



COLORADO

Department of Human Services

December 29th, 2023

The Honorable Lindsey Daugherty
Chair, House Health and Human Services Committee

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

Representative Daugherty and Senator Fields:

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 Annual 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 Angelica Granados, CDHS’ Legislative Analyst, at 303-877-0562.

Sincerely,

Clint Woodruff

Clint Woodruff
Interim Co-Executive Director



ANNUAL REPORT 2023

Board of Commissioners of Veterans Community Living Centers of Colorado

Submitted to: The Honorable Jared Polis, Governor, State of Colorado
Michelle Barnes, Executive Director, Colorado Department of Human Services
Members of the Colorado Senate Committees on State, Veterans, and
Military Affairs and the Committee on Health and Human Services
Members of the House Committees on State, Veterans, and Military Affairs and the
Committee on Health Care and Human Services
Members of the state Board of Veterans Affairs (BVA)

The state of Colorado manages four state Veterans Community Living Centers (VCLC). A locally operated fifth veterans center, located in Walsenburg, is part of the Spanish Peaks Regional Health Center. The state veterans homes are: Bruce McCandless Veterans Community Living Center at Florence, Veterans Community Living Center at Fitzsimons, Veterans Community Living Center at Rifle, Veterans Community Living Center at Homelake, Spanish Peaks Community Living Center at Walsenburg. The VCLC at Homelake includes a domiciliary in addition to the skilled nursing facility that provides individual living apartment type cottages veterans.

Members of the Board of Commissioners are appointed by the Governor and the current members and their statutory qualifications are as follows: Tiara Stingley, chair, practicing clinical experience in nursing home operations; Christine Merriman, secretary, expertise in multi-facility nursing home management; Thomas Brown, veteran; John Freeburg, veteran; Pat Hammon, veteran and designee of the state Board of Veterans Affairs; Charity Linenburger, Nursing Home Administrator; Leah McMahon, state long-term care ombudsman.

The Board of Commissioners met six times this year with meetings held in-person and virtually for members and others unable to attend in person. Meetings were held at each of the VCLCs at which the administrators presented a detailed report of the center and provided a tour of the facility.

Challenges and Actions Taken

Revenues: The VCLCs are facing financial challenges that cannot be ignored and maximum efforts are being taken to solve these challenges. In short, the revenues have not been sufficient to cover the operating costs in serving the residents. The centers are nearly fully dependent on their resident census for revenue to pay their bills. In the last three plus years, COVID resulted in major decreases in the census at each of the centers with a corresponding decrease in their revenues. The profit/loss statement at the end of FY 2022-23 shows over \$9.3 million in the year's losses.

Revenues from residents are deposited in a cash reserve fund, i.e., an operating checking account. The cash fund has seen significant losses since COVID arrived. For example, in 2020, before the pandemic, the fund held a balance of more than \$27 million, while in October 2023 it was less than \$3.75 million. This drain on cash reserves is clearly not sustainable.

Census: The COVID pandemic resulted in a drop of resident census at all of the VCLCs. However, there is a slow but steady increase in the total census in 2023 as shown in the table below that compares the census on January 1, 2023 with that on November 30, 2023:

	1-1-2023 Census	11-30-2023 Census	Percent Occupied on 11-30-23
Fitzsimons	120	127	71%
Homelake (Dom)	41	45	91%
Homelake (SNF)	38	46	76%
Rifle	55	55	62%
McCandless (Florence)	53	51	48%
Division Total	306	324	
Spanish Peaks	74	79	66%

Comprehensive plans are underway to increase the census at each center. Vigorous marketing efforts by the centers and supported efforts by CDHS have resumed. Comprehensive marketing plans for Fitzsimons include television, social media and other mediums to target veterans and their families.

The marketing teams at each of the centers were hindered by COVID restrictions, which have now been eased for the most part. Restrictions on guests discouraged visits by interested veterans. The possibility of mandatory restrictions while living at the centers was a factor as well. Numerous requirements placed on long-term care facilities by the CDC and the Colorado Department of Public Health and Environment were revised in May to be less restrictive for the residents and the staff.

Agency Staff: Reduction in operating costs, including the discontinuation of agency staff, is a primary focus at Fitzsimons. The centers were forced to hire RNs and CNAs from private agencies in order to maintain adequate staffing during the pandemic. A significant number of permanent staff was lost partly due to competition from other health care facilities. The cost of agency staff is three to five times more than permanent staff. At the time, using a staffing agency was the only available alternative in challenging crisis staffing situations. Homelake and Rifle no longer have agency staff on their payrolls. McCandless has two agency staff members and Fitzsimons has reduced its agency staff to a total of six CNA's and is working towards further reductions.

Fitzsimons and Staff Scheduling: In several respects, Fitzsimons, the largest VCLC, holds the key for increased revenue. In the past VCLC at Fitzsimons was a stable source of revenue that could be relied on for emergencies. Proposals are being presented and discussed with the Fitzsimons employees union and the nursing staff to right-size the operations. The Board of Commissioners applauds this effort as a means of reducing overhead costs. The goal of revising the schedules is to have the right staff, in the right places, at the right times.

Other Topics Noted

COVID: The pandemic may seem to have run its course; however, that is not quite the case. COVID has been found recently at all the VCLCs, spreading as quickly as we saw earlier, but with residents and staff mainly asymptomatic or showing minimal symptoms. The guidelines such as resident isolation and symptomatic staff staying home are as restrictive as those earlier in the pandemic. The Commission is hoping to visit the VCLCs in person again but will take no chances in introducing another round of COVID to VCLC residents and staff.

Pharmacy: The VCLC Division pharmacy, which has served all of the state VCLCs for several years, is located at VCLC at Fitzsimons. The Board of Commissioners congratulates the pharmacy for expanding its service to another part of the Colorado Department of Human Services (CDHS) namely, the Division of Regional Centers, which serve individuals with intellectual and developmental disabilities. The first served was Pueblo Regional Center, beginning in April 2023. Next was Grand Junction Regional Center, beginning in September 2023, and Wheat Ridge Regional Center is expected to begin its participation in early 2024. The benefits to the individuals at the Regional Centers from the expanded services are improved pharmaceutical care and the benefit to the VCLCs is an additional funding source to help the bottomline finances.

The pharmacy team held vaccination clinics at all four of the VCLCs and the three Regional Centers, with shots provided for COVID, RSV, and influenza. Only a few residents exercised the option to decline the vaccinations.

Mental Health Services: The Division hired a licensed clinical social worker (LCSW), headquartered at VCLC at Fitzsimons because the VA requires this position for veterans homes with more than 120 beds. This means that the center is in full compliance with VA regulations. In addition, the LCSW will be the social work consultant for all the state veterans homes and assists in consultation on dementia and mental health issues at all of the VCLCs. The LCSW provides updates to policies and procedures from CMS and the VA system.

In addition, CDHS and VCLC leadership members are working through the details of new state funding for a behavioral health program at the VCLCs in conjunction with the Department of Military and Veterans Affairs (DMVA), who will oversee the funding. The VCLCs are appropriated state dollars on a very limited basis because of the homes' enterprise status and Tabor restrictions, which is the reason for the funds going to the DMVA rather than directly to the VCLCs. An active work group is dealing with the details of providing on-site services to the veterans at the VCLCs. This group hopes to report by the end of December and to have the program running by 2024. Kudos to the legislature and Governor Polis for enacting this bipartisan legislation.

Respectfully submitted, Board of Commissioners of Veterans Community Living Centers

Tiara Stingley, Chair, Denver
Christine Merriman, Secretary, Delta
Thomas Brown, Buena Vista
John Freeburg, Rye
Pat Hammon, Eagle
Charity Linenburger, Denver
Leah McMahon, Denver