

CCMCF Board Agenda
November 27th, 2023 at 10am
At County Building

- 1. Call to Order**
 - A. Introduction of visitors and guests Agenda Approval
- 2. Financial, Jeremy Franks**
 - A. FY 2024 Budget, Action
 - B. Alt Long Term Care Consulting Proposal, Action
- 3. Operations**
 - A. Levenboom and Rothman Consulting Proposal, Action
 - B. Jeff Withers Snow Removal Proposal, Action
 - C. Woodlands Foundation Grant, Action
- 4. Adjournment**

**Cass County MCF
Budget Summary
9/30/2024**

Projected Budget-11/20/2023

Description	2024 Budget	\$ Change	% Change	2023 Annualized	2022 Actual
Operating Revenue					
Service revenue	\$ 11,474,748	\$ 805,616	8%	\$ 10,669,132	\$ 9,903,860
Other operating revenue	170,230	(1,151)	-1%	171,381	60,904
Total operating revenue	\$ 11,644,978	\$ 804,466	7%	\$ 10,840,513	\$ 9,964,764
Operating Expenses					
Salary and wages	\$ 8,234,515	\$ (189,809)	-2%	\$ 8,424,324	\$ 6,921,271
Employee benefits	2,172,063	56,773	3%	2,115,291	1,765,946
Operating supplies and expenses	1,037,300	(26,416)	-2%	1,063,716	737,872
Ancillary services (pharmacy, lab, etc.)	241,000	(7,020)	-3%	248,020	163,121
Other professional services	575,000	(201,812)	-26%	776,812	460,190
Repairs and maintenance	63,600	388	1%	63,212	91,318
Utilities, insurance, and taxes	241,500	4,202	2%	237,298	241,289
Depreciation	105,000	4,296	4%	100,704	104,789
Minor Equipment	152,300	(48,640)	-24%	200,940	133,187
Provider tax, MOE, QMI expense	660,000	709	0%	659,291	627,532
Bad debt expense	120,000	-	0%	120,000	120,000
Other	1,100	60	6%	1,040	701
Total operating expenses	\$ 13,603,378	\$ (407,269)	-3%	\$ 14,010,647	\$ 11,367,214
Operating income (loss)	\$ (1,958,400)	\$ 1,211,734	-38%	\$ (3,170,134)	\$ (1,402,450)
Other income (loss)					
Millage revenue	\$ 1,370,000	\$ 71,838	6%	\$ 1,298,162	\$ 1,238,716
Pension non-cash adjustment (GASB 68)	-	-	100%	-	(47,898)
Certified Public Expenditure (CPE)	-	-	100%	-	-
Settlements (cost report, etc.)	-	1,325	-100%	(1,325)	125,799
Pandemic stimulus funding	84,800	(232,863)	-73%	317,663	574,874
Pandemic expenditures	(36,000)	73,381	-67%	(109,381)	(64,212)
Total income (loss)	\$ (539,600)	\$ 1,125,415	-68%	\$ (1,665,015)	\$ 424,828
Cash Flow Analysis					
	2021 Budget				
Operating cash flow	\$ (1,853,400)				
Other income (expense) cash flow	1,418,800				
Capital expenditures	(150,000)				
Other cashflow activity	500,000				
Net cash flow	\$ (84,600)				
Estimated cash balance - 10/1/2023	2,010,094				
Ending cash balance (9/30/2024, projected)	\$ 1,925,494	Days Cash on Hand->	52	53	109
Occupancy	85.0%		1.0%	84.0%	79.7%

Summary of Assumptions

Occupancy has stabilized around 85% and is seeing some improvement. Assumption set to the base amount of 85% to ensure full Medicaid reimbursement. Payor mix remains constant with rates based on known future reimbursement, with consideration of historical rates and expected adjustments. The major impact to wages is the inclusion of nonclinical direct care workers required to receive increased wage rates and the State reimbursing for those wage adjustments, which ultimately reduces the overall cost of wages. Further, efficiency is expected with stable occupancy (less overtime). Employee benefits remain stable compared to prior years with modest rate adjustments expected for insurance coverage to employees. In an effort to reduce costs and leveraging hired staff, the professional fees are expected to see a decrease during 2024. Depreciation expense based on projection provided by fixed asset software and other estimates. After the significant IT equipment spend in 2023, equipment expense is expected to decrease into 2024. Bad debt expense is estimated based on historical trends and industry average. General inflationary change is 4.0%, but due to COVID impacts, shifts in occupancy, and other factors, many costs were evaluated individually. No budget amounts set for GASB 68 adjustments, CPE, settlements, but there is expected cash flow expected for some of these items. Millage revenue is based on taxable value of property in the County at the current millage rate for the MCF (0.5 mills). COVID revenue relates to MCMCFC workforce stabilization grant funding, while the direct care worker reimbursement amount is offsetting wages. COVID expenditures are expected to continue into 2024 and at some point will be rolled into normal operating expenses into the future. Routine replacement of capital items expected for 2024, estimated at \$150,000. Medicaid, which represents approximately 80% of service revenue, has returned to cost-based reimbursement, which has yielded significant settlement activity and increased reimbursement rates. Settlements expected in 2024 (\$500,000) and 2025 (\$350,000) will help to supplement cashflow. The Facility is still waiting to receive the final ERC refund of \$740,000, but the timeline for receipt is unknown, so it has been excluded from this budget.

**Cass County MCF
Budget Summary
9/30/2024**

Projected Budget-11/20/2023

Description	Historical			Projections		
	2021 Actual	2022 Actual	2023 Annualized	2024 Budget	2025 Projection	2026 Projection
Operating revenue	\$ 9,362,232	\$ 9,964,764	\$ 10,840,513	\$ 11,644,978	\$ 11,994,328	\$ 12,388,005
Operating expenses	\$ (10,746,015)	\$ (11,367,214)	\$ (14,010,647)	\$ (13,603,378)	\$ (13,807,429)	\$ (14,052,937)
Operating income (loss)	\$ (1,383,783)	\$ (1,402,450)	\$ (3,170,134)	\$ (1,958,400)	\$ (1,813,101)	\$ (1,664,932)
Other income (loss)	\$ 5,281,165	\$ 1,827,278	\$ 1,505,119	\$ 1,418,800	\$ 1,380,000	\$ 1,390,000
Net income (loss)	\$ 3,897,382	\$ 424,828	\$ (1,665,015)	\$ (539,600)	\$ (433,101)	\$ (274,932)
Cash balance-beginning	\$ 3,150,786	\$ 4,201,934	\$ 3,351,101	\$ 2,010,094	\$ 1,925,494	\$ 1,824,392
Operating cash flow	\$ (1,842,698)	\$ 529,617	\$ (1,564,311)	\$ (434,600)	\$ (326,101)	\$ (165,932)
Capital expenditures	\$ (284,499)	\$ (284,499)	\$ (33,000)	\$ (150,000)	\$ (125,000)	\$ (125,000)
Other cash flow changes	\$ 3,178,344	\$ (1,095,951)	\$ 256,304	\$ 500,000	\$ 350,000	\$ -
Cash balance-ending	\$ 4,201,934	\$ 3,351,101	\$ 2,010,094	\$ 1,925,494	\$ 1,824,392	\$ 1,533,460

Occupancy rate	75.0%	79.7%	84.0%	85.0%	85.0%	85.0%
Daily cash on hand	144	109	53	52	49	40

Sensitivity Analysis - Net Income (Loss)

Occupancy at 65%	\$	\$	\$	\$	\$	\$
Occupancy at 70%	\$	\$	\$	\$	\$	\$
Occupancy at 75%	\$	\$	\$	\$	\$	\$
Occupancy at 80%	\$	\$	\$	\$	\$	\$
Occupancy at 85%	\$	\$	\$	\$	\$	\$
Occupancy at 90%	\$	\$	\$	\$	\$	\$
Occupancy at 95%	\$	\$	\$	\$	\$	\$

Sensitivity Analysis - Impact to Cash Balance

Occupancy at 65%	\$	\$	\$	\$	\$	\$
Occupancy at 70%	\$	\$	\$	\$	\$	\$
Occupancy at 75%	\$	\$	\$	\$	\$	\$
Occupancy at 80%	\$	\$	\$	\$	\$	\$
Occupancy at 85%	\$	\$	\$	\$	\$	\$
Occupancy at 90%	\$	\$	\$	\$	\$	\$
Occupancy at 95%	\$	\$	\$	\$	\$	\$

November 1, 2023

Christian Lutes
Cass County Medical Care Facility
23770 Hospital St.
Cassopolis, MI 49031

RE: Rate Change Effective January 1, 2024

Dear Christian Lutes:

I am truly grateful for our ongoing partnership. Your trust and collaboration with Alt Long Term Care Consulting has been a blessing to me, and I remain committed to providing you with the highest value of services.

In December 2022, I made an important decision regarding my billing rates. At that time, I recognized the challenges facing my clients. I was aware that payor sources were experiencing delays in providing the necessary adjustments to reimbursement rates, despite the significant inflationary pressures at that time. It was important to me to maintain a balance between the costs of providing my services and the financial stability of my clients, which is why I opted to limit the rate adjustment in order to maintain a balance between the cost of my services and your financial stability. As we transition into 2024, I am pleased to see payor sources adjusting reimbursement rates to reflect more accurately the cost of providing care. This change in the reimbursement landscape has led me to reconsider my rates. My primary focus remains on delivering top-tier services to you, and I believe that this rate adjustment is essential to ensuring the continued quality and sustainability of our partnership.

Effective January 1, 2024, the rates assessed to Cass County Medical Care Facility will be adjusted to two hundred ten dollars (\$210) per hour, up from the current rate of one hundred ninety-five dollars (\$195) per hour.

I would be more than happy to address any questions or concerns you may have regarding this rate adjustment. Your satisfaction and confidence in Alt Long Term Care Consulting's services are of utmost importance. Please do not hesitate to reach out to me directly should you require further information or wish to discuss this change. I sincerely value the opportunity to serve Cass County Medical Care Facility and appreciate the chance to continue our relationship.

Thank you,

Alt Long Term Care Consulting LLC



Philip Alt
Member

LR **LEBENBOM & ROTHMAN**
CONSULTING

2701 TROY CENTER DRIVE • SUITE 450 • TROY, MICHIGAN 48084

(248) 362-9699 • FAX (248) 362-1033

VICTORIA A. BURLEW, RN, LNHA
JILL HARDING, RN, LNHA, CLNC

DOUGLAS CAMPBELL, RN, BSN, CDONA, RAC-CT, LNHA

SANDRA PLACE, LNHA, MA
DON A. HANEY, LNHA, CMA, MBA

November 10, 2023

Christian Lutes, CEO
Cass County Medical Care Facility
23770 Hospital Street
Cassopolis, MI 49031

Dear Mr. Lutes:

We now have several consultants with different areas of expertise. Sandy Place addresses behavioral services, Person Directed Care, Emergency Planning, compliance and ethics, building resilience with staff and elders, and a myriad of other areas. Doug Campbell is an expert in regulation, mentoring nursing leaders, daily operations, and MDS Issues and Care Planning. Jill Harding is a certified legal nurse consultant and focuses on survey readiness and plans of correction. Vickie Burlew provides survey and regulatory information and culture change.

In 2023 Vickie transitioned her role to coordinating all of your consultation needs, providing the timely updates to regulations and guidance, the monthly web-based client meetings and education and other support you need. This reflects approximately 30 hours per client per year you receive in your retainer amount but have not previously toward your block of hours purchased.

In 2023 you purchased "up to 150 hours per year." You exceeded that by mid-year. For 2024 we are recommending that you increase this to "up to 240 hours." We take 5% of the top of these hours for Vickie's annual support. Therefore, your block will begin with "up to 228 hours." The retainer amount will be **\$2475.00 per month** for one year beginning January 1, 2023. This reflects a 25% reduction on our fees. In addition to this, you pay separately for travel time at \$44.00 per hour (a 20% reduction), mileage at the IRS rate, and actual overnight expenses.

Time charged against this block of hours includes:

1. On-site consultation as scheduled by the facility.
2. Virtual meetings
3. Telephonic communication
4. Remote review of electronic records, reports, investigations, regulations, policies, etc.
5. Remote development of plans of correction and IDR / IIDR.
6. Research related to work requested by the facility.
7. Email communication and texting
8. Survey preparation – this may involve any and all of our consultants. If you desire more than one, please coordinate with Vickie.

9. Training on-site or virtually

You elect how to use your hours. For example, you may choose to have weekly virtual meetings in combination with remote reviews and have us on-site only when needed. You may continue to have us on-site on a routine basis.

We bill for this monthly. Our consultants track their actual time with you in 15-minute blocks *when exceeding 15-minutes in a single day*. We detail these hours on the bill, charge them against your bank, and provide you the balance remaining. This provides you with a clear audit trail. When you exhaust your block of time, and upon your approval of additional hours, we reduce our consulting fees by **15%** for the remainder of the year.

Our cancellation policy requires you to provide the consultant with seventy-two (72) hour notice unless there is an emergency. While the consultant will make every effort to reschedule, we are under no obligation to do so without sufficient notice.

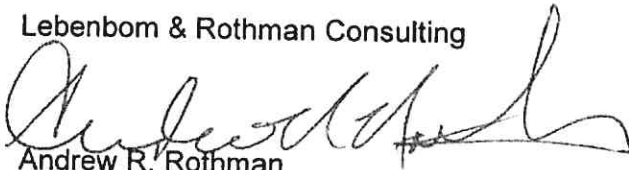
Of course, this retainer agreement can be terminated at any time, either by you or by us, by written notification thirty (30) days prior to the desired termination date. You will receive electronic invoices from Lebenbom & Rothman, P.C. with the Description of Services as "Lebenbom & Rothman Consulting Services."

If you have any questions or comments, please do not hesitate to contact me. If the agreement meets with your approval, would you please sign below and return this letter to me.

Thank you again for choosing us.

Sincerely,

Lebenbom & Rothman Consulting



Andrew R. Rothman

ARR/vb

Approved:

Christian Lutes, CEO

DATED: _____

**LEBENBOM & ROTHMAN CONSULTING
ATTACHMENT A**

2024 Consultant Fee Scale

Hours On-site (minimum of 4) Billed in 15-minute increments	\$165.00 per hour
Hours Off-site Billed in 15-minute increments	\$165.00 per hour
Emergency, Off Hours, Weekend Billed in 15-minute increments	\$200 per hour
Travel billed in 15-minute increments	\$55 per hour

Off-site is defined as: Virtual, Remote, Webcalls, Telephonic, Texting, Research, Email, Report and Recommendation Writing and other time spent on client matters.

Emergency is defined as when the nurse consultant provides services in less than 24 hours on- or off-site.

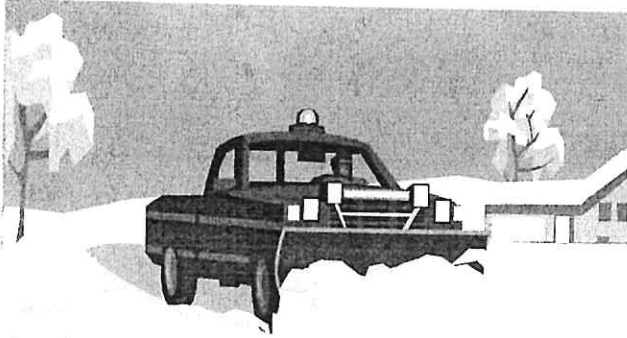
Off hours and weekends are defined as hours outside of normal business hours that were not scheduled at least seven (7) days in advance. It does not include mock survey or education scheduled in advance.

Mock Survey

Mock Survey hours are charged at 12.5 hours per on-site day for each surveyor to include the preparation time and reporting writing time. of the mock surveyors. There is an additional 10 hours charged for the team leader for pre-survey preparation and compilation and development of the final report.

Travel Expenses

For all services we charge for actual overnight expenses and mileage in whole mile increments at the IRS standard rate.



JEFF WITHERS

24655 US HWY 12
EDWARDSBURG, MI 49112
HOME: (269)699-7802
CELL: (269)228-1662

SNOW REMOVAL CONTRACT 2020-2023

Contract for snow removal from December 1, 2020 to April 30, 2023

Between Jeff Withers and Cass County Medical Care Facility

Cost per time: \$250.00, subject to gasoline clause (see below)


Billing will be sent monthly.

Gasoline Clause: In addition to the rate of \$250.00, the monthly average gas purchase price shall be considered and \$10.00 will be added each time the monthly average gas price rises fifty cents (\$.50) above \$3.50/gallon. For example, if the monthly average gas price is between \$3.50 and \$3.99, the cost per time will be \$260.00, if the monthly average gas price is between \$4.00-\$4.49, the cost per time will be \$270.00, etc.


Contract can only be broken by mutual agreement of both parties.
A late fee will be charged after 30 days at the rate of \$10.00 per month.

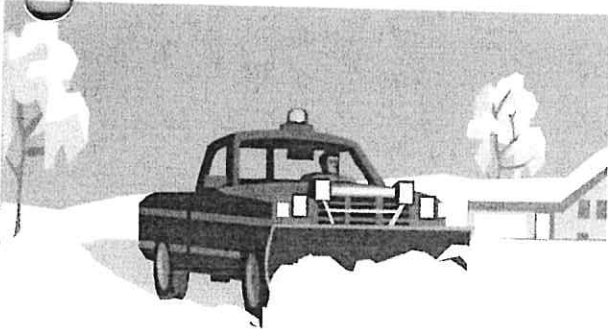
Please sign, date and return one copy.

Date: 12/14/20

By: 
By: Christian Lutes (Printed Name)

Date: 10-25-20


Jeff Withers



JEFF WITHERS

24655 US HWY 12
EDWARDSBURG, MI 49112
HOME: (269)699-7802
CELL: (269)228-1662

**SNOW REMOVAL CONTRACT
2023-2026**

Contract for snow removal from December 1, 2023 to April 30, 2026

Between Jeff Withers and Cass County Medical Care Facility

Cost per time: \$300.00, subject to gasoline clause (see below)

Billing will be sent monthly.

Gasoline Clause: In addition to the rate of \$300.00, the monthly average gas purchase price shall be considered and \$10.00 will be added each time the monthly average gas price rises fifty cents (\$.50) above \$4.00/gallon. For example, if the monthly average gas price is between \$4.00 and \$4.49, the cost per time will be \$310.00, if the monthly average gas price is between \$4.49-\$5.00, the cost per time will be \$320.00, etc.

Contract can only be broken by mutual agreement of both parties.
A late fee will be charged after 30 days at the rate of \$10.00 per month.

Please sign, date and return one copy.

Date: _____

By: _____ (Printed Name)

Date: 10-2-23

Jeff Withers

Cass County Medical Care Facility
Vendor Transactions
Nov 1, 2022 - Nov 1, 2023

Date: Nov 22, 2023
 Time: 10:42:33 ET
 User: Catchet Young

Facility #
 Page # 1

Date	Number	Batch-Ent.	Acc. Number	Description	Type	Amount	Balance
JEFF WITHERS (289)							
11/30/2022	11302022	844-23	94302-000		IN	\$1,300.00	\$0.00
12/16/2022	62161	1476-18	10020-000		PY	(\$1,300.00)	\$1,300.00
12/30/2022	349279	855-25	94302-000		IN	\$1,100.00	\$0.00
1/13/2023	62269	1517-27	10020-000		PY	(\$1,100.00)	\$1,100.00
2/1/2023	349283	874-9	94302-000		IN	\$400.00	\$0.00
2/17/2023	62436	1563-17	10020-000		PY	(\$400.00)	\$400.00
3/29/2023	349286	902-40	94302-000		IN	\$600.00	\$0.00
4/7/2023	62591	1640-20	10020-000		PY	(\$600.00)	\$600.00
TOTAL							\$0.00

Previous Balance

Total for FY 2023
 is \$3,400



349278

Statement

DATE 11-30-22

TERMS

TO C.C.M.C.F.

IN ACCOUNT WITH

Jeff Withers

24655 U.S. 12

Edwardsburg, mi 49112

5 Snowplowing 5x 260 - 1300 -

Dates: 11-16, 11-17,
11-18, 11-19, 11-20

\$10 added per time
due to gas
prices.

94302
snow
removed

ENTERED

DEC 1 2 2022

Thank you!

ms

CURRENT

OVER 30 DAYS

OVER 60 DAYS

TOTAL AMOUNT

1300 -



349279

Statement DATE 12-30-22 TERMS

TO C. C. M. C. F. 94302 Snow removal

IN ACCOUNT WITH Jeff Withers 24655 U.S. 12 Edwardsburg, Mi 49112

4	snowplowing @	250	-	1000	-
	Dates: 12-23 (2x)				
	12-24, 12-25				
	Visitors Lot			100	-
	on 12-17				
	Thank You!				

ENTERED

CURRENT OVER 30 DAYS OVER 60 DAYS TOTAL AMOUNT 1100 -

jms

349283

Statement

DATE 2-1-23

TERMS

TO C.C.M.C.F.

RECEIVED

IN ACCOUNT WITH

Jeff Withers

FEB 03 2023

24655 U.S. 1 BY:

Edwardsburg, mi 49112

1	snowplowing @ Date: 1-25	250	-	250	-
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1	snowplowing @ Driveway + visitors 1-26	150	-	150	-
---	--	-----	---	-----	---

Thank You!

ENTERED

FEB 17 2023

snow
removed
9.4302

CURRENT

OVER 30 DAYS

OVER 60 DAYS

TOTAL AMOUNT

400 -



349286

Statement		DATE 3-29-23	TERMS
TO C.C.M.C.F.			
23770 Hospital ST.			
Cassopolis, Mi 49817			
IN ACCOUNT WITH Jeff Withers		RECEIVED MAR 30 2023	
24655 U.S. 12			
Edwardsburg, Mi 49112		BY: _____	
2	snowplowing @ 250	-	500 -
Dates: 3-4, 3-10			
1	cleanup driveway and visitors lot		100 -
Date: 3-3			
BP Thank you!			
ENTERED APR 07 2023		94302 snow removal	
CURRENT	OVER 30 DAYS	OVER 60 DAYS	TOTAL AMOUNT 600 -

Christian Lutes

From: Allison Mast
Sent: Sunday, November 19, 2023 9:15 PM
To: Christian Lutes
Cc: Rayann Franco
Subject: RE: Dementia Grant

Bucket List/Wish List for Elderly

The elderly resident may be granted a wish or have an item on their bucket list that may be fulfilled through with money from the grant. Outside facility wish may be to see a grandchild/great grandchild get married, go to the Indy 500, go fishing at their favorite spot, or see their favorite sports team play. In the facility wishes could be a performance from their favorite artist like an Elvis impersonator or Whitney Huston impersonator, creating a fair/carnival experience, art show, and have a small band play.

From: Allison Mast
Sent: Sunday, November 19, 2023 9:04 PM
To: Christian Lutes <CLutes@ccmcf.org>
Cc: Rayann Franco <RFranco@ccmcf.org>
Subject: Dementia Grant

Certified Dementia Practitioner: Through National Council of Certified Dementia Practitioners

Mission: To provide world-class training and education on Alzheimer's disease and related dementias so that every individual living with cognitive change benefits from compassionate, expert care.

Fee for 7 hour seminar is 150.00 per person

STEP 1

Complete the ADDC Seminar

Complete the live one-day ADDC Alzheimer's Disease and Dementia Care Seminar. The ADDC seminar is the required course for those pursuing CDP certification. Follow the link below to view upcoming ADDC seminars.

STEP 2

Submit the CDP Application

Follow the link below to complete your online application for certification.

Once certified our staff could train other staff in the facility along with community partners on how to give compassionate care to individuals living with dementia.

Healthcare Interactive

CARES® is a nationally recognized, award-winning, evidence-informed set of programs to improve your dementia-care skills. Each program includes engaging content, interactive activities, and real-life videos (no actors) of actual staff, experts, families, and people living with dementia.

Dementia Basics: 4 hours, 4 modules, with certification. Individual \$99 or up to 10 users \$599

Learn the "basics" of quality dementia care. Topics include an introduction to dementia, person-centered care, behavior as communication, and the 5-step CARES® Approach.

Dementia-Related Behavior: 4 hours, 4 modules, with certification. Pricing same as above

Learn how to respond to fear, frustration, and anger as well as behavior such as yelling, cursing, hitting, biting, public urination, as well as a respectful discussion of sexual behavior.

Dementia Advanced Care: 6 hours, 6 modules, with certification. Pricing same as above

This program is focused specifically on important safety and compliance topics including food and fluid intake, pain, wandering, falls, eliminating restraints, and making a connection.

Training could be used to assist community partners and families at home.

Bucket List/Wish List for Elderly

The elderly resident may be granted a wish or have an item on their bucket list that may be fulfilled through with money from the grant. Whether it be seeing a grandchild/great grandchild get married or see their favorite musical artist the facility could make their wishes come true.

Allison Mast, MSW

Director of Social Services

Cass County Medical Care Facility

23770 Hospital St Cassopolis, MI 49031

269-228-4007 Direct Line