quality

Improvement/Quality Management

- There are 34 different Quality Measures
- Reports Display each QI/QM, Facility %, and How Facility Compares State and Nation
- Assists to Identify Possible Areas for Further Emphasis in Improvement Activities or Investigation during the Survey Process

Quality Domains

- ❑ Accidents
- ❑ Behavior/Emotion Pat.
- ❑ Clinical Management
- ❑ Cognitive Patterns
- ❑ Elimination/Incont.
- ❑ Infection Control
- ❑ Nutrition/Eating
- ❑ Pain Management
- ❑ Physical Functioning
- ❑ Psychotropic Drug Use
- ❑ Quality of Life
- ❑ Skin Care
- ❑ Post Acute Measures

Facility Quality

Improvement/Quality Management

- ❑ For Each Selected Measure-Identify Residents who flagged, review clinical records
- ❑ Accuracy, review care and documentation
- ❑ Draw Conclusions about Quality-decide if isolated or facility wide
- ❑ Develop Action Plans and Monitor Future Reports for Effectiveness

Address Issues in Case Management

- ❑ Improve MD to MD communication
- ❑ Examine electronic referral to replace current faxing system
- ❑ Upgrade response to need to specialized equipment for admissions
- ❑ Improve utilization of beds at both facilities
- ❑ Merge Admit and Billing functions into a Financial Services Rep on Site at Facilities

Renovations Updates

Initiatives for Press -Ganey

- Requesting 5 Nurse Call replacements with Beepers and Nurse Call Monitoring Systems-both nursing homes-Rauland Nurse Followers
- Complete incomplete renovations from last year-nursing stations, carpeting, both facilities
- Upgrade Resident Rooms with new paint, flooring, some replacement furniture
- Continue Training Staff on Press-Ganey Suggested Improvements for Scoring Increases



Future Directions for SNF Services

- Update Strategic Plan for Additional SNF Beds
- PACE-Program for All-Inclusive Care of the Elderly-Evaluation Complete
- 8 Bed Sub-Acute Expansion
- 18 Bed Villa -Pomerado Addition
- Purchase of Other Nursing Homes
- LTACS-Compete with Rehab and SNF Services?
- Old Palomar Campus-Assisted Living & Senior Apartment Complexes