

LASATA CARE CENTER ANNUAL REPORT, 2010

Lasata's census and occupancy levels are definitely trending the same as state and national levels. Our total occupancy for the year was the lowest in 20 years as we averaged 179 residents per day. This trend will continue into the future as more options and services become available for the frail elderly to stay in the community as long as possible. In fact 6 of our residents left the Care Center and moved into the Crossings assisted living facility in July.

Lasata is now caring for more short-term rehabilitation residents and residents with chronic or end-of-life conditions. Our short-term rehabilitation census was 25% higher than past years and Hospice care was 7% of our total census. Even though we had a record low census our admissions were 35% higher than past years and discharges were 37% higher than past years. This is due to the turnover of short-term rehabilitation residents.

We continue to work with various state organizations such as Wisconsin Counties Association (WCA) and Wisconsin Association of Homes & Services for the Aging (WAHSA) to advocate for fair and equitable reimbursement rates as well a relief from duplicative, burdensome and expensive regulations.

During our annual state/federal licensure certification survey we were awarded deficiency-free status. Of the 400 nursing homes in Wisconsin less than 30 % achieve this status each year. This is a direct reflection of dedication to quality care by our staff.

Our Operating Revenues were \$15,124,385 and Operating Expenses were \$15,169,630 for a Net Operating Deficit of \$45,425. Our original budget Operating Deficit was \$134,370.

Medicaid(T19) reimbursement rates was \$71.52 per day below our operating costs creating a deficit of \$3,100,000 from caring for 137 Medicaid resident per day. Fortunately we received \$30.31 per day, (a total of \$1,453,500) in Supplemental Payment Program funds to help offset some of these losses.

The most notable revenue budget shortage is from the State reducing Medicaid (T19) funds by \$663,000. However due to an increase in private pay and Medicare(T18) funded residents our overall revenue shortage was only \$154,300.

Notable expense account differences included wages of \$46,825 over budget but fringe benefits being \$115,350 below budget. Utilities were \$83,800 under budget and overall expenses were \$243,446 under budget.

Wages were over budget mainly due to an increase in staff out on medical leaves so we had to cover with overtime and temporary staffing. As our professional nurses continue to grow older and retire we are finding it difficult to recruit younger nurses willing to work on our industry.

We continued to renovate and update our 44 year-old physical plant. We spent \$232,000 on renovating our kitchen which will allow us to serve the extra capacity of the Crossings assisted living tenants and replaced many older pieces of equipment with newer energy efficient models.

Our original 1966 water and sewer lines were failing so we spent \$122,000 to install new and larger service lines and spent \$47,000 to repave our deteriorating main parking lot. In addition we spent \$150,000 to repair, remodel or update various other parts of the building and purchased new equipment to meet the needs of residents and staff at a cost of \$115,000.

Goals for 2011 will include negotiating a fair and equitable labor contract, recruiting and retaining quality employees, dealing with whatever funding obstacles will be rolled our way from Madison and working to promote and market all levels of service from all three facilities as the Lasata Senior Living Campus.

Ralph G. Luedtke, Lasata Campus Administrator