

# STATE OF COLORADO

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## COLORADO DEPARTMENT OF HUMAN SERVICES

### OFFICE OF ADULT AND VETERANS SERVICES

John P. Daurio, Manager

### DIVISION OF STATE AND VETERANS NURSING HOMES

John "Chip" Roberts, Director

1575 Sherman Street, 8<sup>th</sup> Floor  
Denver, Colorado 80203  
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Bill Owens  
Governor

Marva Livingston Hammons  
Executive Director

January 12, 2001

The Honorable Stan Matsunaka  
President of the Senate  
Colorado State Capitol  
200 East Colfax Avenue  
Denver, Colorado 80203

Dear Senator Matsunaka:

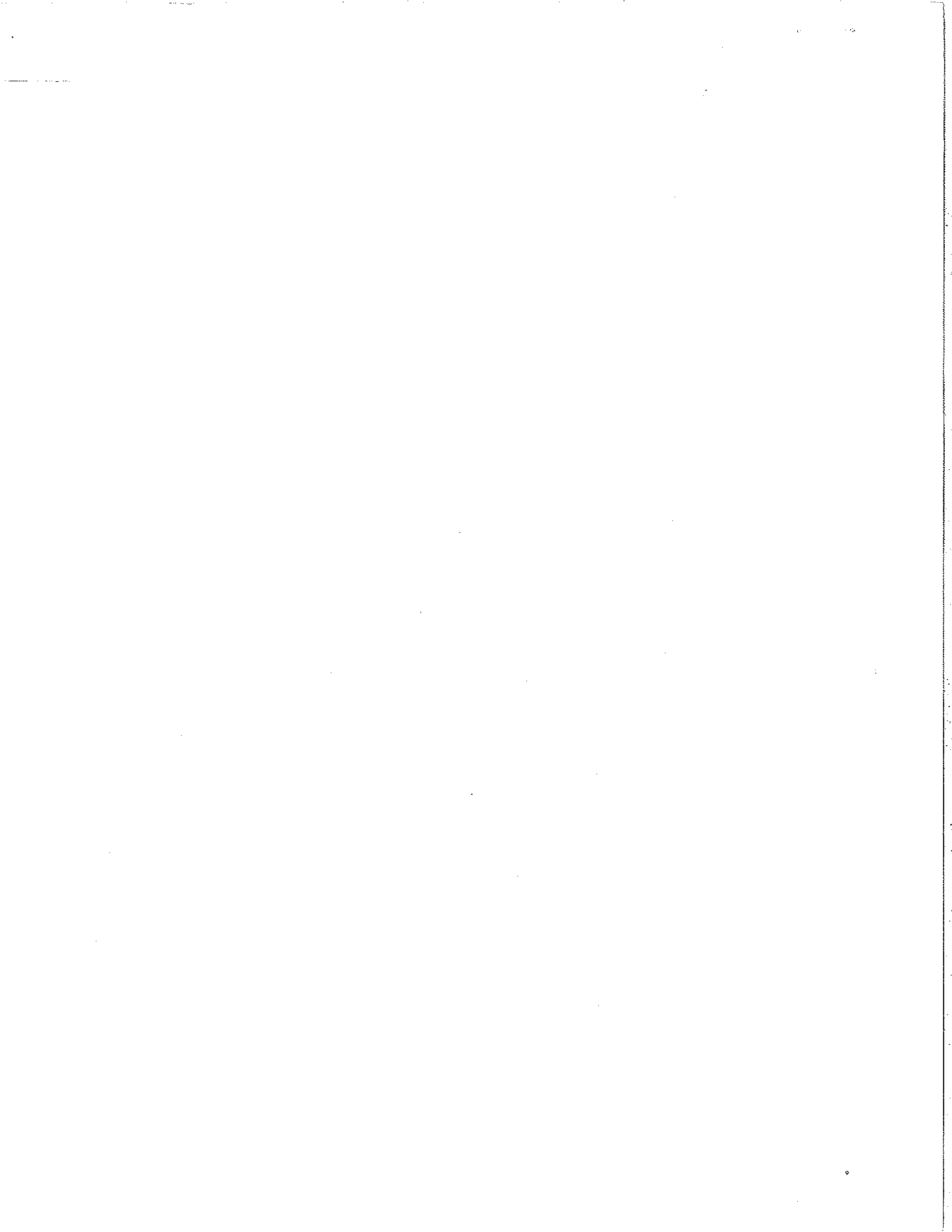
Enclosed is the FY 1999-00 annual report of the Division of State and Veterans Nursing Homes. This report is submitted pursuant to Section 26-12-108(1)(c), C.R.S., which requires the Department to submit an annual report.

Please do not hesitate to contact me at (303) 866-2259 if you have any questions or require any additional information.

Sincerely,

John M. Roberts, Director  
Division of State and Veterans Nursing Homes

cc: The Honorable Doug Dean, Speaker of the House  
The Honorable Peggy Reeves, Joint Budget Committee Chairman  
Colorado Legislative Council



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## DIVISION OF STATE AND VETERANS NURSING HOMES

### ANNUAL REPORT

### FISCAL YEAR 99-00

Prepared November 29, 2000

## **Division of State and Veterans Nursing Homes Fiscal Year 99-00 Annual Report**

### **Division Role and Mission**

The mission of the Colorado Division of State and Veterans Nursing Homes is to provide superior nursing care in an environment that enhances the life of each resident.

### **Performance Objectives**

The Division has adopted several performance objectives to measure its outcomes, including customer and staff satisfaction and the quality of care provided to residents. The Division's current performance objectives are provided on Pages 6 through 8.

### **Division Background Information**

The Colorado Division of State and Veterans Nursing Homes is located in the Office of Adult and Veterans Services in the Colorado Department of Human Services. The Division includes five facilities that provide skilled nursing and domiciliary (assisted living) care primarily to honorably discharged veterans and their spouses or widows. Four of these facilities (Florence, Homelake (located near Monte Vista), Rifle, and Walsenburg) participate in the U.S. Department of Veterans Affairs (VA) state home program to provide skilled nursing care for veterans, while the Trinidad facility is open to all Colorado residents in need of skilled nursing care. In addition to the five skilled nursing facilities, the Division operates a domiciliary program for veterans at the Colorado State Veterans Center at Homelake. The VA annually surveys the four veterans facilities and the domiciliary. In addition, the Colorado Department of Public Health and Environment, Health Facilities Division surveys and licenses all five facilities. Each state nursing home is Medicaid approved.

The State constructed the four veterans facilities and the domiciliary in partnership with the VA, which provided approximately 65 percent of the construction costs for each facility. In return for this construction funding assistance, the VA requires each state veterans home to: 1) maintain a 75 percent veteran population; 2) operate as a veterans home for a minimum of twenty years; and, 3) maintain VA per diem certification. The VA requires the remaining 25 percent of each home's population to include spouses of veterans or parents all of whose children died while serving in the armed forces of the United States.

State homes that meet and maintain VA standards are eligible to receive VA per diem payments for each eligible veteran that receives care. The VA per diem amount is \$51.38 per eligible veteran for federal fiscal year 00-01. The VA transmits the per diem directly to the state home, and the per diem revenue partially offsets the costs of operating the state veterans homes. In FY 99-00, VA per diem revenue represented 22.4 percent (or \$4.1 million) of the total revenue collected by the four state-operated homes (including the Homelake Domiciliary).

## Facility Descriptions

Each facility is briefly described below. Additional information about each facility is also provided later in this report beginning on Page 9. A Division organizational chart is provided on Page 5.

- The ***Florence State Veterans Nursing Home*** is a 120-bed skilled facility certified by the VA. The facility, which opened in 1976, includes a 14-bed Special Care Unit that provides safe and specialized care for residents with Alzheimer's Disease or related conditions that require a secure environment.
- The ***Colorado State Veterans Center at Homelake*** includes a 60-bed skilled nursing facility (constructed in 1990) and a 46-bed domiciliary (assisted living) program certified by the VA. The State Veterans Center at Homelake is Colorado's oldest veterans home, originally opening in 1889 as the Soldiers and Sailors Home to serve Civil War veterans. The domiciliary provides programs and services to residents in a home environment through home health nursing interventions and assistance with the activities of daily living.
- The ***Rifle State Veterans Nursing Home*** is a 100-bed skilled facility certified by the VA. The facility, which opened in 1987, includes a 12-bed special care unit for residents with Alzheimer's Disease or related conditions.
- The ***Trinidad State Nursing Home*** is a 182-bed skilled and intermediate care facility. The facility, which opened in 1957, includes a 32-bed unit for residents with Alzheimer's Disease or related disorders and an adult day care program that serves up to 16 clients.
- The ***Walsenburg State Veterans Nursing Home*** is a 120-bed facility certified by the VA. The facility opened in 1993 and is operated on a contractual basis by the Huerfano County Hospital District. The facility includes a 20-bed special care unit for residents with Alzheimer's or other related conditions. The nursing facility is located in the same building with the Huerfano Medical Center, which includes a 26-bed acute/skilled care community hospital.
- The ***Fitzsimons State Veterans Nursing Home*** is scheduled to open in the summer of 2002 and will predominately serve veterans from the Front Range and northeast areas of the State. Senate Bill 98-186 authorized the construction of a 180-bed skilled nursing facility on the site of the former Fitzsimons Army Medical Center in Aurora, Colorado. The Colorado General Assembly appropriated \$9.3 million for the project to provide the State's 35 percent share of the project's total estimated cost of \$26.6 million. Funding for the remaining 65 percent of the project's cost (\$17.3 million) will be provided through the federal Department of Veterans Affairs' Construction Grant Program. Based on the current project schedule, construction of the new facility is estimated to begin in February 2001, with occupancy in the summer of 2002.

## Financial Operation and Current Financial Status

***Financial operation (state-operated homes)*** – Colorado law (section 26-12-110, C.R.S.) recognizes the state homes as an enterprise for purposes of Article X, Section 20 of the State Constitution (TABOR). Consistent with this enterprise status, current law directs that the

operation of the state homes be self-sustaining and cover operating costs. With the exception of the domiciliary program at Homelake, the Division does not receive General Fund support.

Each facility generates operating revenues through resident daily rates, which include resident payments, Medicaid payments, and VA per diem payments (with the exception of the Trinidad home, which does not serve veterans). Pursuant to state law, the Department deposits all revenues into the Central Fund, which is administered by the State Treasurer. State law authorizes the Department to use monies in the Central Fund for the direct and indirect costs incurred for the operation and administration of the state homes, including capital construction and controlled maintenance. Pursuant to statute, expenditures from the Central Fund do not require an appropriation by the General Assembly. In FY 99-00, resident payments provided 46.0 percent of total revenue; state Medicaid payments provided 28.0 percent of total revenue; the VA per diem provided 22.4 percent of total revenue; 2.1 percent of total revenue came from other miscellaneous revenues and interest earnings; and 1.3 percent of total revenue came from the General Fund (for the Homelake Domiciliary).

Current law (section 26-12-107, C.R.S.) requires the Department of Human Services to manage all state nursing homes as a group, unless the Department contracts for the management of a facility. Thus, the four state-operated facilities (Florence, Homelake, Rifle, and Trinidad) are managed as one business, similar to a private sector skilled nursing corporation. Each facility is expected to be individually profitable and also support the other facilities financially as may be necessary.

**Financial operation - contract-operated Walsenburg facility** – The Colorado Department of Human Services contracts with the Huerfano County Hospital District for the operation of the Walsenburg facility. Under this contract, the District assumes responsibility for financing operating deficits and has a claim on residual assets, if any, after its contractual obligations are met. All revenues, bank accounts, and accounts receivable accrue to the benefit of the District and are not reflected on the state's financial system. The Division employs a full-time project officer to monitor the home's operation and compliance with the contract. In addition, the contract requires the District to submit monthly financial statements and an annual audit to the Department.

**Current financial status – state-operated facilities** – A comparative income statement for fiscal years 98-99 and 99-00 for the four state-operated facilities (including the Homelake Domiciliary) is provided on Page 15. In addition, an income statement detailing the FY 99-00 financial status of each facility is provided on Pages 16-17. As the comparative income statement on Page indicates, total revenue increased by 7.0 percent (from \$16.9 million to \$18.1 million) while total expenses increased by 5.8 percent (from \$16.5 million to \$17.5 million). As a result, cash income at the four state-operated facilities increased from \$420,596 in FY 98-99 to \$657,027 in FY 99-00, an increase of \$236,431 (or 56.2 percent). Cash income is retained in the Central Fund to provide an operating reserve and to also fund controlled maintenance and capital outlay needs at the state-operated facilities.

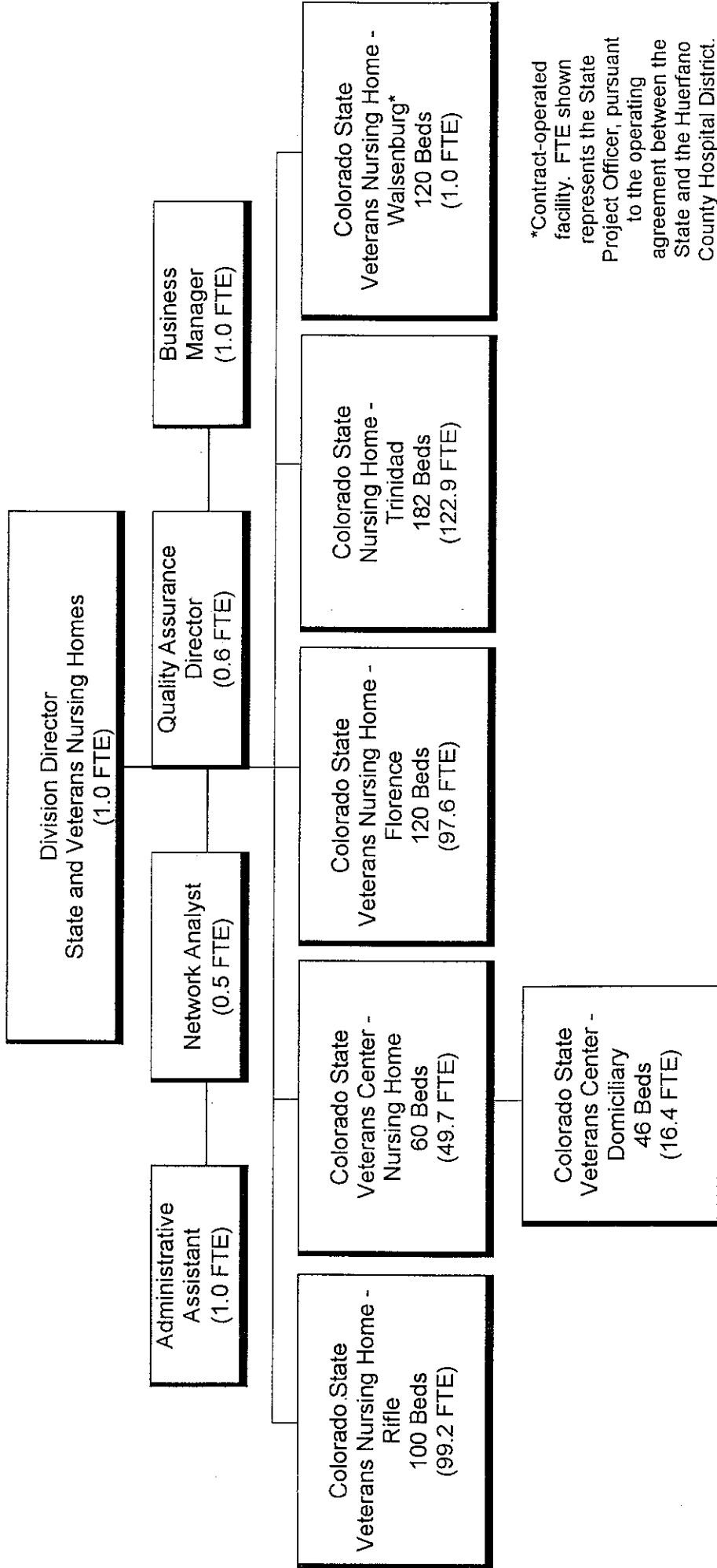
A comparative balance sheet for fiscal years 98-99 and 99-00 for the Division is provided on Page 18. In addition, a balance sheet detailing the FY 99-00 financial status of each facility is provided on Pages 19-20. As the comparative balance sheet on Page 18 indicates, total assets declined by \$117,496 and total liabilities declined by \$318,274. The decrease in total assets largely reflects FY 99-00 controlled maintenance expenditures, including expansion of the dining room at the Colorado State Veterans Center at Homelake.

The decrease in liabilities largely reflects the retirement of \$330,000 in remaining anticipation warrants issued in 1991 for the construction of the new 60-bed nursing home at Homelake. Central Fund equity increased by \$200,777 (or 0.5 percent) to \$2.4 million. This equity represents the amount available in the Central Fund to provide an operating reserve and to fund long term facility needs, including controlled maintenance, capital construction, and information systems needs.

***Current financial status – Walsenburg facility*** - A comparative income statement for the contract-operated Walsenburg facility (operated by the Huerfano County Hospital District) is provided on Page 21 and a comparative balance sheet is provided on Page 22. As the comparative income statement indicates, total revenue remained essentially unchanged, while total expenses declined by 2.1 percent (from \$4.4 million to \$4.3 million). As a result, cash income at the Walsenburg facility was reduced from a cash loss of \$144,880 in FY 98-99 to a cash loss of \$50,518 in FY 99-00. Net losses at the facility (after depreciation and bad debt expense) declined from a loss of \$592,678 in FY 98-99 to a loss of \$504,190 in FY 99-00. The Huerfano County Hospital District does not cash fund depreciation as an expense. Pursuant to the operating agreement with the District, any expenditure in excess of revenues is the responsibility of the District.

# Organizational Chart

## Division of State and Veterans Nursing Homes



\*Contract-operated facility. FTE shown represents the State Project Officer, pursuant to the operating agreement between the State and the Huerfano County Hospital District.



**Division of State and Veterans Nursing Homes  
Performance Objectives**

Objective #1: To improve resident quality of life at the state-operated skilled nursing facilities by reducing the average number of survey deficiencies to at least 10 percent below the average number of deficiencies at all Colorado skilled nursing facilities.

Measure: Average number survey deficiencies, as determined by the Colorado Department of Public Health and Environment.

	FY 97-98 Actual	FY 98-99 Actual	FY 99-00 Actual	FY 00-01 Estimate	FY 01-02 Projection	FY 02-03 Projection
Avg. # Deficiencies – Colorado	2.0	3.0	3.0	3.0	3.0	3.0
SVNH Target - State Average less 10%	1.8	2.7	2.7	2.7	2.7	2.7
Actual #	0.8	3.3	1.3			

Objective #2: To improve the quality and effectiveness of care provided to state-operated nursing home residents by reducing the number of residents with significant weight loss by 5 percent annually.

Measure: Number of residents with significant weight loss (defined as a 5.0 percent loss in one month; a 7.5 percent loss in three months, or a 10.0 percent loss in six months) at the four state-operated nursing homes.

	FY 97-98 Actual	FY 98-99 Actual	FY 99-00 Actual	FY 00-01 Estimate	FY 01-02 Projection	FY 02-03 Projection
Number of Residents with Weight Loss	N/A	N/A	245	233	221	210
Percent Reduction:						
Target % Change	N/A	N/A	N/A	-5.0%	-5.0%	-5.0%
Actual % Change	N/A	N/A	N/A			

**Objective #3:** To increase the Domiciliary's financial self-sufficiency by reducing the percentage of General Fund support provided to the Domiciliary by seven and one-half percent annually.

**Measure:** Percentage reduction in the General fund appropriation as a percentage of the total Domiciliary appropriation over the prior year appropriation.

	FY 97-98 Actual	FY 98-99 Actual	FY 99-00 Actual	FY 00-01 Estimate	FY 01-02 Projection	FY 02-03 Projection
Target %	N/A	N/A	5.0	7.5	7.5	7.5
Actual %	N/A	N/A	5.0	7.5		

**Objective #4:** To improve the physical and mental well being of Domiciliary residents by increasing the percent of discharged residents who return to independent living arrangements in the community by two percent annually.

**Measure:** Percentage of discharged residents who return to independent living arrangements in the community.

	FY 97-98 Actual	FY 98-99 Actual	FY 99-00 Actual	FY 00-01 Estimate	FY 01-02 Projection	FY 02-03 Projection
Target %	N/A	N/A	35.3%	32.0%	34.0%	36.0%
Actual %	30.8%	33.3%	30.0%			

**Objective #5:** To improve the quality of services provided to Domiciliary residents and family members by achieving an 85 percent satisfaction rate on semi-annual customer satisfaction questionnaires.

**Measure:** Average satisfaction rate on the Division's standardized, semi-annual customer satisfaction questionnaire.

	FY 97-98 Actual	FY 98-99 Actual	FY 99-00 Actual	FY 00-01 Estimate	FY 01-02 Projection	FY 02-03 Projection
Resident - Family Satisfaction Rate				Establish baseline data.		
Target %	N/A	N/A	N/A	85%	85%	85%
Actual %	N/A	N/A	N/A			

**Objective #6:** To increase Domiciliary employee satisfaction and retention by achieving an 85 percent satisfaction rate on semi-annual employee satisfaction questionnaires.

**Measure:** Average satisfaction rate on the Division's standardized, semi-annual employee satisfaction questionnaire.

	FY 97-98 Actual	FY 98-99 Actual	FY 99-00 Actual	FY 00-01 Estimate	FY 01-02 Projection	FY 02-03 Projection
Resident and Family Satisfaction Rate				Establish baseline data.		
Target %	N/A	N/A	N/A	85%	85%	85%
Actual %	N/A	N/A	N/A			

**Objective #7:** To improve the quality of services provided to state-operated nursing home residents and family members by achieving an 85 percent satisfaction rate on semi-annual customer satisfaction questionnaires.

**Measure:** Average satisfaction rate on the Division's standardized, semi-annual customer satisfaction questionnaire.

	FY 97-98 Actual	FY 98-99 Actual	FY 99-00 Actual	FY 00-01 Estimate	FY 01-02 Projection	FY 02-03 Projection
Resident and Family Satisfaction Rate				Establish baseline data.		
Target %	N/A	N/A	N/A	85%	85%	85%
Actual %	N/A	N/A	N/A			

**Objective #8:** To increase state-operated nursing home employee satisfaction and retention by achieving an 85 percent satisfaction rate on semi-annual employee satisfaction questionnaires.

**Measure:** Average satisfaction rate on the state-operated nursing home standardized, semi-annual employee satisfaction questionnaire.

	FY 97-98 Actual	FY 98-99 Actual	FY 99-00 Actual	FY 00-01 Estimate	FY 01-02 Projection	FY 02-03 Projection
Resident and Family Satisfaction Rate				Establish baseline data.		
Target %	N/A	N/A	N/A	85%	85%	85%
Actual %	N/A	N/A	N/A			

## Florence State Veterans Nursing Home

	<u>FY 98-99</u>	<u>FY 99-00</u>	<u>Percent Change</u>
<b><i>Census Information:</i></b>			
Licensed Beds	120.0	120.0	N/A
Average Daily Census	106.9	103.3	-3.4%
Occupancy Rate	89.1%	86.0%	-3.1%
Residents Per FTE	1.1	1.1	0.0%
<b><i>Staffing Information (FTE):</i></b>			
Activities / Social Services	4.0	4.7	17.5%
Administration / Records	6.6	7.0	6.1%
Dietary	10.3	10.6	2.9%
Maintenance / Housekeeping	12.6	12.0	-4.8%
Nursing	63.1	62.4	-1.1%
Pharmacist	<u>0.9</u>	<u>0.9</u>	<u>0.0%</u>
<b>Total</b>	<b>97.5</b>	<b>97.6</b>	<b>0.1%</b>

### ***FISCAL YEAR 99-00 ACCOMPLISHMENTS:***

- Received initial VA approval for a grant to fund facility capital improvements, including expansion of the Special Care Unit.
- Nurse management staff completed Medicaid Minimum Data Set training required for Medicaid's new case mix reimbursement system.
- Over 95 percent of survey responses from residents' family members and over 90 of survey responses from residents rated the facility's performance as good or outstanding.
- Received excellent surveys from both the State Department of Public Health and the United States Department of Veterans Affairs.
- Key staff received continuing education training through the Colorado Health Care Association and the Department's Staff Development program.
- Used Medicaid incentive payments to treat each resident to a birthday dinner at a local restaurant of their choice.

### ***FISCAL YEAR 00-01 GOALS:***

- Achieve a deficiency-free facility survey from the Colorado Department of Public Health and Environment and the United States Department of Veterans Affairs.
- Increase the number of outstanding ratings on surveys completed by residents and residents' family members.
- Improve staff development, recruitment, and training to retain quality employees and improve service to residents.
- Continue to reduce operating expenses by purchasing drugs and other medical supplies at federal prices.
- Continue to develop and strengthen the facility's new employee orientation program.
- Upgrade the facility's parking areas to improve facility access for residents and visitors.

**Colorado State Veterans Center (Homelake)  
(Nursing Home)**

	<u>FY 98-99</u>	<u>FY 99-00</u>	<u>Percent Change</u>
<b><i>Census Information:</i></b>			
Capacity	60.0	60.0	N/A
Average Daily Census	52.0	50.3	-3.3%
Occupancy Rate	86.7%	83.8%	-3.3%%
Residents Per FTE	1.1	1.1	0.0%
<b><i>Staffing Information (FTE):</i></b>			
Activities / Social Services	2.3	2.4	4.3%
Administration / Records	4.8	4.7	-2.1%
Dietary	6.0	6.4	6.7%
Maintenance / Housekeeping	6.7	6.9	3.0%
Nursing	<u>30.0</u>	<u>28.4</u>	<u>-5.3%</u>
<b>Total</b>	<b>49.8</b>	<b>48.8</b>	<b>-2.0%</b>

***FISCAL YEAR 99-00 ACCOMPLISHMENTS:***

- Expanded the Center's dining room to allow nursing home and domiciliary residents to dine together in one sitting.
- Sold surplus land to the Division of Wildlife and used the sale proceeds to retire the nursing home anticipation warrants and improve the facility's financial position.
- Completed a study of the Center's heating system and emergency power needs and selected a consultant to redesign these systems.
- Used Medicaid incentive payments to create an aviary and aquarium for the residents' use and benefit.
- Implemented new resident menu planning software to improve resident nutrition and customer service.

***FISCAL YEAR 00-01 GOALS:***

- Achieve a deficiency-free facility survey from the Colorado Department of Public Health and Environment and the federal Department of Veterans Affairs.
- Increase the number of outstanding ratings on surveys completed by residents and residents' family members.
- Reorganize and strengthen activity and volunteer programs to improve services to residents.
- Increase community service projects to increase the Center's visibility and market and promote the Center.
- Continue to reduce operating expenses by purchasing drugs and other medical supplies at federal prices.
- Complete upgrades to the facility's heating and emergency power systems.

**Colorado State Veterans Center (Homelake)  
(Domiciliary)**

	<u>FY 98-99</u>	<u>FY 99-00</u>	<u>Percent Change</u>
<b>Census Information:</b>			
Capacity	46.0	46.0	N/A
Average Daily Census	43.5	42.8	-1.6%
Occupancy Rate	94.6%	93.0%	-1.6%
Residents Per FTE	1.1	1.1	0.0%
<b>Staffing Information (FTE):</b>			
Activities / Social Services	0.7	1.2	71.4%
Administration / Records	2.1	2.0	-4.8%
Dietary	3.8	4.1	7.9%
Maintenance / Housekeeping	3.8	4.2	10.5%
Nursing	<u>4.4</u>	<u>4.9</u>	<u>11.4%</u>
<b>Total</b>	<b>14.8</b>	<b>16.4</b>	<b>10.8%</b>

**FISCAL YEAR 99-00 ACCOMPLISHMENTS:**

- Expanded the Center's dining room to allow nursing home and domiciliary residents to dine together in one sitting.
- Expanded the direct care staff by 1.0 FTE as approved by the General Assembly.
- Repainted several domiciliary buildings.
- Completed a study of renovating the facility's historical structures.
- Completed a study of the Center's heating system and emergency power needs and selected a consultant to redesign these systems.
- Implemented new resident menu planning software to improve resident nutrition and customer service.

**FISCAL YEAR 00-01 GOALS:**

- Achieve a deficiency-free facility survey from the Colorado Department of Public Health and Environment and the United States Department of Veterans Affairs.
- Increase the number of outstanding ratings on surveys completed by residents and residents' family members.
- Complete ADA renovations to several domiciliary cottages.
- Increase program census.
- Improve program services by utilizing the new VA clinic in Alamosa.
- Increase resident physician services to continue to improve resident quality of life.
- Reorganize and strengthen nursing, activity, and volunteer programs to improve services provided to residents.
- Complete upgrades to the facility's heating and emergency power systems.

## Rifle State Veterans Nursing Home

	<u>FY 98-99</u>	<u>FY 99-00</u>	<u>Percent Change</u>
<b>Census Information:</b>			
Capacity	100.0	100.0	N/A
Average Daily Census	97.0	96.3	-0.7%
Occupancy Rate	97.0%	96.3%	-0.7%
Residents Per FTE	1.1	1.1	0.0%
<b>Staffing Information (FTE):</b>			
Activities / Social Services	5.5	5.2	-5.5%
Administration / Records	7.7	7.7	0.0%
Dietary	14.7	13.9	-5.4%
Maintenance / Housekeeping	12.7	12.2	-3.9%
Nursing	<u>62.1</u>	<u>60.2</u>	<u>-3.1%</u>
<b>Total</b>	<b>102.7</b>	<b>99.2</b>	<b>-3.4%</b>

### **FISCAL YEAR 99-00 ACCOMPLISHMENTS:**

- Constructed a resident flower garden using Medicaid incentive payments, allowing residents to enjoy 800 flowers and plants, a wheelchair accessible glider, and rest areas.
- Received only one non-health related deficiency from the Department of Public Health and Environment's facility survey.
- Graduated an RN from the facility's Nursing Scholarship Program, bringing the total number of RN graduates from the program to three.
- Maintained an average facility occupancy of over 96 percent for the last three fiscal years.
- Completed Continuous Quality Improvement training for several employees in an effort to increase employee retention and thus improve the quality of services provided to residents.
- Over 97 percent of survey responses from residents' family members and over 91 of survey responses from residents rated the facility's performance as good or outstanding.

### **FISCAL YEAR 00-01 GOALS:**

- Achieve a deficiency-free facility survey from the Colorado Department of Public Health and Environment and the United States Department of Veterans Affairs.
- Increase the number of outstanding ratings on surveys completed by residents and residents' family members.
- Install new bathing systems to increase resident comfort.
- Evaluate programs to increase opportunities to serve the needs of the veteran community.
- Maintain outstanding resident and family satisfaction as demonstrated by the facility's semiannual resident and family surveys.
- Implement a facility improvement project to provide residents with increased choices and the opportunity to increase personal relationships in their daily lives.
- Continue to reduce operating expenses by purchasing drugs and other medical supplies at federal prices.

## Trinidad State Nursing Home

	<u>FY 98-99</u>	<u>FY 99-00</u>	<u>Percent Change</u>
<b><i>Census Information</i></b>			
Capacity	182.0	182.0	N/A
Average Daily Census	131.0	132.6	1.2%
Occupancy Rate	72.0%	72.9%	1.3%
Residents Per FTE	1.1	1.1	0.0%
<b><i>Staffing Information (FTE)</i></b>			
Activities / Social Services	3.9	4.0	2.6%
Administration / Records	9.0	9.4	4.4%
Dietary	16.0	16.1	0.6%
Maintenance / Housekeeping	17.0	16.8	-1.2%
Nursing	<u>78.0</u>	<u>76.6</u>	<u>-1.8%</u>
<b>Total</b>	<b>123.9</b>	<b>122.9</b>	<b>-0.8%</b>

### ***FISCAL YEAR 99-00 ACCOMPLISHMENTS:***

- Doubled participation in the facility's Adult Day Care program.
- Used Medicaid incentive payments to develop a resident Multi Media Center. Residents use the center to attend classes on how to use a computer and the internet; communicate with family via email, or enjoy various reading materials.
- Over 95 percent of survey responses from residents' family members and over 93 of survey responses from residents rated the facility's performance as good or outstanding.

### ***FISCAL YEAR 00-01 GOALS:***

- Achieve a deficiency-free facility survey from the Colorado Department of Public Health and Environment.
- Increase the number of outstanding ratings on surveys completed by residents and residents' family members.
- Continue to make capital improvements to the facility to improve resident comfort and quality of life.
- Increase nursing home and Adult Day Care program census.
- Develop a partnership with Trinidad Junior College to promote nursing as a career.



## Walsenburg State Veterans Nursing Home

	<u>FY 98-99</u>	<u>FY 99-00</u>	<u>Percent Change</u>
<b>Census Information</b>			
Capacity	120.0	120.0	N/A
Average Daily Census	99.8	92.3	-7.5%
Occupancy Rate	83.2%	76.9%	-7.6%
Residents Per FTE	1.2	1.2	0.0%
<b>Staffing Information (FTE)</b>			
Activities / Social Services	4.6	4.6	0.0%
Administration / Records	11.5	11.5	0.0%
Dietary	11.0	11.0	0.0%
Maintenance / Housekeeping	16.5	16.5	0.0%
Nursing	<u>73.2</u>	<u>71.6</u>	<u>-2.2%</u>
<b>Total</b>	<b>116.8</b>	<b>115.2</b>	<b>-1.4%</b>

### **FISCAL YEAR 99-00 ACCOMPLISHMENTS:**

- Redecorated the facility's Special Care Unit to create a more home-like atmosphere and added a relaxation room to help improve the social and physical well being of the residents.
- Completed a \$250,000 landscaping project to improve the facility entrance, create a playground for children, and redesign and improve accessibility of interior courtyards.
- Installed a new tile roof on the entire surface of the facility.
- Produced a new informational video highlighting the facility and its commitment to providing excellent care to veterans and their dependents.

### **FISCAL YEAR 00-01 GOALS:**

- Achieve a deficiency-free facility survey from the Colorado Department of Public Health and Environment and the United States Department of Veterans Affairs.
- Purchase draperies for all resident rooms.
- Implement a staff customer service training program.
- Complete the playground project.
- Continue to raise funds for new passenger van for the residents.
- Attain capacity census at the facility.
- Help with the transition of Ft. Lyons Veterans Affairs Medical Center veterans to the facility.

**DIVISION OF STATE AND VETERANS NURSING HOMES**  
**COMPARATIVE INCOME STATEMENT (State-Operated Facilities)**  
**Fiscal Years Ending June 30, 1999 and 2000**

	FY 98-99	FY 99-00	Change	Percent Change
<b>OPERATING REVENUE</b>				
Cash Funds - Private Payments	1,218,317	1,427,249	208,932	17.1%
Cash Funds - Medicaid Cash Funds	7,432,215	7,646,217	214,001	2.9%
Cash Funds - Veteran Payments	4,052,010	4,356,524	304,514	7.5%
Cash Funds - Other Revenues and Interest	348,895	386,884	37,989	10.9%
Federal Funds - VA Per Diem Payments	3,650,361	4,062,305	411,944	11.3%
General Fund (Homelake Domiciliary)	<u>228,362</u>	<u>238,948</u>	<u>10,586</u>	<u>4.6%</u>
<b>Total Revenue</b>	<b>\$16,930,160</b>	<b>\$18,118,127</b>	<b>\$1,187,967</b>	<b>7.0%</b>
<b>OPERATING EXPENSES</b>				
Personal Services	12,981,353	13,651,789	670,436	5.2%
Operating/Travel Expenses	2,448,750	2,579,948	131,198	5.4%
Utilities	382,525	428,676	46,151	12.1%
Workers Comp/Risk Mgmt./Unemp. Ins.	194,507	202,211	7,704	4.0%
Debt Service (Interest)	32,817	24,108	(8,709)	-26.5%
Vehicle Lease Payments	26,590	24,268	(2,322)	-8.7%
Capital Outlay - Expensed	45,810	49,489	3,679	8.0%
Construction Projects	0	0	0	0.0%
Indirect Cost Assessment - CDHS	95,769	95,769	0	0.0%
Indirect Cost Assessment - Director's Office	<u>301,443</u>	<u>404,842</u>	<u>103,399</u>	<u>34.3%</u>
<b>Total Expenses</b>	<b>\$16,509,564</b>	<b>\$17,461,100</b>	<b>\$951,536</b>	<b>5.8%</b>
<b>OPERATING INCOME (LOSS)</b>	<b>\$420,596</b>	<b>\$657,027</b>	<b>\$236,431</b>	<b>56.2%</b>
<b>NON-CASH EXPENSES</b>				
Depreciation	503,719	571,671	67,952	13.5%
Compensated Absences	26,635	(21,188)	(47,823)	-179.6%
Bad Debt Expense	26,023	30,488	4,465	17.2%
Prior Year Adjustment	<u>(8,769)</u>	<u>0</u>	<u>8,769</u>	<u>-100.0%</u>
<b>Total Non-cash Expenses</b>	<b>\$547,608</b>	<b>\$580,971</b>	<b>\$33,363</b>	<b>6.1%</b>
<b>NET INCOME (LOSS)</b>	<b>(\$127,012)</b>	<b>\$76,056</b>	<b>\$203,068</b>	<b>59.9%</b>

NOTES: Includes Florence, Homelake Nursing Home and Domiciliary, Rifle and Trinidad.  
Does not include \$280,535 in revenue from the sale of surplus property at Homelake.

**DIVISION OF STATE AND VETERANS NURSING HOMES**  
**STATEMENT OF OPERATING REVENUES AND EXPENSES**  
**Fiscal Year Ending June 30, 2000**

	Florence	Homelake Nursing Home	Homelake Domiciliary	Rifle	Trinidad	Total	Walsenburg (Contract- (Operated)
<b>REVENUE</b>							
Cash Funds - Private Payments	14,450	166,507	101,231	164,317	980,745	1,427,249	
Cash Funds - Medicaid Cash Funds	891,731	764,657	0	1,718,643	4,271,185	7,646,217	
Cash Funds - Veteran Payments	2,022,320	653,874	343,162	1,337,168	0	4,356,524	
Cash Funds - Other Revenues/Interest	<u>113,906</u>	<u>86,812</u>	<u>12,474</u>	<u>105,401</u>	<u>68,291</u>	<u>386,884</u>	
Subtotal - Cash Funds	3,042,407	1,671,850	456,867	3,325,529	5,320,221	13,816,874	2,861,411
Federal Funds - VA Per Diem Payments	1,753,211	699,634	192,393	1,417,067	0	4,062,305	1,367,688
General Fund (Homelake Domiciliary)	<u>0</u>	<u>0</u>	<u>238,948</u>	<u>0</u>	<u>0</u>	<u>238,948</u>	<u>0</u>
<b>Total Operating Revenues</b>	<b>\$4,795,618</b>	<b>\$2,371,484</b>	<b>\$888,208</b>	<b>\$4,742,595</b>	<b>\$5,320,221</b>	<b>\$18,118,127</b>	<b>\$4,229,099</b>
<b>EXPENSES</b>							
Personal Services	3,496,708	1,726,125	639,861	3,579,086	4,210,009	13,651,789	3,093,783
Unemployment Insurance	1,111	192	0	7,701	628	9,632	
Workers Compensation	63,444	1,706	1,340	73,950	35,440	175,880	
Vehicle Lease Payments	5,255	7,061	5,548	2,178	4,226	24,268	
Risk Management	1,810	2,846	2,237	1,849	7,957	16,699	22,336
Operating Expenses	684,074	376,097	144,081	627,521	709,185	2,540,958	842,594
Utilities	103,469	73,158	67,355	77,794	106,900	428,676	282,072
Debt Service (Interest)	0	24,108	0	0	0	24,108	
Travel Expenses	8,085	7,193	2,967	19,042	1,703	38,990	27,977
Capital Outlay - Expensed	14,703	0	0	24,889	9,897	49,489	
CDHS Indirect Cost Assessment	24,288	12,250	0	24,000	35,231	95,769	
Transferred Expense - Director's Office	<u>105,383</u>	<u>51,336</u>	<u>14,401</u>	<u>98,463</u>	<u>135,259</u>	<u>404,842</u>	<u>10,855</u>
<b>Total Expenses</b>	<b>\$4,508,330</b>	<b>\$2,282,072</b>	<b>\$877,790</b>	<b>\$4,536,473</b>	<b>\$5,256,435</b>	<b>\$17,461,100</b>	<b>\$4,279,617</b>

**DIVISION OF STATE AND VETERANS NURSING HOMES**  
**STATEMENT OF OPERATING REVENUES AND EXPENSES**  
 Fiscal Year Ending June 30, 2000

	Florence	Homelake Nursing Home	Homelake Domiciliary	Rifle	Trinidad	Total	Walsenburg (Contract- (Operated)
<b>CASH INCOME (LOSS)</b>	\$287,288	\$89,412	\$10,418	\$206,122	\$63,786	\$657,027	(\$50,518)
<b>NON-CASH EXPENSES</b>							
Depreciation	129,542	71,805	40,898	203,151	126,276	571,671	401,808
Compensated Absences	14,063	(30,077)	(17,812)	8,124	4,513	(21,188)	
Bad Debt Expense	<u>24,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,488</u>	<u>30,488</u>	<u>51,864</u>
<b>Total Non-Cash Expenses</b>	<b>\$167,605</b>	<b>\$41,728</b>	<b>\$23,086</b>	<b>\$211,275</b>	<b>\$137,276</b>	<b>\$580,971</b>	<b>\$453,672</b>
<b>NET INCOME (LOSS)</b>	<b>\$119,683</b>	<b>\$47,684</b>	<b>(\$12,668)</b>	<b>(\$5,153)</b>	<b>(\$73,491)</b>	<b>\$76,056</b>	<b>(\$504,190)</b>

NOTE: Does not include \$280,535 in revenue from the sale of surplus property at Homelake.

**DIVISION OF STATE AND VETERANS NURSING HOMES**  
**COMPARATIVE BALANCE SHEET (State-Operated Facilities)\***  
**Fiscal Years Ending June 30, 1999 and 2000**

	Fiscal Year 1998-99	Fiscal Year 1999-00	Change	Percent Change
<b>CURRENT ASSETS</b>				
Operating Cash	2,407,859	2,166,554	(241,305)	16.7%
Other Cash, Cash Equivalents and Reserves	204,394	228,431	24,037	40.7%
Receivables	874,114	969,920	95,806	-23.4%
Inventories	281,083	301,728	20,645	4.2%
Other Current Assets	0	38,839	38,839	-100.0%
Property, Plant and Equipment				
Land	526,259	534,469	8,210	9.4%
Buildings	10,676,707	11,107,603	430,896	0.5%
Furniture & Equipment	2,437,035	2,132,781	(304,254)	7.2%
Vehicles	163,271	152,146	(11,125)	-4.0%
(Less) Accumulated Depreciation	(7,163,274)	(7,268,814)	(105,540)	7.1%
Construction in Progress	<u>379,482</u>	<u>307,430</u>	<u>(72,052)</u>	<u>141.4%</u>
<b>Total Assets</b>	<b>\$10,869,239</b>	<b>\$10,751,743</b>	<b>(\$117,496)</b>	<b>1.6%</b>
<b>LIABILITIES</b>				
Accounts Payable	434,422	482,877	48,455	52.4%
Accrued Liabilities	2,192	0	(2,192)	-21.3%
Deferred Revenue	17,002	10,062	(6,940)	228.4%
Bonds/Notes Payable - Current	100,000	0	(100,000)	11.1%
Other Current Liabilities	23,421	17,012	(6,409)	N/A
Bonds/Notes Payable-Noncurrent	230,000	0	(230,000)	-30.3%
Other Long-Term Liabilities				
Long Term Comp.Absence Liability - A/L	561,951	554,817	(7,134)	7.0%
Long Term Comp.Absence Liability - S/L	<u>130,003</u>	<u>115,949</u>	<u>(14,054)</u>	<u>-7.1%</u>
<b>Total Liabilities</b>	<b>\$1,498,991</b>	<b>\$1,180,717</b>	<b>(\$318,274)</b>	<b>8.8%</b>
<b>FUND EQUITY</b>				
Reserved for Encumbrances				
Fund Balance - Unreserved/Undesignated	2,213,853	2,414,630	200,777	0.3%
Contributed Capital (State, Federal, Other)	<u>7,156,395</u>	<u>7,156,395</u>	<u>0</u>	<u>0.6%</u>
<b>Total Fund Equity</b>	<b>9,370,248</b>	<b>9,571,025</b>	<b>\$200,777</b>	<b>0.5%</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$10,869,239</b>	<b>\$10,751,742</b>	<b>(\$117,497)</b>	<b>1.6%</b>

\*Note: Includes the Homelake Domiciliary.

**DIVISION OF STATE AND VETERANS NURSING HOMES  
BALANCE SHEET  
FISCAL YEAR ENDING JUNE 30, 2000**

	Florence	Homelake	Rifle	Trinidad	Total	Walsenburg (Contract-Operated)
<b>ASSETS</b>						
<b>Cash and Cash Equivalents</b>						
Change Funds	0	500	0	1,000	1,500	
Petty Cash Funds	200	1,000	43	500	1,743	
Restricted Checking - Depository	0	6,813	218,375	0	225,188	1,827
Operating Cash	1,586,859	18,105	(145,886)	707,476	2,166,554	
<b>Receivables</b>						
Accounts Receivables - Residents	99,479	29,445	73,424	80,542	282,890	473,942
Allowance for A/R - Agency Systems	(70,406)	(10,449)	(23,597)	(9,157)	(113,609)	(75,180)
Accounts Receivable - Other	35,668	58,264	72,626	299,783	466,341	440
Intergovernmental - (Federal VA)	136,889	76,645	120,764	0	334,298	
<b>Inventories</b>						
Supplies Inventories	95,335	67,242	87,809	51,342	301,728	
<b>Other Current Assets</b>						
Prepaid Expenses - General	0	1,095	36,975	0	38,070	
Undistr Charges - Other	557	138	74	0	769	
<b>Fixed Assets</b>						
Land	60,000	19,161	54,200	5,960	139,321	
Improvements to Land	69,962	3,866	77,426	243,894	395,148	
Accumulated Depr - Land Imprv.	(54,718)	(3,866)	(45,460)	(144,231)	(248,275)	
Buildings	1,474,129	3,757,712	3,495,388	2,380,374	11,107,603	8,106,994
Accumulated Depr - Buildings	(763,902)	(1,992,506)	(1,468,451)	(1,381,061)	(5,605,920)	(2,683,855)
Furniture & Equipment	568,399	484,632	627,792	451,958	2,132,781	568,700
Leased Equipment	0	0	0	17,012	17,012	
Software Capitalized	31,236	8,564	13,691	10,153	63,644	
Vehicles	35,725	54,425	7,736	54,260	152,146	
Accumulated Depr - Vehicles	(15,644)	(37,598)	(7,113)	(49,399)	(109,754)	
Accumulated Depr - Equipment	(281,826)	(358,508)	(358,803)	(266,439)	(1,265,576)	(303,968)
Accumulated Depr - Software	(8,109)	(8,255)	(12,945)	(9,980)	(39,289)	
Construction in Progress	0	299,849	0	7,581	307,430	237,574
<b>TOTAL ASSETS</b>	<b>\$2,999,833</b>	<b>\$2,476,274</b>	<b>\$2,824,068</b>	<b>\$2,451,568</b>	<b>\$10,751,743</b>	<b>\$6,326,474</b>

DIVISION OF STATE AND VETERANS NURSING HOMES  
BALANCE SHEET  
FISCAL YEAR ENDING JUNE 30, 2000

	Florence	Homelake	Rifle	Trinidad	Total	Walsenburg (Contract-Operated)
<b>LIABILITIES</b>						
<b>Payables</b>						
Warrants Payable	18,725	8,446	23,638	5,195	56,004	
Vouchers Payable	28,243	38,407	79,583	68,422	214,655	
Retainage Pay on Contracts	0	16,889	0	484	17,373	
Accts Pay - Agency System	24,671	0	0	0	24,671	17,280
Accts Pay AGCY SYS 2	0	0	83,410	0	83,410	
Accounts Payable - Other	252	32,419	54,012	0	86,683	
AGY Union Dues	81	0	0	0	81	
<b>Deferred Revenue</b>						
Deferred Revenue	0	9,902	160	0	10,062	
<b>Other Current Liabilities</b>						
Capital Leases Pay - non current Due Hospital and District	0	0	0	17,012	17,012	3,160,182
<b>Other Long-Term Liabilities</b>						
Long-term Comp. Absences - A/L	166,650	127,532	117,268	143,367	554,817	
Long-term Comp. Absences - S/L	35,842	25,765	15,723	38,619	115,949	
<b>TOTAL LIABILITIES</b>	<b>\$274,464</b>	<b>\$259,360</b>	<b>\$373,794</b>	<b>\$273,099</b>	<b>\$1,180,717</b>	<b>\$3,177,462</b>
<b>FUND EQUITY</b>						
FB-Unreserved/Undesignated Contributed Capital	1,283,715	534,005	(1,581,559)	2,178,469	2,414,630	(2,254,574)
Contributed Capital-State	0	375,668	407,348	0	783,016	
Contributed Capital-Federal	45,472	1,266,405	2,321,428	0	3,633,305	5,403,237
Contributed Capital-Other	<u>1,396,182</u>	<u>40,836</u>	<u>1,303,057</u>	<u>0</u>	<u>2,740,075</u>	<u>349</u>
<b>TOTAL FUND EQUITY</b>	<b>\$2,725,369</b>	<b>\$2,216,914</b>	<b>\$2,450,274</b>	<b>\$2,178,469</b>	<b>\$9,571,026</b>	<b>\$3,149,012</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$2,999,833</b>	<b>\$2,476,274</b>	<b>\$2,824,068</b>	<b>\$2,451,568</b>	<b>\$10,751,743</b>	<b>\$6,326,474</b>

NOTE: The Balance Sheet for the Homelake Nursing Home and the Homelake Domiciliary are combined.

DIVISION OF STATE AND VETERANS NURSING HOMES  
 COMPARATIVE INCOME STATEMENT - WALSENBURG STATE VETERANS HOME  
 Fiscal Years Ending June 30, 1999 and 2000

	FY 98-99	FY 99-00	Change	Percent Change
<b>CASH REVENUE</b>				
Cash Funds	2,946,678	2,861,411	(85,267)	-2.9%
Federal Funds	<u>1,281,491</u>	<u>1,367,688</u>	<u>86,197</u>	<u>6.7%</u>
<b>Total Revenue</b>	<b>\$4,228,169</b>	<b>\$4,229,099</b>	<b>\$930</b>	<b>0.0%</b>
<b>EXPENSES</b>				
Personal Services	3,149,835	3,093,783	(56,052)	-1.8%
Operating/Travel Expenses	921,386	870,571	(50,815)	-5.5%
Utilities	265,996	282,072	16,076	6.0%
Risk Management	28,043	22,336	(5,707)	-20.4%
Transferred Expense - Director's Office	<u>7,789</u>	<u>10,855</u>	<u>3,066</u>	<u>39.4%</u>
<b>Total Expenses</b>	<b>\$4,373,049</b>	<b>\$4,279,617</b>	<b>(\$93,432)</b>	<b>-2.1%</b>
<b>CASH INCOME (LOSS)</b>	<b>(\$144,880)</b>	<b>(\$50,518)</b>	<b>\$94,362</b>	<b>-65.1%</b>
<b>NON-CASH EXPENSES</b>				
Depreciation	396,292	401,808	5,516	1.4%
Bad Debt Expense	<u>51,506</u>	<u>51,864</u>	<u>358</u>	<u>0.7%</u>
<b>Total Non-Cash Expenses</b>	<b>447,798</b>	<b>453,672</b>	<b>\$5,874</b>	<b>1.3%</b>
<b>NET INCOME (LOSS)</b>	<b>(\$592,678)</b>	<b>(\$504,190)</b>	<b>\$88,488</b>	<b>-14.9%</b>



DIVISION OF STATE AND VETERANS NURSING HOMES  
 COMPARATIVE BALANCE SHEET - WALSENBURG STATE VETERANS HOME  
 Fiscal Years Ending June 30, 1999 and 2000

	Fiscal Year 1998-99	Fiscal Year 1999-00	Change	Percent Change
<b>CURRENT ASSETS</b>				
Operating Cash				
Other Cash, Cash Equivalents and Reserves	760	1,827	1,067	140.4%
Receivables	524,978	399,202	(125,776)	21.2%
Inventories				
Other Current Assets				
Property, Plant and Equipment				
Land				
Buildings	8,089,368	8,106,994	17,626	0.0%
Furniture & Equipment	565,174	568,700	3,526	8.9%
Vehicles				
(Less) Accumulated Depreciation	(2,586,014)	(2,987,823)	(401,809)	18.1%
Construction in Progress	<u>12,712</u>	<u>237,574</u>	<u>224,862</u>	<u>-42.0%</u>
<b>Total Assets</b>	<b>\$6,606,978</b>	<b>\$6,326,474</b>	<b>(\$280,504)</b>	<b>-3.9%</b>
<b>LIABILITIES</b>				
Accounts Payable	22,507	17,280	(5,227)	39.8%
Accrued Liabilities				
Deferred Revenue				
Bonds/Notes Payable - Current				
Bonds/Notes Payable-Noncurrent				
Other long-Term Liabilities				
Long Term Comp.Absence Liability - A/L				
Long Term Comp.Absence Liability - S/L				
Due Hospital and Hospital District	<u>2,938,367</u>	<u>3,160,182</u>	<u>221,815</u>	<u>12.2%</u>
<b>Total Liabilities</b>	<b>\$2,960,874</b>	<b>\$3,177,462</b>	<b>\$216,588</b>	<b>12.3%</b>
<b>FUND EQUITY</b>				
Reserved for Encumbrances				
Fund Balance - Unreserved/Undesignated	(1,757,482)	(2,254,574)	(497,092)	50.9%
Contributed Capital (Federal)	<u>5,403,586</u>	<u>5,403,586</u>	<u>0</u>	<u>0.0%</u>
<b>Total Fund Equity</b>	<b>\$3,646,104</b>	<b>\$3,149,012</b>	<b>(\$497,092)</b>	<b>-14.0%</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$6,606,978</b>	<b>\$6,326,474</b>	<b>(\$280,504)</b>	<b>-3.9%</b>

