

Annual Report 2019

Commission on Veterans Community Living Centers

Submitted to:

The Honorable Jared Polis, Governor, State of Colorado

Michelle Barnes, 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

December, 2019

Commission on Veterans Community Living Centers

(Statutory positions in parenthesis)

Karren E. Kowalski, Ph.D., Chair

President and CEO, Colorado Center for Nursing Excellence

William L. “Robby” Robinson, Vice Chair

(Veteran and designee of the State Board of Veterans Affairs)

Carolyn Ruhl, Secretary

Nursing Home Administrator, Eben Ezer Lutheran Care Center, Brush

(Expertise in nursing home operations and nursing home administrator at the time of appointment; experience in financial operation of a nursing home)

Scott Bartlett

Long Term Care Ombudsman Supervisor

(Ombudsman)

Kathleen N. Dunemn, Ph.D.

Veteran, Professor of Nursing, University of Northern Colorado

(Practicing clinical experience in nursing homes)

Richard E. Young

(Veteran)

Vacant

(Expertise in nursing home operations and experience in multi-facility management)

Commission on Veterans Community Living Centers

Tenth Floor, Colorado Human Services Building
1575 Sherman Street
Denver, CO 80203

December 31, 2019

The Honorable Jared Polis, Governor
Office of the Governor
136 State Capitol Building
Denver, CO 80203

Ms. Michelle Barnes, Executive Director
Colorado Department of Human Services
1575 Sherman Street
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 Veterans Affairs

Dear Governor Polis, Ms. Barnes, and Committee and Board Members:

The 2019 Annual Report of the Commission on Veterans Community Living Centers is submitted for your review. A summary of the key issues and recommendations is provided on the blue pages that follow.

The Commission met five times this year with visits to each of the state Community Living Centers located at Florence, Fitzsimons, Rifle and Homelake in the San Luis Valley. Our recommendations are based on our discussions with the nursing home administrators and other staff at these centers and with the administrative team of the Division of Veterans Community Living Centers in Denver. These resources were extremely helpful in our deliberations.

This year's report also makes note of our appreciation of the action by the Governor and the General Assembly in improving the salaries of the direct care staff, i.e. the nursing employees, in the 2019 legislative session. Thank you for your response in meeting this need.

Respectfully submitted,

Karren E. Kowalski, Ph.D.
Chair, Commission on Veterans Community Living Centers

Key Issues and Recommendations

Needs Assessment

The Commission has grown increasingly concerned that the Veterans Community Living Centers (VCLCs) are in a position to meet the needs of tomorrow's veterans. The veteran population is changing as the WWII and Korean War veterans pass from the scene. The younger veterans have somewhat different needs. There are more veterans who are now or will soon be in retirement age who are facing conditions such as PTSD, mental and behavioral health issues due to trauma and the effects of exposure to toxic chemicals such as Agent Orange.

Recommendation. The Department of Human Services should conduct a new statewide needs assessment that accounts for the changing demographics of the veteran population, their changing health care needs and the expected impact on long term care facilities. That needs assessment, once completed, would provide the basis for a strategic plan that would guide the staffing and capital improvement and construction needs of existing and future centers.

Staff Salary Increases

First, our appreciation goes to the General Assembly and to Governor Polis for recognizing and financially supporting a General Fund appropriation the request to the 2019 legislative session for salary increases for the direct care staff of the VCLCs. The salary increases have made a difference by achieving competitive wages for the nursing staff, including Registered Nurses, Licensed Practical Nurses, and Certified Nurse Assistants.

There remain, however, problems on hiring and keeping employees in the non-direct care areas of the VCLCs. Salaries for the kitchen staff, custodians and housekeeping employees are not competitive with employment opportunities in their communities. It is important to recognize that these employees are as important as the direct care staff in a 24/7 facility.

Recommendation. The Commission recommends that the Colorado Department of Human Services continue to find ways to increase the salaries of the non-direct care staff at the 24/7 facilities under its jurisdiction. The Commission will work with the Department to reduce the barriers that exist in providing salary increases for these staff positions.

Major Remodeling and Construction Projects

Our VCLCs are professionally staffed and well run organizations. Some of the buildings that serve the veterans are dated and fall far short of the standards now expected in nursing homes and cannot meet the increased demand. Private rooms, couples suites for veterans and their spouses, and providing a separate bathroom for each resident are among the improvements that are now the norms for residential care.

Recommendation. The Commission recommends that the Department of Human Services develop a plan for major physical improvements at the VCLCs. The plan needs to be based on projected demographic changes in the veteran population as well as the financial implications of what is possible to achieve over a period of several years.

Annual Report, 2019

Commission on Veterans Community Living Centers

I. Introduction

The Commission on Veterans Community Living Centers (VCLCs) is pleased to submit its Annual Report for 2019 as required by Colorado statute. The Commission is composed of seven members who offer expertise and different perspectives that relate to the operation of the VCLCs, with the objective of serving the best interests of veterans in Colorado.

Three of the Commission members are appointed as veterans, one of whom is the designee of the state Board of Veterans Affairs and is the liaison of that Board to the Commission. Three members are appointed as representing different areas of expertise in the operation of nursing homes and another is a nursing home ombudsman. The members are appointed by the Governor for four year terms and are subject to confirmation by the Colorado Senate.

There are four state Veterans Community Living Centers and a fifth center, located in Walsenburg, is part of the Spanish Peaks Regional Health Center. The four state centers are a part of the Colorado Department of Human Services, the responsibility of the Division of Veterans Community Living Centers. Although this report references the centers refer by their locations, as is the commonly used nomenclature, the official names of the centers are as follows:

Bruce McCandless Veterans Community Living Center at Florence

Fitzsimons Veterans Community Living Center at Aurora

Veterans Community Living Center at Rifle

Veterans Community Living Center at Homelake

Spanish Peaks Veterans Community Living Center at Walsenburg

Colorado Revised Statutes assign the following duties to the Commission:

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

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

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

The statute also 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 meeting these directives, the Commission met five times this year, including meetings at each of the state veterans centers. These visits are important for the Commission in being able to hear directly from the administrators, staff, and residents and to see the recent physical improvements as well as the construction upgrades needed at the centers. Reports are received regarding the census and financial status of each VCLC. Also reviewed are the results of the surveys conducted by the survey teams of the Colorado Department of Public Health and Environment and the U.S. Department of Veterans Affairs. The Commission is kept informed of the marketing efforts at the state level by the Division of VCLCs and by the individual centers.

II. Recommendations

Needs Assessment

The most recent needs assessment was done seven years ago and there was considerable discussion about the perceived weaknesses of that effort. The Commission is well aware of the changing demographics of the veteran population. With the passing of the WWII and Korean War veterans, there is a decline in the total number of veterans. More importantly for the centers, the health care needs of the younger veterans are different. More of the younger veterans have mental health concerns, are suffering from PTSD or related trauma, and the medical implications of exposure to toxic chemicals such as Agent Orange. Demand for memory care facilities has increased.

The conclusion of the Commission is that we need to get the facts. The Department of Human Services should undertake a statewide needs assessment that incorporates the changing demographics and identifies the long term care implications of these changes. The assessment would guide the Department’s capital construction and improvement projects.

Among the questions to be asked are:

- What should the VCLCs look like five to ten years from now?
- Do we need new facilities providing services such as adult day care, rehabilitation, skilled nursing, long-term care?

- What are the advantages and the limitations of the VCLCs in serving the needs of veterans who are now, or will soon be needing, residential care in a VCLC?
- Are there alternative models of care that may be considered in anticipation of future needs of our veterans?

Salary Improvements

Kudos to the General Assembly and to the Governor for their support of the recommendation of the Commission in the 2018 Annual Report for the salary increases for the direct care staff at the VCLCs. Veteran's organizations, notably the United Veterans Coalition, and other individuals were heavily involved in supporting this effort and we appreciate their fine work. The result is that the salaries of Certified Nurse Assistants (CNAs), Licensed Practical Nurses (LPNs), and Registered Nurses (RNs) are now more competitive in the marketplace with other health care providers than was the case last year. The VCLCs are offsetting the budgetary impact of these increases based on the value of the salary increases for current staff. The salary increases have made a difference and thanks to all for your assistance.

There are still problems in the hiring and retaining of other staff people at the VCLCs. The salaries of the kitchen staff, custodians and housekeeping employees are not competitive, in fact, are even lower than workers at fast food establishments, resulting in difficulties in hiring and retention. If a center is unable to fill the vacant positions, the consequences impact the functioning of the center in adverse ways that could impact on the quality of life of the residents. Currently, staff and leaders are working overtime and in double shifts in order to meet resident needs.

Recommendation. The Commission recommends that the Colorado Department of Human Services continue to find ways to raise the salaries of the non-direct care staff at the 24/7 facilities under its direction. The Commission will assist in finding ways to reduce any barriers in providing salary increases for the important work of the dietary, custodial and housekeeping staffs at the VCLCs.

Major Remodeling and Construction Projects

In order to remain competitive in the local market, the VCLCs will need to have facilities that meet today's physical standards in residential care. One part of meeting the competition will involve bringing the centers to meet the environment that is expected today in a long term care facility. This means that offering private rooms, couples suites for veterans and their spouses, having a separate bathroom for each resident, and other improvements are becoming necessary as they are now the accepted norms for long and short term care of residents. Lacking these capabilities, our centers have to turn away some potential residents.

Looking at converting present dual occupied rooms to private rooms or building new additions is expensive and obviously needs careful study. The plan should set priorities and long term goals.

Recommendation. The Commission recommends that the Department of Human Services develop a plan for conducting a new study of the needs for major physical improvements for the VCLCs. The plan needs to be based on growing demands in long term care facilities and projected demographic changes in the veteran population in Colorado as well as the financial implications of what is possible over a period of several years.

III. A Thumbnail Sketch of Each VCLC

Veterans Community Living Center at Rifle

Description. The Rifle VCLC was constructed in 1987 and is the only VCLC on the Western Slope. It is an 89 bed skilled nursing facility that includes a 19 bed, all male, secured neighborhood for residents with Alzheimer's disease, memory loss or other dementia. The Rifle VCLC is a Five Star rated home by the Centers for Medicare and Medicaid Services (CMS.) The average number of employees is 110.

Census and Financials. The current census at Rifle is 66 (November 30, 2019). Rifle showed a loss of \$705,612 before the Governmental Accounting Standards Board Statement 68 (GASB.) After GASB 68, Rifle showed a profit of \$1,308,284 for fiscal year 2018-19. For the period ended September 30, 2019, the loss at Rifle was \$106,861.

Note: The following statement relates to GSAB 68 and applies to all of the VCLCs in this part of the report. Government Accounting Standards Board Statement No 68 (GASB 68): The state, as a cost-sharing employer participating in a defined benefit plan, was required to record their proportionate share of the unfunded pension liability, related deferred inflows and outflows and expense/expenditures in the government entity's financial statement at the end of the fiscal year 2018-19.

Survey Results. The recent survey results at Rifle have been outstanding in the past two years with the fewest number of deficiencies in the available history of the center. Only minor deficiencies were cited in the surveys by the Colorado Department of Public Health and Environment and the VA. The 2019 state survey noted six minor deficiencies, compared with eight in 2018, and the VA survey noted one deficiency, also minor, in 2019, with two reported in 2018.

Physical Improvements. In the last two years Rifle has completed a number of capital projects that include improvements to the building and grounds and also the upgrading of security at the center. For the building and grounds: a Porte Cache' for the entrance to the main

lobby, paving of the upper level parking lot, installation of LED lighting, and painting of the halls. For improved security: installation of cameras in the hallways and common areas, access locks and swipe cards for the staff, a wander-guard system with cameras so the staff can see what is happening throughout the hallways and in common areas.

Challenges. The Western Slope has experienced a shortage of Registered Nurses and Certified Nursing Assistants and that predicament is likely to get worse, not better. In the recent past, the lack of direct care staff has limited the ability of Rifle to admit new residents. The census has improved over the last six months due to staff hiring. Part of the reason for this increase is that the CNA training program has been reinstated which, after two classes of graduates, five elected to stay at the Rifle VCLC. A third class with five enrollees started at the end of October.

There is competition for both staff and residents in Rifle and in Grand Junction. A private nursing home next door to the VCLC at Rifle is presently a 40 bed home with shared rooms. The entire replacement of this facility is slated to open in fall 2020 as a 90 bed facility with private rooms. The new home plans to hire 89 employees. Grand Junction has two new nursing homes and new assisted living facilities. These new facilities will present huge competition and impact for both the staff and residents at Rifle.

In 2018, there were eight wildfires in the 100 square miles around Rifle. The smoke from these fires caused the evacuation of six residents with the greatest respiratory needs to be taken to the VA hospital in Grand Junction and 30 more moved to nursing homes on the Eastern Slope. The remaining residents, plus the staff of the VCLC, remained at the center to wait out the emergency. The plans for this emergency were executed without fault and the experience gained will be invaluable in the event of another firestorm. However, the danger of catastrophic wildfires in Colorado remains and certainly could threaten the Rifle area again.

Veterans Community Living Center at Fitzsimons

Description. The VCLC at Fitzsimons was first occupied in 2002 and is the latest of the four state VCLCs to be constructed. It is a 180 bed facility that offers long term care, hospice, memory care, and short-term rehabilitation with physical, occupational and speech therapy. The average number of employees is 250.

Census and Financials. The current census at Fitzsimons is 157 (November, 2019). Fitzsimons showed a profit of \$1,277,768 before GSAB 68. After GSAB 68, Fitzsimons showed a profit of \$6,450,306 for the fiscal year 2018-19. For the period ended September, 30, 2019, the profit at Fitzsimons was \$368,540.

Survey Results. The latest survey by the Colorado Department of Public Health and Environment was conducted in January, 2019, that cited eleven deficiencies. None of the deficiencies were deemed to have been serious enough to cause actual harm to the residents. The deficiencies were quickly corrected and the center was placed in full compliance.

Physical Improvements. A Veteran's Trust Fund Grant of \$23,000 was received for new furniture in the common area to replace furniture that was badly worn as it had been in use since the opening of the center. Construction projects this year include changes in the eight bathing suites and a project to resurface the parking lot. A day room expansion is being readied for construction that involves moving some walls and opening up some areas for the day room. The pharmacy is being remodeled to accommodate its expanded role in furnishing pharmaceutical products to the other three state VCLCs. The fire alarm system is scheduled to be replaced next year.

Challenges. The revenue for the VCLC at Fitzsimons is derived from its census. Although Fitzsimons has maintained a sizable profit, the center has had a significant decline in the number of residents. The center continues to make efforts to improve the census in order to increase its profits and keep profits stable.

Part of the problem that Fitzsimons has faced is the frequent turnover in the top positions at the center. As one important example, the Nursing Home Administrator position has seen frequent change with the last several NHAs remaining at the center for around one year each. This year it became necessary, and expensive, for the Division to employ a temporary NHA from a private employment agency to assume the NHA position from January through August when the new NHA began her employment. After a national search, a new administrator was hired in August.

As with the other VCLCs, the nursing shortage and competition for all levels of direct care staff affects Fitzsimons. The numerous health care facilities in the Denver area -- nursing homes, hospitals and clinics, in-home services, and many other types of organizations that employ nurses and CNAs -- makes the job of finding health professionals extremely difficult. The housekeeping and dietary staff positions have experienced considerable turnover because the salaries for these positions are not competitive with other businesses. As noted, in many cases, fast food establishments are advertising higher salaries than can be paid by the VCLCs.

Bruce McCandless Veterans Community Living Center at Florence

Description. The Florence VCLC is a skilled nursing facility with a total capacity of 105 beds. It was constructed in 1975 and had a major remodeling in the early 2000s. There have been numerous upgrades over in the years since that time including an expansion of the dining room in 2018. The facility is located in Fremont County, about 40 miles from Colorado Springs

and 30 miles from Pueblo. Its service area is primarily El Paso, Pueblo and Fremont Counties although it serves veterans from other areas of the state. Bruce McCandless is a Five Star rated home by CMS.

Census and Financials. The current census at Florence is 91 (November 30, 2019). Florence showed a profit of \$814,233 before GSAB 68. After the GASB 68, Florence showed a profit of \$3,638,601 for the fiscal year 2018-19. For the period ended September 30, 2019, the profit at Florence was \$253,986.

Survey Results. The 2019 survey of the Colorado Department of Public Health and Environment cited the facility for three clinical deficiencies, with the scope and severity that presented no danger to the residents. The VA survey found three D level deficiencies that had no effect on the health and well being of the residents.

Physical Improvements. Along with the dining room addition in 2018, a training room was added that is used for new employee orientation, continuing education, and CNA training. Other recent improvements are new flooring, new wall coverings, the replacement of handrails and security upgrades, including the installation of cameras. Carpeting was removed in the resident rooms and replaced with vinyl flooring.

Challenges. Florence has achieved remarkable results in increasing and maintaining its census at a high level. There are challenges, however, in that its location is some distance from two metropolitan cities of Colorado Springs (40 miles) and Pueblo (30 miles).

The physical plant improvements that are needed include more private rooms, couples suites, and a therapy suite for physical, occupational and speech therapy. These improvements will improve the quality of life of the residents and will keep the facility competitive with other nursing homes and assisted living facilities. In addition, these improvements will help insure the continued stability of the census at Florence.

Another continuing challenge at Florence is the shortage of nurses in a rural community. At present, there are 13 CNA positions and three registered nurse positions needing to be filled. The position of a nurse, possibly part time, is needed for a CNA training program before that program can be reestablished. The VCLC is in competition for the limited number of direct care staff people with the hospital, nursing homes and other health care providers in Canon City

Veterans Community Living Center at Homelake

Description. The Homelake VCLC has a long history, first established in 1891 as the Soldiers and Sailors Home. The campus has numerous buildings, some vacated and others that have been renovated in recent years. The skilled nursing facility (SNF) has 60 beds and a

domiciliary has 50 beds in 24 duplex units. The campus also has a chapel that has been thoroughly renovated for present use, and the Administration Building is being renovated in several stages. The campus has a veterans cemetery, recently expanded, that dates back to the late 1800s. Homelake has 89 employees, 82 for the SNF and seven for the domiciliary.

Census and Financials. The current census at Homelake is 102 including 54 in the SNF and 48 in the domiciliary (November, 2019). Homelake showed a loss of \$406,955 before the GASB 68. After GASB 68, Homelake showed a profit of \$859,035 for the fiscal year 2018-19. For the period ended September 30, 2019, the profit at Homelake was \$56,977.

Survey Results. The 2019 clinical survey of the Colorado Department of Public Health and Environment reported three deficiencies, with the scope and severity in the D, E and F categories meaning that there was no actual harm and that the residents were in no immediate jeopardy. The life safety survey found two deficiencies in the D and F categories, again with no actual harm. The VA survey reported that two standards in the SNF were not met and no deficiencies were reported for the domiciliary units.

Physical Improvements. There is a lengthy list of projects completed in 2019 with several ongoing into 2020. Among the most important of these improvements is a new HVAC system that was installed in May, 2019. Residents have benefited with the purchase of new beds in all the rooms. New armoires and dressers are planned for every room and are scheduled for the current fiscal year. A campus paving project continued in 2019 and will be added to in 2020. A security system with key control, fencing, and video surveillance system is to be installed in 2020, depending on available financing. Work has continued on the renovation of the old Administration Building and the next phase will be remodeling on the first floor.

Challenges. Some capital improvements and desired cosmetic projects have had to be placed on hold at the time when Homelake was experiencing a period of low census, with an accompanying lack of funds. New projects, such as the security system noted above, have had to be delayed due to the cost of the HVAC system. Now that the census is back to near capacity, the backlog of projects is being addressed.

Homelake reviews veterans who have been incarcerated and are coming up for parole. These veterans are aged and have significant health problems. The interdisciplinary team meets to insure the safety of all newly admitted and current residents and to insure appropriate placement prior to acceptance.