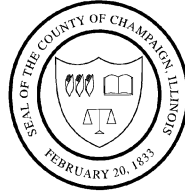


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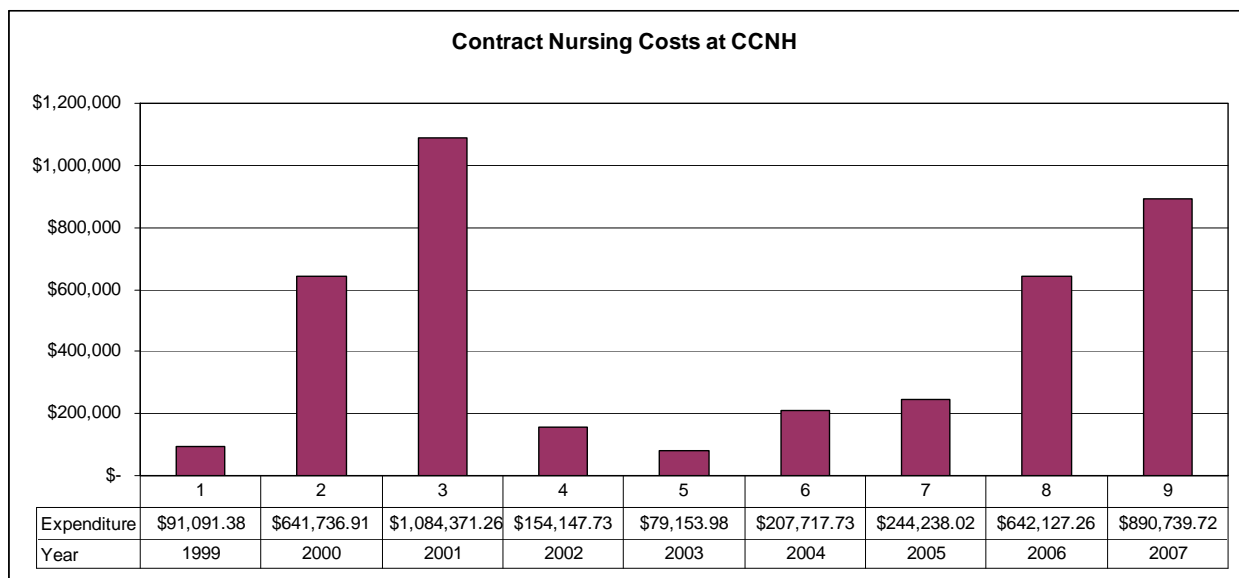
TO: Finance Committee members
 FROM: Tony Fabri
 DATE: September 13, 2007
 RE: Contract Nursing Costs at CCNH

MEMORANDUM

Tonight's agenda includes a requested Budget Transfer (#07-00014) of \$400,000 to cover anticipated line item shortages for Contract Nursing at the Champaign County Nursing Home (CCNH). While approval of this transfer tonight is necessary, contract (a.k.a. "agency") nursing is a particularly expensive way to cover staffing needs at the Nursing Home, as compared to the cost associated with County-employed nurses.

Previous County Boards and previous Nursing Home administrations identified Contract Nursing as a major budgetary problem at CCNH, and made reduction/elimination of Contract Nursing a top priority, with largely successful results (see chart below). Unfortunately, Contract Nursing has again become a major expense at the Nursing Home, which necessitates tonight's Budget Transfer.

I encourage County Board members and CCNH administration to again make the elimination/reduction of Contract Nursing a top priority. It's been accomplished in the past, and can be accomplished again in the future. As we look for ways to improve the "bottom line" at the County Nursing Home, let's not overlook an obvious cost-saver that we've successfully implemented in the recent past.



(2007 figure includes both actual expenditures as of 9/7/07 of \$436,558.43, plus billed expenditures that have yet to be paid.)