



January 1, 2023

The Honorable Dafna Michaelson Jenet  
Chair, House Public and Behavioral Health and Human Services Committee

The Honorable Rhonda Fields  
Chair, Senate Health and Human Services Committee

The Honorable Chris Kennedy  
Chair, House State, Civic, Military and Veterans Affairs Committee

The Honorable James Coleman  
Chair, Senate State, Veterans, and Military Affairs Committee

The Honorable Patricia Hammon  
Chair, Colorado Board of Veteran Affairs

Representative Michaelson Jenet, Senator Fields, Representative Kennedy, Senator Coleman, and Chairperson Hammon:

The Colorado Department of Human Services, in response to reporting requirements set forth in Section 26-12-402, C.R.S., respectfully submits the attached Commissioners of Veterans Community Living Centers report.

“(7)(i)(I) On or before January 1, 2008, and on or before each January 1 thereafter, make an annual report of issues and recommendations developed by the board of commissioners to the executive director of the state department and the governor; and  
(II) Transmit electronic versions of each annual report to:

(A) The members of the general assembly who sit on the health and human services committee of the senate, the public health care and human services committee of the house of representatives, and the state, veterans, and military affairs committees of the senate and the house of representatives, or any successor committees; and

(B) The members of the state board of veterans affairs.”

If you have any questions, please contact Kevin Neimond, CDHS’ Director of Policy and Legislative Affairs, at 303-620-6450.

Sincerely,

Yolanda Webb  
Director, Office of Adult, Aging, and Disability Services



# **Commissioners of Veterans Community Living Centers Annual Report 2022**

## **Board of Commissioners of Veterans Community Living Centers of Colorado**

Submitted to The Honorable Jared Polis, Governor, the 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

Colorado has four state Veterans Community Living Centers (VCLCs) and there is a fifth center, located in Walsenburg, that is part of the Spanish Peaks Regional Health Center:

Bruce McCandless Veterans Community Living Center at 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 at Walsenburg

The Board of Commissioners met six times this year to carry out the directives of the statute. As was the case in 2020 and 2021, the Board meetings were held virtually rather than in-person at the VCLCs. This is due to COVID-19 regulations for long term care facilities and in consideration of the vulnerability and frailty of the residents.

The positive performance of the centers in managing during the COVID-19 pandemic was paramount in the Board meetings. The Board believes the work of all concerned in their response to the pandemic was outstanding, given the many challenges encountered. This work is evidenced by the 2021 audit by the Office of State Auditor (OSA) of the VCLC response to COVID-19 that resulted in no findings. In August 2022 a *Newsweek* article identified Veterans Community Living Center at Fitzsimons as the number one nursing home in Colorado and among the top 25 in the nation.

Besides pandemic related issues, other topics of primary discussion were the low census of veterans/residents, the related revenue shortfalls that continue and staff recruitment.

### **Staffing**

Throughout the year, VCLC leadership discussed challenges with staff recruiting as well as increased staff turnover. The challenges with recruiting staff result in increased use of agency staff which has a high cost. In addition, in situations of low staffing, admissions must be held until staffing ratios return to appropriate levels.

## COVID-19

Although the pandemic has largely receded from public attention, it continues to impact the operation of the VCLCs. As skilled nursing facilities, the VCLCs continue to follow the guidance and regulations as stated by the Centers for Medicare and Medicaid (CMS), the Colorado Department of Public Health and Environment (CDPHE), and the Centers for Disease Control and Prevention (CDC). Visitation and personal protective equipment (PPE) requirements are less restrictive now, allowing the VCLCs to celebrate and plan events again.

Besides day-to-day activities, the effects of the pandemic remain most prevalent in staff morale and the ability to recruit workers in a healthcare setting. Workers have new opportunities offering increased flexibility, higher wages and travel opportunities that cannot be mimicked in a traditional long term care setting. CDHS and the VCLC division have prioritized recruitment and retention strategies in their FY 22-23 goals.

## VCLC Census and Finances

The census at the VCLCs and the financial condition of the centers are linked. Given their enterprise status, the centers must rely on the revenue generated by the census of residents.

While we have access to up to 10% of our General Fund, however, our cap monies have been reduced due to lower revenue. The COVID-19 pandemic, and staffing challenges, are the primary cause of reduced census and the Division and the centers have had to draw from the Central Fund to cover operations from previous earnings in the Central Fund.

The overall census for the Division shows a slight increase this year, from 301 residents in January 2022 to 315 in November 2022. The average occupancy rate is at 65%. VCLC at Rifle was the only center with substantial growth this year, moving from 39 residents in January to 56 in November. The other centers held steady, with little or no change in their numbers.

The reasons for the decline in the census from the pre-pandemic days are numerous. The pandemic has limited in-person outreach by the centers to prospective residents. There is a shortage of staff, not only in nursing, but also in support staff, such as in dietary and CNAs. The severe competition for staff is found in many health care providers in all areas of the state. The VCLCs are in this area of competition and have taken steps to meet it. As one example, some centers are providing stipends for CNAs who are receiving training at community colleges and others are providing this training in-house.

The financial report reflects the challenges that accompany the low census. None of the VCLCs reported a profit in 2022, a trend since early 2020, a few months after the COVID-19 pandemic started in Colorado. On June 30, the end of FY 2021-22, the cash balance in the Central Fund was \$17,711,352, down from \$24,506,793 on June 30, 2021.

### Additional Considerations

As the VCLCs continue to operationalize findings of the 2020 needs assessment, they are exploring opportunities which could provide services to veterans in a community setting. The long-term care model is still necessary for some veterans, however, the US has not experienced a major conflict in many years so the number of eligible veterans needing services is declining. Action is being taken to finance centers whose staff provide additional services that our veterans can receive through the VCLCs. The discussions have considered issues such as behavioral health, substance abuse and homelessness of veterans in Colorado.

As we move away from caring for WWII and Korea veterans towards supporting Vietnam-era veterans, the needs are different. These include behavioral health, substance use, wounds, amputations and chemical warfare. These veterans present a whole new generation of medical and physical needs. The needs of younger veterans differ from those of previous generations who have benefited in long-term care offered at the VCLCs. The Board of Commissioners is willing to assist in addressing the unique needs of the present generation of veterans.

The Commission applauds the action of the legislature for approving Decision Item R-01 which provided salary increases to the VCLC custodian and dietary staff.

Respectfully submitted, Board of Commissioners, Veterans Community Living Centers

William “Robby” Robinson, Chair. Veteran and Designee of the state Board of Veterans Affairs.

Tiara Stingley, Vice Chair. Practicing Clinical Experience in Nursing Homes.

Christine Merriman, Secretary. Expertise in Multi-Facility Management of Nursing Homes.

Thomas Brown. Veteran

Leah Ann McMahon. State Long-Term Care Ombudsman.

Richard “Dick” Young. Veteran.

Charity Linenberger. Nursing Home Administrator with Experience in the Financial Operations of Nursing Homes.