Annual Report, 2015

Commission on Veterans Community Living Centers

Submitted to:

The Honorable John W. Hickenlooper, Governor, State of Colorado

Reggie Bicha, Executive Director, Colorado Department of Human Services

Members of the Colorado Senate:

Committee on State, Veterans and Military Affairs

Committee on Health and Human Services

Members of the Colorado House of Representatives:

Committee on State, Veterans and Military Affairs

Committee on Public Health Care and Human Services

Members of the State Board of Veterans Affairs

February, 2016

Commission on Veterans Community Living Centers

(Statutory positions in parenthesis, C.R.S. 26-12-402)

Kathleen N. Dunemn, Ph.D., Chair
Veteran, Professor of Nursing, University of Northern Colorado
(Practicing clinical experience in nursing homes)

Karren E. Kowalski, Ph.D. , Vice Chair
President and CEO, Colorado Center for Nursing Excellence
(Veteran)

Cheryl A. Kruschke, Ed.D., Secretary
Associate Professor, Loretto Heights School of Nursing, Rueckert-Hartman College of Health Professions, Regis University
(Expertise in nursing home operations and experience in multi-facility management)

Anne K. Meier
Colorado State Long-term Ombudsman, Disability Law Center, Denver
(Ombudsman)

Ruth E. Minnema
Clinical Administrator, Shalom Park, Aurora
(Expertise in nursing home operations and nursing home administrator at the time of appointment; experience in financial operations of a nursing home)

William L. Robinson
(Veteran and designee of the State Board of Veterans Affairs)

Richard E. Young
(Veteran)

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Commission on Veterans Community Living Centers
Tenth Floor, 1575 Sherman Street
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February 3, 2016

The Honorable John W. Hickenlooper, Governor
State of Colorado
State Capitol Building
Denver, CO 80203

Mr. Reggie Bicha, Executive Director
Colorado Department of Human Services
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Denver, CO 80203

Members of the Senate Committee on Health and Human Services; the House Committee on Public Health Care and Human Services; and the Senate and House Committees on State, Veterans and Military Affairs

Members of the State Board of Veteran's Affairs

Dear Governor Hickenlooper, Mr. Bicha, and Committee and Board Members:

The 2015 Annual Report of the Commission on Veterans Community Living Centers is attached for your review. The Commission has had a busy year which included, along with our usual oversight role, the receipt of a report on the needs as of the veterans in Colorado with specific recommendations for the veterans community living centers.

Based, in part, on the needs assessment, the Commission submits two recommendations relating to a proposed domiciliary at the Fitzsimons veterans center:

We recommend that the General Assembly take the necessary actions to begin the process of planning for a domiciliary and a transitional housing unit at Fitzsimons with the following actions to be considered.

- That legislation make a statement of support of the project by the state, with funding to begin the planning process; and

- That an exemption be provided for the project from a statutory requirement that each of the veteran's centers have at least 80 percent occupancy before construction can begin,

Additionally, for some of our rural facilities, the Department is evaluating solutions to current restrictions on bed occupancy set by the U.S. Department of Veteran's Affairs. Specifically, the Department is interested in enabling spouses and qualified family members of veterans to occupy beds even if the veterans census drops below 75 percent. With empty beds available at some centers, and a waiting list of qualified spouses or family members, this policy should be reconsidered.

Thank you for the opportunity to serve on the Commission. We look forward to another year of assisting the veterans in Colorado.

Respectfully submitted,

Kathleen N. Dunemn, Chair
Commission on Veterans Community Living Centers

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Commission on Veterans Community Living Centers

Introduction

The Commission on Veterans Community Living Centers was created by legislation in 2007 as a seven member Commission appointed with representation of different backgrounds and expertise relating to the operation of the veterans centers. Two appointees are veterans, one is the designee of the state Board of Veterans Affairs serving as liaison to that board, another is a nursing home ombudsman, and three persons bring expertise in different phases of the operation of nursing homes. All members are appointed by the Governor and are subject to confirmation by the Colorado Senate.

There are four state veterans community living centers and one center that is part of the Huerfano County Hospital District in Walsenburg. The state centers are operated by the Colorado Department of Human Services, Division of Veterans Community Living Centers. The official names of the centers are as follows, although this report uses their frequently used name by location:

Bruce McCandless Veterans Community Living Center, Florence

Veterans Community Living Center at Fitzsimons, Aurora

Veterans Community Living Center at Rifle

Veterans Community Living Center at Homelake

Spanish Peaks Veterans Community Living Center, Walsenburg

The Commission has the following statutory duties:

Advise the Division of Veterans Community Living Centers and each of the individual veterans centers;

Provide continuity, predictability, and stability in the operation of the veterans centers;

Provide guidance to future administrators at the veterans centers based on the collective institutional memory of the board of commissioners. (Section 26-12-402 (2), C.R.S.)

The statute further states that the Commission shall "Endeavor to ensure that the highest quality of care is being provided at the veterans centers and that the financial status of the veterans centers is maintained at a sound level." In carrying out these responsibilities the Commission met six times this year. We received reports from the Division on the census and financial condition of the centers, the progress of the electronic health records project, the survey reports of the state and VA inspections, and the marketing efforts of the Division and the centers, among other topics.

The consultants to the division, VIVAGE Health Care Partners, reported at each meeting on their work with the centers notably in their roles in advising the centers, in providing staff training and education, and in conducting pre-surveys and assisting with plans of correction following the surveys of the state Department of Public Health & Environment.

The Commission is directed by statute to submit an Annual Report of the issues and recommendations developed by the Commission during the year. The report is to be sent to the Governor, to the Executive Director of the state Department of Human Services, by electronic transmission, to the members of the state Board of Veterans Affairs and to four committees of the General Assembly: the Senate Committee on Health and Human Services; the House Committee on Public Health Care and Human Services; and the House and Senate Committees on State, Veterans, and Military Affairs.

Census

The occupancy rate for the four state veterans centers has tended to fluctuate between 85 and 87 percent over the last year. The division target is 91 percent. Fitzsimons is the leader in occupancy, well over 90 percent on a consistent basis, while Rifle continues to be around 70 percent.

Previous reports of the Commission have commented on the difficulties in achieving an increased census at Rifle. The center is in a lightly populated area with Grand Junction, the closest city and the largest city on the Western Slope, being an hour's drive away. As one drawback with this location, the long distances make it difficult for families to visit loved ones at Rifle. The division is taking steps to improve the census at Rifle by increasing the marketing approaches with more effective outreach to physicians, hospitals and veteran's organizations.

Even though there are empty beds at Rifle there is a waiting list of persons who would enter the center except for one caveat. The VA requires that, for reimbursement, the centers maintain a census of veterans at a minimum level of 75 percent. If the percentage were to slip below that level, non-veterans, often spouses, could no longer be admitted until the required percent of veterans is attained. The Commission is aware of this and strongly supports contacts being made with the VA and the Colorado congressional delegation to amend this policy. In short, empty beds should not go unfilled when there is a waiting list of qualified family members to use them.

Financials

The financial report of Fiscal Year 2014-15, as of Period 15 close, shows that the Division of Veterans Community Living Centers had a positive cash flow of about $2.7 million. Fitzsimons had a net operating profit of $1.1 million while the other three homes experienced net losses. The Division experienced an overall net loss of $1.4 million.

The primary factor resulting in the net loss for the division was the implementation of the Governmental Accounting Standards Board (GASB) Statement No. 68. GASB 68 required governmental entities to include the cost of unfunded pension liability in the financial statement. As a result, GASB 68 resulted in Pension Expense of $2.2 million in the Division's financial statement. Pension expense is a non-cash expense.

The key factor for improving the financial picture at any of the centers lies in the occupancy. Many of the fixed costs for operating the centers remain, even though the census may drop, thus making the emphasis on occupancy that much more critical.

Electronic Health Records (EHR)

One of the most significant achievements of the year was the "going live" at all of the homes with electronic health records. EHR is in use for clinical documentation and for resident insurance billing. The system provides medical personnel with immediate access to resident records which results in more efficient clinical care. A physician or clinician no longer needs to go to the veteran's center to read the paper records of a resident. The medical information is accessible regardless of where they are by means of personal computers, smart phones or other electronic devices.

Other advantages have been discussed in previous Annual Reports. Nurse notes and physician orders are easier to read and reduce chances of misinterpretation. The time taken in preparing handwritten paperwork is reduced. Analysis of data concerning quality indicators, such as the frequency and causes of falls or use of medications, is possible without having to collect paper records for documentation.

Work is being done to fully implement the system. Electronic access for lab reports, hospital records and communication with pharmacies is not uniformly available and reaching this information is a priority of the Division. Getting the outside sources into the system will make full use of the system with more complete medical records and to the benefit all concerned – residents, health care professionals and administrators of the veterans centers.

Quality of Care

As has been discussed in previous Annual Reports, the Division and the centers have established benchmarks for indicators of quality that measure the performance using a reporting system called MyInnerView. There are 13 benchmarks with targets set for each measure of quality with the results reported at every Commission meeting. The benchmarks and the targets are as follows:

Residents without unintended weight loss/gain -- 98 percent
Residents without physical restraints -- 98 percent
Residents without pressure ulcers -- 98 percent
Residents without indwelling catheters -- 98 percent
Residents without falls -- 88 percent
Residents without anti-psychotic medications -- 85 percent
Nurse and certified nurse assistants (CNAs) absenteeism -- 98 percent
Nurse and CNA turnover -- 98 percent
Nurse stability -- 75 percent
CNA stability -- 63 percent
Occupancy -- 91 percent

In general, but with some exceptions, the centers have been close to, or have exceeded, the targets set, noting that there is some variation from month to month as the residential population and the

nurse and CNA workforce change. For example, the average totals for the Division as a whole show as stable the use of catheters, weight loss/gain, the use of restraints, and nurse and CNA stability. The exceptions in reaching the targets have usually been in resident falls and occupancy.

Resident falls and the use of anti-psychotic medications are two of the measures of quality that are most closely followed. As with the other benchmarks, the targets for these quality indicators are set high, because of their importance to residents well being (88% for falls and 85% for anti-psychotics). The national average reported for nursing home residents without anti-psychotic medications is in the range of 77 percent.

The prevention of falls requires constant attention, particularly for those who are susceptible to falling. Staff education and training are paramount. If a residents needs to reach for something on a dresser, the nurse or CNA must be aware of the importance of providing immediate assistance. Frequent checks in meeting the needs of residents are part of fall prevention programs. An effort will be made next year by the Division to see which interventions are the most effective based on a review of every case involving a fall.

Needs Assessment

In the summer of 2014 the state Department of Human Services engaged in a contract with a consulting firm, Public Consulting Group (PCG), to perform a needs assessment study of the four state veterans community living centers plus the local district Walsenburg center. The main goals of the study were to focus on the health care options currently available to Colorado veterans and to provide projections on the future health care services to serve our veterans.

The study was completed this summer and the Commission believes that it provides a blueprint for further in depth study, analysis and action. The recommendations of the needs assessment study deserve significant attention but further study and analysis cannot be undertaken all at one time. What is important, however, is that the recommendations, as discussed below, represent an agenda for our consideration in the immediate future.

Domiciliary Care and Transitional Housing

The Commission is in total agreement with the needs assessment study that the construction of a domiciliary be explored along the I-25 corridor and specifically at the Fitzsimons campus.

Domiciliary care was well described in the Needs Assessment report: "Domiciliary Care provides the least intensive level of inpatient care for ambulatory veterans disabled by age or illness who are not in need of more acute hospitalization and who do not need the skilled nursing provided in nursing homes. The care focuses on rehabilitating the veteran in anticipation of his or her return to the community in a self-sustaining and independent or functioning in a protective environment."

The domiciliary at Fitzsimons would provide assisted living quarters for veterans and their qualified family members, most commonly the spouse of the veteran, who need nearby access to medical care but who are able to live independently apart from the community living center. The proximity domiciliary to the skilled nursing home means that a resident could easily transfer to the higher level of care when the need arises or return to the domiciliary when well enough to again live independently.

The projected demand for domiciliary care, as reported in the needs assessment project, is an increase from 3.5 percent to 14.1 percent in the next 20 years. The number of veterans that may use domiciliary care was projected at 423 at this time, rising to 482 in 2035.

The original plan in 1999 for the Fitzsimons campus envisioned a three facility approach for veteran's care. The first to be constructed, of course, was the nursing home, now known as the veterans community living center. Not funded at that time were a domiciliary and a transitional home. The transitional home would serve veterans and qualified family members who are in need of temporary living quarters on a short term basis, perhaps a month or two, when an emergency occurs. Another example of its use could be for a veteran coming out of the hospital who needs further attention but not at the level of nursing home care.

The Department would apply for U. S. Veteran's Affairs funding for the domiciliary for 65 percent of the cost and the remaining 35 percent would be the state's responsibility. If the cost were to be, for example, $45 to $50 million, the state share would be between $16 and $17.5 million. Planning for a project as important to our veterans at the domiciliary and transitional house unit will require significant effort and time before construction can begin. The Commission recommends that the state appropriate funding to get started with the project which is long overdue.

The Department of Human Services is evaluating solutions to a statutory provision that could present problems in the eventual construction of the Fitzsimons domiciliary. Specifically, a statute currently requires all centers to have 80 percent or greater occupancy before building additional facilities. An exemption could be needed for this project. The Commission sees no reason for this provision to apply to the domiciliary at Fitzsimons and supports an exemption from this requirement.

The VA requires a firm commitment from the state before it will consider funding a project such as a new domiciliary and transitional housing unit. Making a statement of support in legislation would send the message that the state is taking some of the first steps in working for a project as described in this report and fully supports the concept envisioned for the Fitzsimons campus.

Shared Services and Nurse Practitioners

Another of the recommendations of the needs assessment project was the concept of shared services in order to overcome the challenge of providing specialized services to its residents. The report said that nursing home administrators have limited access to medical and behavioral health professionals. It was stated: "Across the board, home administrators expressed an interest in bringing physicians to their families on a regular basis, as opposed to transporting residents to another facility to receive services, because coordinating transportation was difficult and often ineffective."

Three means of providing shared services were suggested, based on national trends:

Tele-health physicians – This option could fill is some of the gaps in the needs of the centers but it would require technology upgrades at most centers and was said to be "a temporary solution to a long term problem."

Locum tenens (substitute) physicians – Here health care professionals would be hired to serve as a bridge for up to six months until a more permanent full time physician can be found for the center.

Part time physicians – This suggestion was that a physician be hired who would be willing to travel to the veterans centers with a limited work schedule that he or she would control.

The Commission added an alternative approach to this list: namely nurse practitioners. We recommend that a thorough study be undertaken of the use of nurse practitioners to address the problems cited by the nursing home administrators. The scope of practice of nurse practitioners in Colorado "may include, but is not limited to, acts of advanced assessment, diagnosis, treating, prescribing, ordering, selecting, administering, and dispensing diagnostic and therapeutic measures." Prescribing medicine is permitted if the nurse practitioner has applied for and been granted authority by the state Board of Nursing.

Data collection would be a major part of a study of the feasibility of hiring nurse practitioners. Questions that would be addressed would include: What is the frequency of hospital visits? What treatment was administered at these visits? Could hospitalization of residents been prevented by earlier intervention? What is the frequency of physician visits? Have lab results resulted in appropriate actions and are these actions continuing to be analyzed? The Commission is going to work with the division and the veterans centers to investigate their needs for additional shared resources.

The Commission sees a number of advantages in the use of nurse practitioners as an addition to the present arrangements for medical care in the veterans centers. As one example, a physician must personally approve a recommendation that an individual be admitted to a facility and each resident must remain under the care of a physician. The VA regulations specify that the physician visit at least 30 days after admission and every 60 days thereafter, more frequently based on the condition of the resident. At the option of the physician, visits after the initial visit, may alternate between visits by the physician and those of a certified nurse practitioner, a certified physician assistant or a clinical nurse specialist if not prohibited by state law or by policies of the facility.

There are costs involved in the hiring for new positions. If nurse practitioners were to be employed at each home the salary and the package of state benefits for full-time employees would not necessarily be made up in savings to the facility as would be the hope. For this reason the Commission favors a study as discussed with the collection of data that could influence the way the proposal is implemented.

Other Recommendations

The other recommendations of the needs assessment project are important issues for further study and will not be ignored by the Commission. It was recommended that a home health component – in-home services - be explored as an addition to the services of the veterans community living centers. There is a significant increase projected in the coming years of people over 65 years of age who will require long term services and support. This proposal would add a service that would meet a market need while complementing existing expertise at the centers. There is a desire among aging individuals to stay in their home communities as opposed to moving into an institutional setting. It would create a pipeline of individuals to move into existing veterans community living centers when they are ready or when the need to do so arises.

Another of the needs assessment recommendations concerned the idea that converting shared rooms into private rooms which has the potential of increasing the market demand at the centers. A pilot program of converting as many as five rooms as a test case at Rifle, or perhaps Florence, was suggested. As a center that tends to operate below capacity, Rifle might make the transition more easily than would be the case at the other centers. The change would represent market advantage for Rifle and an analysis of the demand and cost impacts could be a case study for understanding the consumer demand and the challenges of marketing private rooms.

The Commission believes this idea is worthy of consideration. The difficulties in reconfiguring the present shared rooms, with single doorways, shared bathrooms and window locations, are among the matters involved in further study. The cost and funding considerations could be prohibitive but the idea deserves full consideration.

A final recommendation in the needs assessment study was that methodologies be explored in the recruitment and retention of nurses. In the needs assessment interviews all of the veteran's centers revealed concerns about these issues. The recommendations included that the centers investigate student loan repayment programs and other available aid for nurses and, in the longer term, work on changing state law and regulations as they apply to the nursing staff.

The Commission recognizes the problems addressed and the difficulties of finding and retaining nurses at all levels. These issues are especially difficult in the rural areas. Given the restrictions in the Colorado Constitution and statutes, the incentives the state can offer are fewer than may be offered in the private sector. The state Department of Human Services works on trying to maximize the advantages under the state personnel system but, with the restrictions it faces, it cannot always match advantages of other employers. A long range strategy to deal with nursing shortages and state's capabilities in the hiring and retention of nurses would be welcomed.