



## COMMUNITY CARE OF CENTRAL WISCONSIN

### Board Meeting Minutes: Approved

**DATE:** May 22, 2013  
**PLACE:** Central Wisconsin Airport, Mosinee, WI, Meeting Room A  
**TIME:** 12:30 - 5 p.m.  
**PRESENT:** Board Members Ray Bloomer, Jim Clark, Ken Day, Sam Hardin, Jim Jansen, Janis Ribbens, and Frank Saal, Jr.  
**EXCUSED:** Peter DeSantis, Peter Hendler, and Donna Rozar  
**OTHERS PRESENT:** Jim Canales, CCCW Chief Executive Officer; Mark Hilliker, CCCW Chief Operations Officer; Jody Kohl, CCCW Chief Human Resources and Information Officer, Jason Taylor, CCCW Chief Financial Officer; Tara Adam, CCCW Executive Assistant

1. The meeting was called to order at 12:30 p.m. by Board Chair Ken Day.
2. Motion to go Into Closed Session  
Ray Bloomer made a motion to go into Closed Session pursuant to Section 19.85(1)(c), Wis. Stats., for the purpose of conducting public business which for competitive reasons requires a closed session, including interview of candidates for Board Member position and deliberation regarding candidates for Board of Directors position. Motion seconded by Jim Jansen. Roll call vote taken; all Board Members voted in favor. Motion carried.
3. Return to Open Session.
4. Motion by Janis Ribbens; seconded by Ray Bloomer, to appoint Natasha Rotar as the member-at-large board member. Roll call vote taken; “aye” votes by Ribbens, Bloomer, Jansen, Saal, and Day. “Nay” votes by Hardin and Clark. Motion carried.
5. Motion by Jim Clark; seconded by Jim Clark, to appoint an alternate member-at-large board member of Barb Hanson in the event Natasha Rotar denies the appointment. Roll call vote taken; all Board Members voted in favor. Motion carried.
6. No Public Comment was made.
7. Motion by Frank Saal, Jr., seconded by Janis Ribbens, to approve the Minutes dated April 24, 2013. Motion carried.
8. Board Education/Governance Monitoring
  - A. Annual Audit Presentation by Wipfli  
Kim Heller and Kathi Krueger from Wipfli LLC were in attendance to report on the findings of the 2012 financial audit to the CCCW Board of Directors. Kim explained the purpose of the audit, how Wipfli determines what is reviewed through the audit process, and addressed information in the Required Communications Letter issued by Wipfli, highlighting the items of most importance to the Board:
    - CCCW’s solvency reserve fund was liquidated at the state’s direction in 2012 to address the CHP insolvency and transition to Southwest Family Care. This is considered to be a “sensitive disclosure” as defined by terms used in the audit process.
    - The planning materiality amount, which indicates the highest amount that would be considered a material misstatement, was set at \$942,000. This amount was established based upon the organization’s assets and revenue. The unadjusted differences threshold limit was set at \$22,000; anything over that amount is

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adjusted in the financial statements. A high degree of importance is placed with internal controls, and no weaknesses or concerns were found.

- Information that is most significant in the audit process are finance statement estimates. In 2012, the industry updated the format of the audit opinion to include disclosures related to the responsibility of different parts of financial statements. The new format disclosing financial statements are the responsibility of management and are properly presented while being materially accurate. Another change highlights the auditors' responsibility to audit financial statements and provide an opinion on if they are materially accurate and in accordance with general accounting principles. Wipfli has provided a clean opinion and is not modified for any exceptions.
- CCCW continues to have a strong balance sheet with a 2012 year-end net profit of \$7.8 million.
- As a whole, Wipfli found no areas of concern in this audit. They were very complimentary of the excellent cooperation by staff from CCCW, and found the audit to be very clean which, Kim stated, was the result of the organization having good internal controls and processes on an ongoing basis with effective accounting practices.
- Kim Heller stated that Wipfli does not audit board structure or policies.

### B. Administrative Updates

- ✓ CCCW continues to see zero net growth in enrollments. Total revenue, as a result, is down about \$1 million in the beginning of 2013.

### C. Monitoring Reports

- ✓ Monthly Income Statement. Expenses are coming in below budget due to the stagnant number of net new enrollees. Per Member Per Month averages are slightly above target; residential costs are higher than planned. Additional prior year IBNR (Incurred But Not Reported) revenue was recognized for 2012, bringing the net income to \$870,000. CCCW continues to see moderate gains from the 1st Quarter 2013 through April 2013.
- ✓ Quarterly Quality Indicator Report. COO Mark Hilliker provided the Quality Indicator Report to the Board, which shows information broken down by office and target group. Of note was that 68% of a large number of disenrollments in 1st Quarter 2013 were due to death. Other charts in the report provide information on the number of members self-directing, number of members served per office, and critical incidents. Falls resulting in serious injuries has the highest number of instances in the Critical Incident category. The Performance Improvement Project regarding falls will be shared with the Board at a future date. CCCW continues to be at or above goal with the member satisfaction results.

### D. Strategic Planning Discussion

- ✓ Mark Hilliker provided the board with two documents: 1) an Executive Summary highlighting key parts of the Strategic Planning Process and strategic issues for approval; and 2) a summary document of the entire Strategic Planning processes showing detail. He asked the Board to review for discussion at next month's Board meeting.

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- E. Expansion Opportunity Discussion
- ✓ There was discussion between Administration and the Board about the Board's opinion and direction to CCCW on upcoming Requests for Proposals to provide the Family Care benefit within other MCO service regions, either already established or yet-to-be established. A continued expansion discussion will be added to next month's board agenda.
9. Next Meeting Agenda Items
- Administrative Reports
    - Monthly Income Statement
    - Expansion Discussion
  - Board Actions
    - Election of Board Officers
    - Review and Approval of Strategic Plan Executive Summary and Document
    - Review and reaffirm Board Process Policies
    - Review and reaffirm Organization Bylaws
10. The next Board meeting will occur on Wednesday, June 26, 2013, at 1 p.m. in the CCCW Marshfield location, located at 503 East Ives Street, Suite 320. An Open House will immediately follow the board meeting.
11. There being no further business, the meeting was adjourned with a Motion from Sam Hardin, seconded by Jim Jansen. Motion carried.
12. Meeting adjourned at 5:11 p.m.

Respectfully submitted by Tara Adam, CCCW Executive Assistant