

FY 14–15 Annual Report



MISSION

Under the direction of the Colorado Department of Human Services, the mission of the Division of Veterans Community Living Centers is to honor and serve our nation's veterans, their spouses and Gold Star Parents by creating opportunities for meaningful activity, continued growth and feelings of self-worth in resident-centered long-term care and supportive living environments.



COLORADO

Department of Human Services

Veterans Community Living Centers

Dear Stakeholders:



Sarah Aurich Wager

It has been a privilege to be the Acting Director of Community Access and Independence as well as the Acting Director of the Veterans Community Living Centers (VCLC) Division for the last few months. Even though this past year has brought transitions in leadership to the VCLC division, our Administrators and their teams have not missed a beat in

providing quality care to our veterans and their families.

During this past year, three of our homes, Rifle, Homelake and Bruce McCandless-Florence completed the VA survey with perfect scores and zero deficiencies. During our Fitzsimons VA survey, only three minor tags were identified. These findings reflect the quality of care we deliver and solidify the resident centered care we continue to strive for within each of our four veteran's communities.

This past year we finalized the roll out of our Electronic Medical Records (EMR) system. This system, called Point Click Care provides electronic tracking of care delivery to each of our veterans, their spouses and Gold Star parents. By replacing our paper charts with this new electronic system, we continue our commitment of quality care delivery to the residents we serve.



Kathleen N. Dunemn

The Commission on Veterans Community Living Centers was created by statute to provide continuity, predictability and stability in the operation of the homes, and to advise the Division Office and each of the communities with its recommendations. Meeting six times a year, we receive updates on the quality of care, survey results, the census,

and financial conditions of the communities. The consulting firm that advises the Division, VIVAGE Quality Health Partners, reports its findings and recommendations based on its visits to the communities.

Previous reports have noted that all four of the veterans' communities are certified under the Eden Alternative registry. This registry recognizes community living centers that embrace the values and practices of culture change—values of choice, dignity, respect, self-determination and purposeful living. Our communities recognize, however, that the ideas of the Eden Alternative are a journey, not a destination and the communities are continuing to work toward further milestones of the Eden Alternative.

Our Veterans Community Living Centers thrived while operating under the framework of our Quality Assurance Performance Improvement (QAPI) plan. Since rolling out the QAPI plan in the last fiscal year, we continue to identify and measure specific areas of our care delivery. While analyzing these measurements on a monthly basis, we determine areas which we have opportunities for both improvement and celebration. Our quality measures are being reviewed monthly during QAPI meetings in each home and at the Colorado Department of Human Services C-Stat meetings.

We continue to be humbled and honored to partner with both our stakeholders and supporters in communities throughout the state. Our partnerships with the Department of Military and Veterans Affairs, the General Assembly and the Governor's Office assist to solidify the quality care our veterans, their spouses and Gold Star parents receive at our four Veterans Community Living Centers.

A handwritten signature in black ink that reads "Sarah Aurich Wager".

Sarah Aurich Wager, Acting Director, Office of Community Access and Independence and Veterans Community Living Centers

A significant endeavor of the Division has been the development and launching of the electronic health record initiative for the entire system across all of the homes. The homes are coming on-line one at a time with a fully functioning system to be in place by late 2015. The efficiencies gained by homes, plus new data that can be used in analyzing problem areas in the system will make this investment well worthwhile.

The Commission, the Division, and the four veteran's communities will continue to work diligently to give our veterans and their families the best possible care, treating each resident as an individual and with dignity and compassion. As with the years, we will continue to prove the highest quality of care possible.

A handwritten signature in black ink that reads "Kathleen N. Dunemn".

Kathleen N. Dunemn, PhD, APRN, CNM, Chair Colonel (Retired) US Army Commission on Veterans Community Living Centers

Aaron Termain is Hired as Director of VCLC



Aaron Termain

The Colorado Department of Human Services (CDHS) has selected Aaron Termain as the Director of the Veterans Community Living Centers. He started his position on November 16, 2015.

Aaron Termain recently retired from the U.S. Army as a Lt. Col. with 28 years of service. Most recently, Aaron commanded the Fort Carson Warrior Transition Battalion. In that capacity, Aaron was responsible for managing an interdisciplinary healthcare team consisting of 185 military and civilian team members including physicians, nurses, social workers, therapists, pharmacists and administrative support. This healthcare team served over 480 injured service members and transitioned over 800 service members and their families.

Throughout his career in the Army, Aaron served as the lead medical Plans and Policy Officer for NORAD/Northcom, Executive Officer for the 528th Operations Brigade at Fort Bragg, NC, Commander of the Special Operations

Medical Detachment at Fort Bragg and other leadership positions in Larissa, Greece and Fort Lewis, WA.

As the Director of the Veterans Community Living Centers, Aaron will be responsible for managing approximately 600 employees, overseeing care in over 500 facility and domiciliary beds and managing a budget of \$50 million. He will work closely with leadership teams and care providers to oversee quality care delivery and customer service in each Veteran's Community Living Center. Additionally, Aaron will develop long-term strategies for the Division and work with local Veteran's agencies.

Sarah Aurich Wager, acting Director of Office of Community Access and Independence said, "We are pleased to welcome Aaron to the position of Director of the Veterans Community Living Centers. His experience in the healthcare arena, exemplary military service and passion for serving Veterans will be the perfect match as he leads our team of caregivers serving our nations veterans."

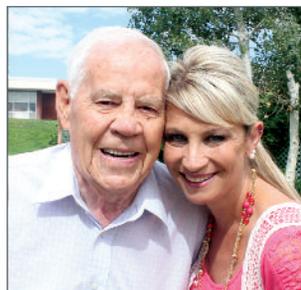
Aaron received a Bachelor's Degree in Biology/Chemistry from Northern Arizona University and a Master's of Public Health Degree from University of Iowa.

Who we are

The Colorado Department of Human Services owns and operates Veterans Community Living Centers in Aurora/Fitzsimons, Florence, Homelake/Monte Vista and Rifle. The Veterans Community Living Center at Walsenburg is owned and operated by the Spanish Peaks Regional Health Center.

Who we serve

The Veterans Community Living Centers serve honorably discharged veterans, veterans' spouses/widows and Gold-Star parents.



What we offer

Long-term care: We provide skilled nursing care; speech, physical and occupational therapy; social activities; and assistance with bathing, dressing and other daily activities in a 24-hour setting.

Short-term rehabilitation: Individuals seeking to return home following a qualifying hospital stay can work to regain skills and improve physical strength, endurance and aerobic capacity. It is our goal for individuals to return home.

Assisted living-like cottages/domiciliary: This level of care is available in Homelake (Monte Vista) for individuals who are independent but require assistance and a lower level of care. Many cottage residents use their own transportation; three-wheel bicycles are also available for recreation and transportation.

Memory care: We offer specialized care for individuals with dementia, including secure units in Rifle, Florence and Fitzsimons.

Short-term respite care: Temporary stays are offered when homecare providers are unavailable.

End-of-life/hospice services: Comfort-oriented care is available for individuals nearing the end of their life.



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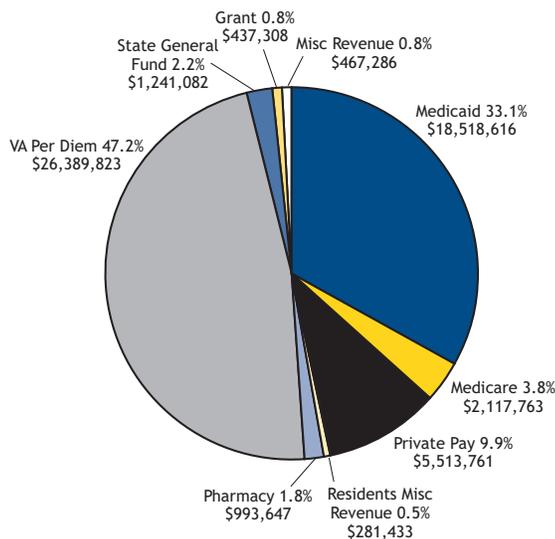
Department of Human Services
Veterans Community Living Centers



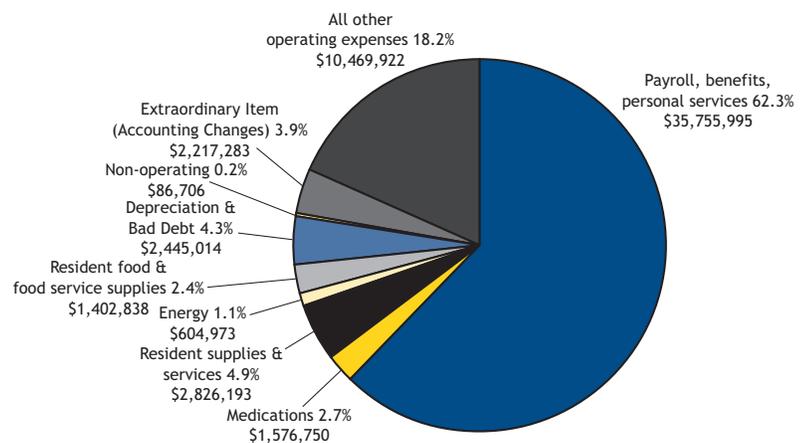
Financial Overview: Division of Veterans Community Living Centers

Veterans Community Living Centers	FY 12-13	FY 13-14	FY 14-15
Revenue	\$55,152,326	\$56,961,937	\$55,960,719
Operating Expenses—Cash	\$48,065,654	\$50,541,613	\$52,636,671
Operating Expense—Non Cash (Depr. & Bad Debt)	\$1,812,535	\$2,411,057	\$2,445,014
Non-Operating Expenses (Bond Cost)	\$196,177	\$151,539	\$86,706
Extraordinary Item (Accounting Changes)			\$2,217,283
Profit/(Loss)	\$5,077,960	\$3,857,728	(\$1,424,955)

FY 14-15 Revenue: \$55,960,719



FY 14-15 Expenditures: \$57,385,674



FY 14-15 Resident Census

Veterans Community Living Centers	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	AVG
Total Beds	604	604	604	604	604	604	604	604	604	604	604	604	604.0
Average Census	513	519	511	514	514	501	497	501	509	508	505	504	508.0
Average Occupancy	84.9%	85.9%	84.6%	85.1%	85.1%	82.9%	82.3%	82.9%	84.3%	84.1%	83.6%	83.4%	84.1%

Financial Analysis

The Division posted a net loss of \$1,424,955 for fiscal year 2014-15. The revenue decreased by 1.76% due to lower than expected census. The average occupancy for the Veterans Community Living Centers (VCLC) is 84.1%, which is a 3.7% decrease in census over fiscal year 2014-15.

Operating expenses increased by \$2,129,015 due to pay raises for State employees and inflation.

During the fiscal year 2014-15, the State implemented GASB Statement No. 68—Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27. As a result of this implementation, the state, as

a cost-sharing employer participating in a defined benefit plan, is required to record their proportionate share of the unfunded pension liability, related deferred inflows and outflow and expense/expenditures in the government entity's financial statement. The VCLC recorded pension expenses of \$2,217,283 as an extraordinary item due to an Accounting Change in the financial statements according to GASB 68.

Each Center continues to concentrate on improving their census through increased marketing efforts. In addition, each center has closely monitored and controlled operating expenses in order to remain profitable when the census decreases.

CVCLC at Homelake Completes Phase Two of the Cemetery Expansion

The Veterans Community Living Center at Homelake recently completed both phases of its cemetery expansion. These expansions added approximately 623 gravesites, new roads, utilities, site lighting, parking, and walk ways and has guaranteed the availability of plots for years to come.

Mindy Montague, Administrator at Homelake shared, “The cemetery expansion is a beautiful new addition to the Homelake campus, providing burial sites for the next several decades while respecting and honoring the campus’s historical heritage.”



This recent photo captures the majestic spruce trees that the Homelake cemetery is known for.



The Veteran’s Cemetery at Homelake has seen many changes over the years since its opening in 1891. This photo was taken in the early 1900s. The majestic spruce trees had just recently been planted.



The cemetery expansion is located on the north side of the cemetery and added 623 more gravesites.



Our four Veterans Community Living Centers are Eden Registered. There are only eight Veterans homes in the country that are Eden Registered and we hold four of those registrations.

Our Eden Mission:

To honor and respect those living and working in our homes through companionship, empowerment and individualized care while providing a comfortable and safe place to live.

Our Eden Vision:

To eliminate loneliness by developing meaningful relationships and supporting family values.

To eliminate helplessness by creating opportunities to give and receive care and compassion.

To eliminate boredom by honoring resident choices, and inspiring and encouraging decision-making.

To make a commitment to leadership that cultivates the human spirit through personal growth.

Fitzsimons



Bruce McCandless
(Florence)



Homelake



Rifle



Letter to Stakeholders



Greg Ryan

The Veterans Community Living Center at Fitzsimons is a 180-bed home providing care to our veterans, their spouses and Gold Star families. Fitzsimons is the largest of all of the five Veterans Community Living Centers and is located on the rapidly expanding Anschutz Campus. This year, we focused on organizing and streamlining our admission process. The results were al-

most immediate. In the last 6 months we have met or exceeded our budgeted census goals. We have increased our census overall by 11% since last year. There is no doubt that the next year will be a record setting year for census at Fitzsimons, allowing us to provide the highest level of quality healthcare for our veterans and their families who we love so much!

In addition, there have been many new personnel changes at Fitzsimons over the last year. After an extensive search and interview process, I was offered the position of Administrator at Fitzsimons. It was a pleasure to serve in the capacity as the Assistant Administrator for over a year and I was thrilled to accept the role as Administrator. As a veteran myself, I am honored, on a daily basis, to lead a team who cares for our veterans, spouses and Gold Star parents. With each new team member hired at Fitzsimons, it is our passion and priority to communicate the care-giving culture we have developed at our healthcare campus.

FY 14-15 Accomplishments

Eden Alternative Program: This year, we trained over 100 Eden Associates and increased our percentage of Eden Associates from 33% to 66% overall. Spreading the message of resident centered care to our employees is an important task. We take great pride in having such a high percentage of staff being trained in Eden, which is important to our home and residents.

Streamlining the Admission process: In October of 2014 Fitzsimons occupancy averaged 84.4%. In one year, through many strategies and goals, the October of 2015 occupancy averaged 95%. The Admission team members have streamlined each of their systems and processes making a smooth experience for both potential veterans, their families and our referral sources. Checklists are in place, to guarantee all of our systems are in use, organized and ready for each of our new admissions. Our efforts to prepare both our staff and new residents, prior to admission, make each of our newly admitted veterans, their spouses and Gold Star parents feel special, welcome and important. Our commitment

We were proud to roll out many technological upgrades which contributed to increased efficiency, quality of life and quality of care for both our residents and staff. Our in-house security system received significant upgrades which provided a heightened sense of security to our residents, families, staff and visitors. In addition, we rolled out our electronic medical records system, called Point Click Care (PCC) this summer. This electronic medical records system results in increased care efficiency, for our staff, and collaboration with our healthcare physician partners. Our nursing leadership staff receive real time reports that provide them up to date information to ensure we are upholding the highest standards of care.

Finally, with great pride, our greenhouse project was completed in early summer. Throughout the summer and fall, our residents enjoyed sitting at the chairs and benches and using the tables to plant and tend to flowers and green plants that grew in abundance. Like so many of the other programs we have at Fitzsimons, the greenhouse assists in giving our residents a strong sense of purpose. We are committed to our veterans, their families and our Gold Star parents.

Greg Ryan, Administrator
Colorado Veterans Living Center at Fitzsimons

to putting our new residents at ease, even prior to admission solidifies the decision that choosing Fitzsimons was the right choice for care.

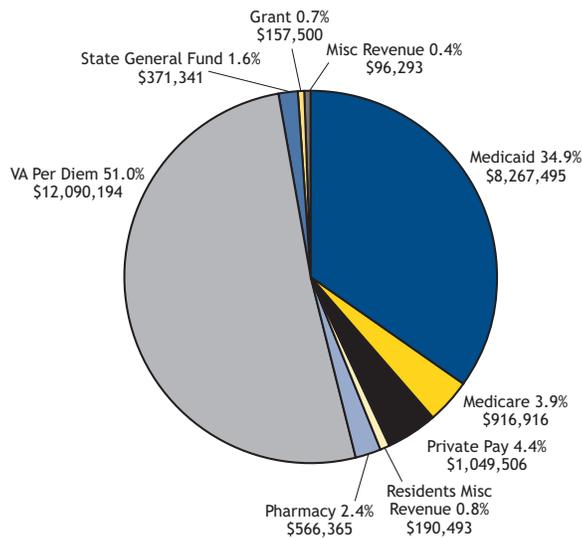
Throughout this past year, we have focused our attention on security measures for our residents on our memory care units. We have updated our state-of-the-art security system. In addition, our wander guard system has been updated to meet the increasing safety needs of our residents. We are committed to making sure our residents are safe and located in specific areas of our community which provides them the safe and secure environment they need.

The team members at Fitzsimons are proud of the relationships they develop in the Veterans and Military community. We value our Military partners and are fortunate that we are able to host events, lectures, seminars and programs tailored to informing the Veterans community about our services. We are proud to have so many Military and Veterans organizations visit our community living center.

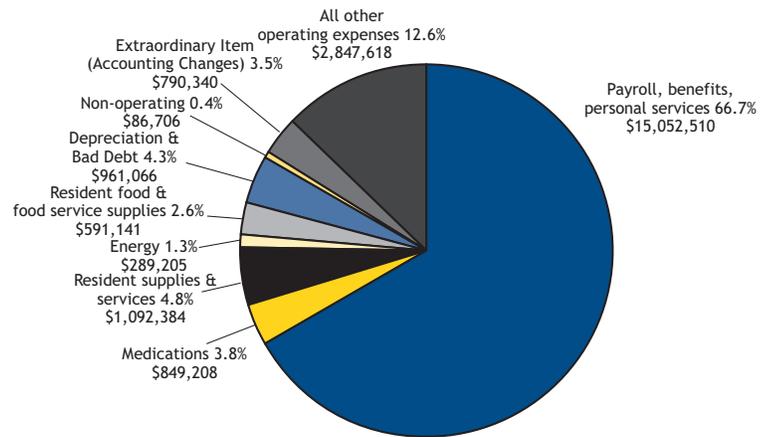
Financial Overview: Veterans Community Living Center at Fitzsimons

FITZSIMONS	FY 12-13	FY 13-14	FY 14-15
Revenue	\$22,720,052	\$24,103,195	\$23,706,103
Operating Expenses—Cash	\$19,285,126	\$20,047,452	\$20,722,066
Operating Expense—Non Cash (Depr. & Bad Debt)	\$780,682	\$1,134,821	\$961,066
Non-Operating Expenses (Bond Cost)	\$196,177	\$151,539	\$86,706
Extraordinary Item (Accounting Changes)			\$790,340
Profit/(Loss)	\$2,458,067	\$2,769,383	\$1,145,925

FY 14-15 Revenue: \$23,706,103



FY 14-15 Expenditures: \$22,560,178



FY 14-15 Resident Census

FITZSIMONS	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	AVG
Beds	180	180	180	180	180	180	180	180	180	180	180	180	180.0
Average Census	162	166	160	162	161	158	156	165	167	172	172	170	164.3
Occupancy	90.0%	92.2%	88.9%	90.0%	89.4%	87.8%	86.7%	91.7%	92.8%	95.6%	95.6%	94.4%	91.3%

Financial Analysis

Operating revenues for Veterans Community Living Center (VCLC) at Fitzsimons are derived from private resident payments, Medicaid, Medicare, US Department of Veterans Affairs (VA) and various pension payments. There are 180 dually certified Medicare and Medicaid beds available at the facility. The census goal for the VCLC at Fitzsimons was 94.0 percent or above.

VCLC at Fitzsimons continued to be profitable for fiscal year 2014-15. The revenue decreased by \$397,092 mainly due to a decrease in census. The average census is 91.3 % which is a 2 percent decrease over fiscal year 2014-15.

Operating Expenses increased by \$500,859 in fiscal year 2014-15 due to the higher acuity of service-connected veterans admitted to the facility and pay raises for State employees. The facility monitors all expenses closely and

conducts monthly reviews with each manager to discuss departmental expenses.

During the fiscal year 2014-15, the State implemented GASB Statement No. 68—Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27. As a result of this implementation, the state, as a cost-sharing employer participating in a defined benefit plan, is required to record their proportionate share of the unfunded pension liability, related deferred inflows and outflow and expense/expenditures in the government entity’s financial statement. The VCLC at Fitzsimons recorded pension expenses of \$790,340 as an extraordinary item due to an Accounting Change in the financial statements according to GASB 68.

The total profit is \$1,145,925 is primarily the result of a VA per diem revenue increase.

Letter to Stakeholders



Barbara Moore

At the Bruce McCandless Colorado Veterans Community Living Center we continue our mission to honor and respect those living and working in our home through companionship, empowerment and individualized care while providing a comfortable and safe place to live.

Over the past year, our home transitioned from a manual health record to an electronic health record. Training all staff and physicians and developing countless assessments and templates was an enormous task that took several weeks to complete. Nearly one year later, we are utilizing the E.H.R. more comprehensively as we work to establish more interfacing with vendors and standardize processes throughout our Division. With continuously evolving technology and the E.H.R. we will continue to see changes in the way we operate our home, challenging us to learn new methods in delivering the best care to our residents.

We continue to provide the highest quality care to our residents and maintain a focus of customer service to

both our internal and external customers. We successfully completed our State and VA Surveys with excellence and full compliance. As we focus on our clinical measures, we have established Wildly Important Goals (WIGs) in the areas of Falls and Eden Associate Training. Throughout the past year we have accomplished those goals intermittently and continue to strive towards ongoing incremental improvement through a quality assurance approach.

Finally, I want to thank our residents and their families, staff, physicians and other contracted service providers, volunteers from the community, veterans service organizations, Division and Department staff, Community Advisory Board, and the Board of Commissioners for the Veterans Community Living Centers for the many contributions and support to our home. Your vested interest in us helps us serve our residents better and we appreciate all you do.

Barbara Moore, Administrator
Bruce McCandless Veterans Community Living Center

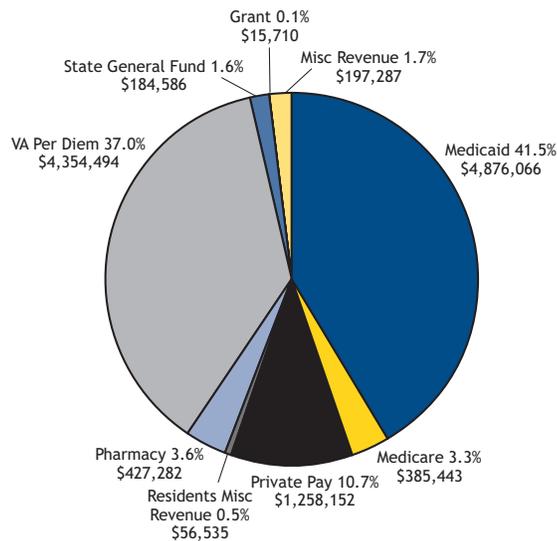
FY 14–15 Accomplishments

- Named as one of the nation's best nursing homes by U.S. News and World Report for the 5th consecutive year for the 5-Star Rating from Centers for Medicare and Medicaid Services.
- The staff retention rate of 72% and over 19% of staff have 10 years of service or more. This contributes to higher quality of care and strong relationships between residents, family members and staff.
- Completed six Certified Eden Associate Classes and graduated nearly 100 new Certified Eden Associates including health care partners (staff); family members and residents. Provided weekly training sessions to residents on-site.
- Selected 10 new staff to serve as Neighborhood Guides and Advocates. Provided leadership training monthly and mentoring to encourage neighborhood activities, socializing, problem solving, decision making and team building.
- Completed annual State Survey with 7 minor deficiencies and celebrated a deficiency free VA Survey.
- Completed a full evacuation in June with all residents and staff relocating temporarily to the local elementary school. Staff served medications and lunch to everyone before returning to the facility as a result of a chemical fire ¼ mile from the facility.
- Completed annual Eden Re-registry maintaining our Eden Certification for 7 consecutive years.

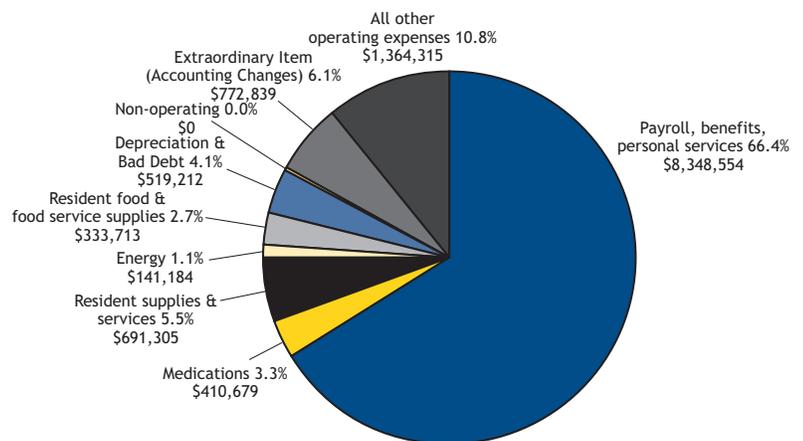
Financial Overview: Bruce McCandless Veterans Community Living Center at Florence

McCANDLESS	FY 12-13	FY 13-14	FY 14-15
Revenue	\$10,929,608	\$11,352,326	\$11,755,555
Operating Expenses—Cash	\$9,821,811	\$10,556,374	\$11,289,750
Operating Expense—Non Cash (Depr. & Bad Debt)	\$527,425	\$510,914	\$519,212
Non-Operating Expenses			
Extraordinary Item (Accounting Changes)			\$772,839
Profit/(Loss)	\$580,372	\$285,038	(\$826,246)

FY 14-15 Revenue: \$11,755,555



FY 14-15 Expenditures: \$12,581,801



FY 14-15 Resident Census

McCANDLESS	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	AVG
Beds	105	105	105	105	105	105	105	105	105	105	105	105	105.0
Average Census	98	98	94	93	91	92	93	91	93	90	92	92	93.1
Occupancy	93.3%	93.3%	89.5%	88.6%	86.7%	87.6%	88.6%	86.7%	88.6%	85.7%	87.6%	87.6%	88.7%

Financial Analysis

The Bruce McCandless Veterans Community Living Center (VCLC) at Florence earned total revenue of \$11,755,555 for the fiscal year 2014-15. The revenue increased by \$403,229 mainly due to the VA per diem increase. The average occupancy for the Bruce McCandless VCLC at Florence is 88.7 percent, which is a 0.5 percent decrease in census over fiscal year 2014-15. The center continues its efforts to increase the census.

Operating expenses increased by \$741,674 mainly due to pay raises for State employees and the inflationary influence in the area of medical purchased services. The center monitors all expenses closely by adjusting monthly spending according to the actual resident census. The use of monthly spending sheets has been beneficial to the de-

partment managers in controlling variable expenses in accordance with the number of residents in our care.

During the fiscal year 2014-15, the State implemented GASB Statement No. 68—Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27. As a result of this implementation, the state, as a cost-sharing employer participating in a defined benefit plan, is required to record their proportionate share of the unfunded pension liability, related deferred inflows and outflow and expense/expenditures in the government entity’s financial statement. The VCLC at Florence recorded pension expense of \$772,839 as an extraordinary item due to an Accounting Change in the financial statements according to GASB 68.

Letter to Stakeholders



Mindy Montague

The Veterans Community Living Center at Homelake has had both successes and challenges during FY 2014-2015. Homelake represents a landmark in the provision of Long-Term Care and Domiciliary health services with the desire to continuously strive for improving resident care.

Central to our mission and vision is to place our residents at the center of what we do and to ensure the continued delivery of safe quality services. This is evident through the great surveys we received from the Colorado Department of Public Health and Environment (CDPHE) and Department of Veterans Affairs (VA) Health, Life Safety and Financial Audit that demonstrate positive outcomes.

The skills, commitment and longevity of our staff are fundamental in achieving our goal of providing quality services. I extend thanks to all of our staff who have worked and continue to work at Homelake. Your commitment is demonstrated in several ways, specifically, from the many compliments we receive from residents and family members, our positive survey results, and the hard work and dedication that staff give to our residents on a daily basis.

Both staff and families have received education. Staff had the opportunity to attend Eden Trainings, Dementia, Caring for the Caregiver, Aromatherapy, etc. in order to effectively address and care for our residents and family

members. Through our Family support groups we have provided education to family members on such topics as Dementia, Alzheimer's and caring for the caregiver.

We are working with our third advocate group which consists of staff from all departments. Advocacy teaches staff to be empowered through learning leadership techniques such as; huddles, conflict resolution and team work.

Through the continued support of the Community Advisory Board and Homelake Preservation and Restoration Foundation, the Old Administration Building received a \$164,412 grant from History Colorado for window restoration. Through the generosity of an anonymous donor the remaining restoration of the Paden-Meyer Memorial Chapel is anticipated to be completed by in June 2016.

Homelake continues to work with our veterans, family members, veteran and community organizations, stakeholders, board members, and the Division and Department to uphold the high standards and reputation that Homelake is known for.

As always, the staff and I are privileged to honor, respect and serve the veterans who have served for us and our country.

Mindy K. Montague, Administrator
Veterans Community Living Center at Homelake

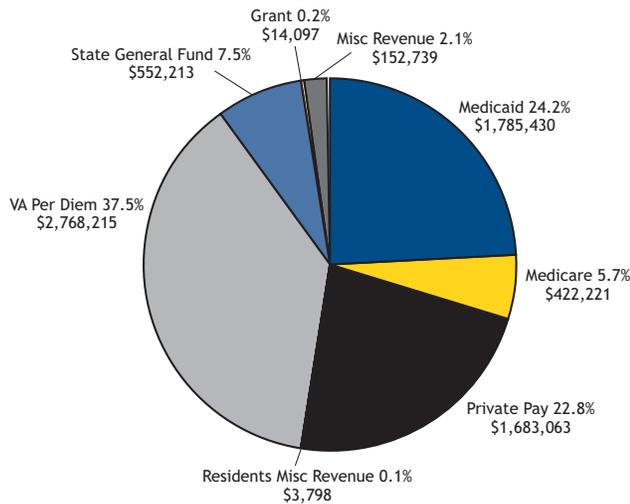
FY 14–15 Accomplishments

- Homelake was named as one of *U.S.A. Today's* Best Nursing Homes for 2015 and was given a 5 Star Rating. Our annual survey with the Department of Veterans Affairs (VA) Health, Life Safety and Financial Audit were deficiency free.
- Homelake was one of six Colorado homes that participated in a webinar-based learning collaborative focused on "Optimizing Medication Systems and Usage" called Wellspring by the Eden Alternative. Through this effort we were able to reduce the number of medications given to our residents including psychotropic, antidepressants, anticonvulsants used for psych indications, anxiolytic and hypnotic medications. We were also able to reduce the number of medication dispensing time so that we minimized the daily interruptions to our residents. We have decreased the number of supplements given, replacing them with real food and snacks. We are increasing the availability of complimentary alternative therapies such as aromatherapy, therapeutic touch, music, etc.
- Homelake's two Certified Eden Educators led two Certified Eden Associate 3-day training and educated an additional 20 members of our staff. The Eden Alternative is a culture change program dedicated to training staff in ways to prevent loneliness, helplessness and boredom. 92% of our staff are now trained as Certified Eden Associates.
- Homelake continues to provide quality care through consistent assignments. Once again our staff turnover rate was less than 1% for the year which results in our ability to provide consistent assignments. (which means strong and lasting relationships between residents and staff).
- Homelake converted all of our records to an electronic health record (EHR) on June 30, 2015. This will increase the quality and efficiency of the services we provide to our residents.

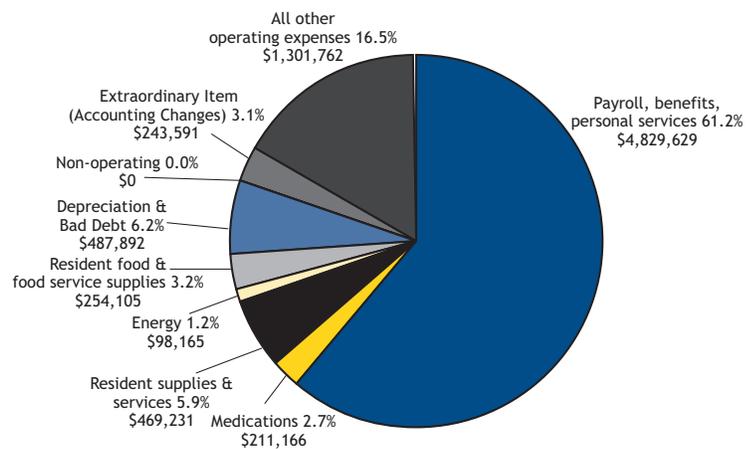
Financial Overview: Veterans Community Living Center at Homelake

HOMELAKE	FY 12-13	FY 13-14	FY 14-15
Revenue	\$7,055,354	\$8,039,475	\$7,381,776
Operating Expenses—Cash	\$6,041,561	\$6,926,464	\$7,164,058
Operating Expense—Non Cash (Depr. & Bad Debt)	\$342,619	\$470,659	\$487,892
Non-Operating Expenses			
Extraordinary Item (Accounting Changes)			\$243,591
Profit/(Loss)	\$671,174	\$642,353	(\$513,765)

FY 14-15 Revenue: \$7,381,776



FY 14-15 Expenditures: \$7,895,541



FY 14-15 Resident Census

HOMELAKE	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	AVG
Beds (nursing home)	60	60	60	60	60	60	60	60	60	60	60	60	60.0
Average Census	49	52	53	55	54	47	48	49	49	48	47	48	49.9
Occupancy	81.7%	86.7%	88.3%	91.7%	90.0%	78.3%	80.0%	81.7%	81.7%	80.0%	78.3%	80.0%	83.2%
Beds (domiciliary)	50	50	50	50	50	50	50	50	50	50	50	50	50.0
Average Census	31	31	31	30	32	31	31	30	32	31	30	30	30.8
Occupancy	62.0%	62.0%	62.0%	60.0%	64.0%	62.0%	62.0%	60.0%	64.0%	62.0%	60.0%	60.0%	61.7%

Financial Analysis

Veterans Community Living Center (VCLC) at Homelake earned total revenue of \$7,381,776 which decreased by \$657,699 mainly because of decrease in census. The average occupancy for the domiciliary cottages is 61.7% which is a 14.7% decrease in census. The nursing home average is 83.2% which is a 10.9% decrease in census for fiscal year 2014-15. The center is actively marketing the domiciliary and nursing home to increase the census.

Operating expenses increased by \$254,827 mainly due to pay raises for State employees and non-capital expenses which resulted in increased operating expenses. VCLC at Homelake has closely monitored expenses by adjusting monthly operating expenses according to the actual census.

During the fiscal year 2014-15, the State implemented GASB Statement No. 68—Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27. As a result of this implementation, the state, as a cost-sharing employer participating in a defined benefit plan, is required to record their proportionate share of the unfunded pension liability, related deferred inflows and outflow and expense/expenditures in the government entity’s financial statement. The VCLC at Homelake recorded pension expense of \$243,591 as an extraordinary item due to an Accounting Change in the financial statements according to GASB 68.

Letter to Stakeholders



Barbara Grossman

This year was a year of transition for Veterans Community Living Center at Rifle. We want to extend out thanks and appreciation to Carolyn Reeser for her years of service to both our Veteran's home and the Rifle community. During her tenure at Rifle, Carolyn was

instrumental in hiring the first full time Medical Director, Dr. Douglas Shenk, and setting the groundwork for many technological and care delivery initiatives. Special thanks to Bill Gust who worked with the Rifle team until our new administrator, Barbara Grossman was hired on November 23, 2015.

This past year, Rifle rolled out an electronic medical records system called Point Click Care (PCC). This system served as an avenue to increase the consistency in clinical care documentation as well as improve communication by integrating current medical technology and systems. As our clinical teams increase their competencies in using this equipment, we are proud that this investment in clinical care brings state-of-the-art technology in caring for our veterans, their spouses and Gold Star parents.

FY 14-15 Accomplishments

Our Rifle center is proud to have been the first of our Veterans Community Living Centers to provide our veterans with a full time on-site physician. Dr. Douglas Shenk joined the staff at Rifle in September of 2014. He has been a tremendous support to the residents, families and staff of the Center. His commitment to quality and true concern for those we serve is evident and much appreciated by all who are privileged to work with him.

90 year old Betty Bendetti was recognized as the 2015 Colorado Department of Human Services Employee of the Year. A Certified Nursing Assistant at Rifle's CLC for twenty years, Bendetti received her certified nursing assistant credentials in 1995 and has worked at Rifle since then. Born and raised in Rifle, Betty was recognized as a shining example of the type of person who provides care and friendships to our Veterans without question and with great passion and love.

Veterans Community Living Center at Rifle worked toward the national effort to reduce alarm use in long term care facilities. Research has found that alarm use

This year, our Rifle team joined in the celebration of honoring the 2015 Colorado Department of Human Services (DHS) Employee of the Year, Betty Bendetti. With great pride, Betty and her family traveled to Denver to receive an award from Governor John Hickenlooper and several members of the DHS team. At her celebration, 90-year-old Betty was honored for her commitment to our veterans and their families. At Rifle, we have several employees who share the same commitment and passion that Betty represents.

We look forward, with anticipation to the many changes that Rifle will see in the next year. Above all, we remain strong in our unwavering commitment to provide a quality life experience for our veterans, their spouses and our Gold Star families.

Barbara Grossman, Administrator
Veterans Community Living Center at Rifle

intended to reduce falls may have inadvertently caused an increase in falls. Initially, 15 alarms were used in the facility. Today, there are only 2 alarms remaining in use within the facility. No significant increase in falls has been noted.

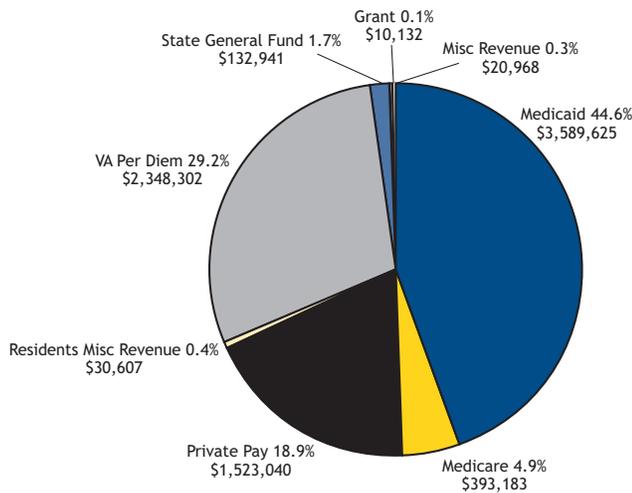
Veterans Community Living Center at Rifle continues the EDEN journey toward improved dining experience and choices in menu selections. The implementation of restaurant style ordering and dining and redecorated dining rooms begins the process and will end with remodeled kitchen and serving areas.

The Rifle team continue to train Certified Nursing Assistants (CNA) through an in-house training program. Several CNA students joined the Rifle staff through this program. That training effort is now being expanded through an arrangement with Colorado Mountain College. CMC will begin utilizing Rifle for their on-site clinical training location allowing CNA trainees to experience working with and caring for our veterans.

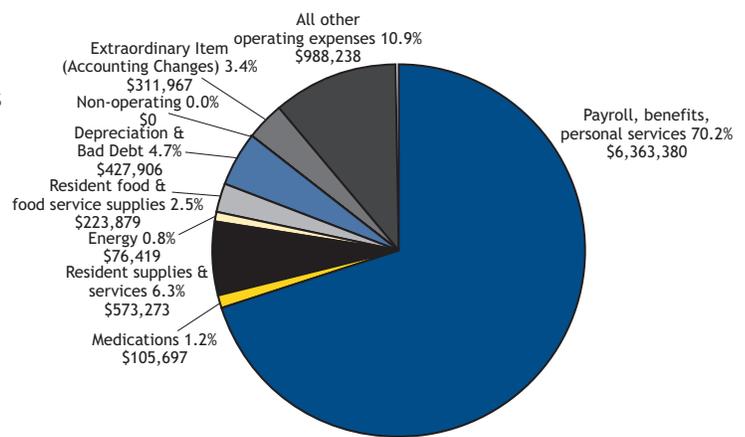
Financial Overview: Veterans Community Living Center at Rifle

RIFLE	FY 12-13	FY 13-14	FY 14-15
Revenue	\$9,290,899	\$8,611,438	\$8,048,798
Operating Expenses—Cash	\$7,869,829	\$8,266,462	\$8,330,886
Operating Expense—Non Cash (Depr. & Bad Debt)	\$161,809	\$294,663	\$427,906
Non-Operating Expenses (Bond Cost)			
Extraordinary Item (Accounting Changes)			\$311,967
Profit/(Loss)	\$1,259,261	\$50,313	(\$1,021,961)

FY 14-15 Revenue: \$8,048,798



FY 14-15 Expenditures: \$9,070,759



FY 14-15 Resident Census

RIFLE	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	AVG
Beds	89	89	89	89	89	89	89	89	89	89	89	89	89.0
Average Census	65	62	66	67	68	70	66	61	60	60	62	63	64.2
Occupancy	73.0%	69.7%	74.2%	75.3%	76.4%	78.7%	74.2%	68.5%	67.4%	67.4%	69.7%	70.8%	72.1%

Financial Analysis

The total revenue of Veterans Community Living Center at Rifle decreased by \$562,640 mainly due to the decrease of census. The average occupancy is 72.1% which is a 5.6% decrease in census over fiscal year 2014-15. The center continues to make effort to improve the census through increased marketing efforts.

Operating expenses increased by \$197,667 mainly due to pay raises for State employees and the inflationary influence in the area of medical purchased services. The largest expenses the facility faces are payroll and benefits. These expenses average 70.2 percent of overall expenses. Because of this, there is minimal opportunity for the center to reduce expenses to any significant degree. In addition to the payroll benefits and personnel service expenses, the center

closely monitors the operating expenses through the use of monthly budgets and spending reports from all departments.

During the Fiscal Year 2014-15, the State implemented GASB Statement No. 68—Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27. As a result of this implementation, the state, as a cost-sharing employer participating in a defined benefit plan, is required to record their proportionate share of the unfunded pension liability, related deferred inflows and outflow and expense/expenditures in the government entity’s financial statement. The VCLC at Rifle recorded pension expense of \$311,967 as an extraordinary item due to an Accounting Change in the financial statements according to GASB 68.

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Our vision is that residents experience compassion, dignity and companionship in communities filled with life, love and laughter.

Colorado's Veterans Community Living Centers are operated as self-funded enterprises by the Colorado Department of Human Services (CDHS). CDHS oversees Colorado's 64-county departments of human services, public mental health system, system of services for people with disabilities, juvenile corrections system, vocational rehabilitation system and all veterans community living centers, through more than 5,000 employees and thousands of community-based service providers.



COLORADO
Department of Human Services

Veterans Community Living Centers