

Taunton Nursing Home
350 Norton Avenue, Taunton, MA 02780
508-822-1132

Board of Directors Minutes

Date: February 29, 2016

Board Members: Theresa Swartz, Chair
Joseph Martin
Ed Boiros

Also present were City Council President Jeanne Quinn and Council Members Debra Carr, Estelle Borges, and Dan Dermody, DON Heidi Paquin, SDC Helen Boorman, and Fiscal Agent Michelle Mercado.

Meeting called to order at 6:06pm.

Mr. Martin moved to approve the minutes of the January 29, 2016 and February 12, 2016 minutes. Mr. Boiros seconded. Unanimously Approved.

The contact list for Board Members will be available on the website if public wants to contact any Board Member. The 2016 meeting schedule is also on the website. Depending on emergencies, snow etc. the meetings are subject to change.

John Brennan, Administrator has agreed to remain until May 21, 2016 or until the Board decides to let him go. This is wholly dependent on the Board interviewing and hiring a new Administrator.

STATE SURVEY

The State Survey team was in last week Tuesday through Thursday. The preliminary findings were deficiency free. The paperwork goes back to DPH and they go over it to make sure they didn't miss anything. A couple of issues came up; our hot water was too hot and our records were not stored in filing cabinets.

With regard to the hot water, Dorsey came in and replaced a mixing valve they will be in to do some more work. It is not a malfunction it was the original valve from the installation and it wore out. The main intake valve will also be replaced. The Kitchen needs to draw 180 degrees and resident rooms cannot be above 110, so the resident rooms were too hot. It has been addressed. No one was scalded. Mr. Brennan would like to get new faucets so that it's easier for residents with only one faucet instead of two. He would also like to have new toilets installed. The issue with the water temperature is cycled through the QA and it is on the monthly check list for maintenance.

Our water use has doubled in the last year due to the community garden. We have no leaks we are aware of.

The storage of medical records was a problem as they are stored downstairs in banker's boxes in a room with lights and sprinklers but they were not in file cabinets. DPH wants them stored in file cabinets. The reason for file cabinets is in case of water.

We have some cabinet doors to install and we are expecting life safety at any time and all of our records are up to date. The only problem we had was with the red kitchen door which will be replaced. It is on order and will be installed.

Ms. Swartz stated that with regard to the state survey the Board is very pleased with how the survey went, all the staff needs to be thanked. Nursing took over and did a fabulous job. Heidi stated that everything went beautiful. Helen stated that they asked no questions until second day and anything they did ask questions on there were policies already in place and in-servicing was done on the hot water so staff and residents who are able to go to the bathrooms by themselves didn't get burned. There was a question about IV's that already had a policy in place. Ms. Swartz asked if the mock survey was beneficial. Helen stated that it was not beneficial some things we were told at mock survey were not needed. We had two of the same surveyors as last year. They were very complimentary throughout. Our forms were a downfall last year and they have been corrected and streamlined for this year. The change in the QA process was very helpful. Ms. Swartz stated that being deficiency free is awesome but a survey with comments or deficiencies isn't the end of the world. It's for us to know what we might be doing wrong and how we can make it better. Nobody's going to be perfect 100% of the time. It's a learning curve and something that we can correct. If you're doing everything you're supposed to, having the State in the building should not be difficult. Heidi stated that everyone was nervous but they got through it.

ADMINISTRATOR REPORT

Mr. Brennan has issued three RFPs for Housekeeping, Oxygen and Pharmacy.

Enos Oxygen has been chosen for the oxygen supplier, they are our current provider and excellent.

The Housekeeping RFP is for Heritage they have the better price and were our vendor three years ago.

Mr. Martin motioned and Mr. Boiros seconded to contract with Enos for oxygen and Heritage for housekeeping services. Unanimously Approved.

The Pharmacy is a little more difficult as there are 6 vendors. It's going to take a little while to score that. The names are Partners, Preferred, Omnicare, West River, Wood, Specialty Medical. Our current vendor is Partners. We want to meet with each vendor to be sure of pricing. Pharmacies measure in beds and each bed to a pharmacy vendor is worth about \$6000 per year. So this is about a \$600,000.00 contract. Our portion is 1/5th of that because we only pay the Med A portion. 4/5th is billed to Medicaid at Medicaid rates. Pharmacy is about \$10,000.00 per month.

ADA signs, we have color samples here to pick out. The fire exit signs are red. The size of the room signs is huge with the room number and name on it. Ms. Swartz thought we were not supposed to have resident names on the doors. Mr. Brennan stated that many people need that name and the room number. This is a standard sign with a paper insert for the name printed on it. Estelle Borges stated that the signs seem ginormous compared to what she sees on a daily basis, patient confidentiality comes first and other nursing homes have the first letter of the first name and then the last name. Room number size is fine but we need a smaller sign. Ms. Swartz stated that brown would be good on the 1st floor but we need to pick a natural color.

Audience question – Mother has macular degeneration and it is hard for a lot of these residents to see the signs. If it is black and white it is very difficult to see. Some places have pictures. Mr. Brennan stated that the industry literature is getting away from that. Mr. Brennan will get smaller signs to review.

The TEMA shelter agreement has gone to the City attorney to update, we were prepared during the last storm to take people but did not have to.

THE LICSW contract has gone down to City Hall for review. We are required by law to have a LICSW on consult staff 4-8 hours per month. Cathy Saunders has agreed to be our LICSW. The going rate is \$150 per hour for 4-8 hours per month. Our current Social Worker is going to take the exam this summer. Cathy will start in March.

The Medical Director contract expires in June and Mr. Brennan did speak with Morton Hospital. The VP of Medical Affairs Charles Thayer is the person we would post the position with. Dr. Welter is interested in continuing and Dr. Weintraub has given us a proposal also. We received a letter from Steward to use Steward when we send people out for services. Are you signing an ACL agreement? No, just this letter says all steward patients must be assigned a Rounder. Our two physician Rounders are Dr. Welter and Dr. Weintraub, and Dr. Schwartz is in the Norton Steward ACL. Most of our residents do go to Morton unless family has a preference for somewhere else. We can arrange for interviews with both physicians and can contact Dr. Thayer to see if there are other physicians interested. What are we waiting for? Mr. Brennan state that he has a preference for one physician and Heidi has a preference for another physician. Given everything the important relationship is with Heidi. I would ask Heidi to meet with both physicians and make a recommendation to the Board. Estelle Borges asked how we advertise for a Medical Director. Mr. Brennan stated that he hasn't advertised. Estelle stated that she is on the Board of Trustees for Morton and has heard nothing that the nursing home is looking for a Medical Director; she suggests you contact Dr. Thayer. Mr. Martin moved and Mr. Boiros seconded to have Mr. Brennan contact Dr. Thayer. Unanimously approved. A letter will go out next week.

The 2014 CPE will net \$228,000.00. The \$697,000.00 that we were getting for 2013 the City gets half. They got it after the Mayor declared that we were 1 million short. It came after September 30th so it is in this year's money. 2014 will be in prior to June 30th if it's not delayed. This is the net amount we will receive. We will be filing 2015 as soon as we finish our cost reports in April. There is a long shot that

this could come in before April. It's whenever the state releases the funds. We could go from none to three in the extreme case. We got the FY 13 this year.

The Boudreau SCS Medicaid recovery is still going. They had a court date and the judge is supposed to be ruling on that. A group got together to sue the state. We netted about 66k this is an accounts receivable recovery from 1992 – 2002. This is ongoing and not every nursing home is bothering to go through the process.

Mr. Brennan spoke to Milford Geriatric Authority and Barbara Auger is on the Board of Trustees of the Milford Geriatric Authority. The first thing is that they do pay a user's fee. The user's fee is a fee that we have to pay and it was indicated that another nursing home like ours was not paying a user's fee. Every nursing home we know of is paying a user's fee.

Mr. Brennan spoke to the Administrator and Barbara and there are pluses and minuses in being an authority. Mr. Brennan invited Barbara to meet with the Board at the next meeting. It has to go through the state legislature to become an authority which is an independent organization which is not financially tied to the City. Holyoke crashed and burned and were left with a 2 million debt the city would not back them up on. If the Board is interested in becoming an authority it would be a lot of legal fees. There are pluses and minuses. The Board is not interested in inviting Barbara to a meeting. Estelle Borges stated that there is tons of information and articles to see the benefits of a geriatric authority. It is a home rule petition. We can gather information and present it to the city if they are interested. Mr. Brennan hasn't spoken to the city about becoming an authority.

Rose Marie Blackwell performed the annual marriage ceremony on February 18th it was very nice.

The Mass Senior Care information is enclosed in the Board packets; it is \$5,000.00-\$6,000.00 for that.

We did receive our health revalidation confirmation letter.

There is one COTMA dispute remaining.

We had one family complaint which DPH investigated and it was found to be unsubstantiated as we thought. Ms. Swartz asked even though considered unsubstantiated did we assist with the family's needs and wants? Mr. Brennan stated that yes we have it all documented.

OPEN POSITIONS

We have some resumes for the Admissions Coordinator position, but none of them are outstanding, a couple of people worked here before.

Ms. Swartz gave Maria Gomes the Indeed.Com website but she only wants to post it on Monster.Com. It's the same as Monster but some management companies feel they are helpful in the healthcare field. The fee differs depending on the services you choose.

Both the Admission Coordinator and the Administrator positions are posted at City Hall and on Monster. We have a few applications, hoping for a few more to compare. We have not posted for an LICSW

consultant. The LICSW would also be the Admissions Coordinator. Cathy covered both positions. We did have an LICSW before, however when Cathy came on we eliminated that position because Cathy was both Admissions and an LICSW. Ms. Swartz asked if it was possible to have two positions. Mr. Brennan stated we would not have a part time LICSW. We have a full time Social Worker. Right now we do not have an LICSW on staff. This position is being contracted out to Cathy Saunders. This position is in the job description that he/she has to be an LICSW. Would it be beneficial to have someone who has the LICSW so you don't need to contract out? Most LICSW's are in private practice. We have not had any apply. Most don't do both responsibilities you will be limited in that. Cathy's contract is only until June 30th so we have someone with a license. Cathy retired February 12th. Estelle Borges asked if she is now collecting her retirement. Ms. Borges does not think that you can be collecting retirement and also be a contracted employee. The job posting states LICSW preferred. We are advertising for that. Our Social Worker is taking the test this summer and we may have the option to place her in that position and bring a BS in. Estelle Borges asked if a contract had already been signed with Cathy. Mr. Brennan stated that he had signed it and sent it to City Hall for review. Estelle Borges asked if it was posted anywhere for someone else to apply? Mr. Brennan stated no, when Cathy retired we were required to have a license in the building and that is why he set this up as a short term contract. Cathy agreed to help us out for the next couple of months. While she stays on we are interviewing. Estelle Borges asked if Cathy was asked to postpone her retirement. Mr. Brennan stated that she was.

FISCAL AGENT REPORT

The City budget is due March 18th. The first letter is asking for the Board to increase the private rate, the last increase was November 1, 2007 it is currently \$225.00 per day. Michelle called the nursing homes in the area; the private rate is between \$328.00 to \$ 415.00 per day depending on the room. Michelle would like to request to move the private pay rate up to \$300.00 per day as of July 1st. Mr. Martin asked why we would charge the same for every room when not all rooms have a private bathroom. The rates should be different. Right now it is one fee for all private residents with no difference depending on the room. We have two private rooms with separate showers. The rest of the rooms on the new wing share bathrooms. Michelle will put together rates for semi private and private. Michelle will also put together something over three years for the increase so it's not a surprise two months prior to. We have about 6 or 7 private pay residents. The Board will make the decision to keep us in line with the industry. Michelle will do a comparison and hopefully the Board will make a decision by next month. Take into consideration the type of residents we will be taking.

Michelle also provided the Board with a breakdown of the revenue; our budget is based on revenue. The report shows all of our billed days by fiscal year for the last three years. Based on our revenue we are basically at \$222.00 to \$225.00 per day. Put two budgets together one is based on \$230.00 per day and one on \$235.00 per day. Our salary and wages are very expensive. Unfortunately with union contracts we are bound by that. We can always cut employees, cut different departments. TNH is not going to be bringing in 8.5 million and I propose budget cuts. Michelle and Heidi have taken a realistic look at staffing and we are looking at staff reductions. Mr. Brennan stated that he is looking at equipment and capital and he needs a million to do windows, electric beds and the nurse call system. I am asking the city for 1million in capital funds to maintain the building. We need to plan for roof

repairs, the nurse call system, electric beds and the electrical systems. We are not able to fund that from operating cash. The city may decide to take a mortgage out against the building for 1 million and that would involve us paying the mortgage interest. Those are the capital repairs we are facing for next year. We are looking for cuts in staff and asking the city to fund our capital needs in 2017. In 2015 our revenue was 7.3 million our budget was 8.3 million. Ms. Swartz stated that we can't make a million dollars because that's our revenue. Revenue is what we collect. If everybody in the building paid this is how much money we actually billed from the building this year, 7.3 million. Ms. Swartz stated that even if it rolls it evens itself off. We are not collecting 100% due to Medicaid not getting approved and patients not paying their bills. The percentage should be low. If you take in a resident that is a Medicare patient but does not have co insurance, you're hoping to get the 80% if the resident doesn't pay their 20% co insurance. Right off the bat you're losing on that admission. Mr. Brennan stated that the significant AR issues are the 5-6 accounts that he's working with the ADA on. Ms. Swartz stated that that's old debt; she is looking at this realm of time. The problem is that the state closes in July and it holds June's payment off because they are closing the state books so we don't collect our payment in June. The problem is that if you collect 98% of revenue we are still a little short. Our budget is 8.3 million and our revenue is 7.3 million that becomes a responsibility to pay. If you are collecting 100% of your 7.3 million you're still 1 million off no matter what you do, unless you cut expense, which is what we are doing. If you are meeting the PPD the staff might have to leave a little earlier, they are done day by day, shift by shift. Due to union contract we aren't allowed to send someone home early. We can't change the number it's in black and white. Have you been able to cut back on agency use? Heidi stated that no we haven't been able to bring in any CNA's, we do not use agency for nursing. As of today we are up to \$55,000.00 for agency. It is just taking time to fill the positions. If we could get rid of agency it would help.

Questions from audience - How can you cut staff if you don't have enough help? Mr. Brennan answered that the state requires a certain requirement of staff. As long as we don't go below that number we are following state regulations. You want to provide great care. The last people we cut are CNA's they are the most important people in the building. We are not slashing CNA's we are looking at other departments. There will be a reduction in staff to meet the FY2017 budget. The indirect cost is going to go up because health insurance goes up every year. This will affect us more and we need to decrease on the expense side of it. We are not going to budget a very positive bottom line when it's not there. We will have a very realistic budget for next year.

The Mass Extended Care Federation has made the argument for many years that Medicaid underpays us \$30 per patient day; we basically received half of that back through CPE. That is an industry wide problem. The opioid crisis is where the funds are going these days. The nursing home industry is not looking at an increase in rates. All staffing is looked at not one specific department. This building is well staffed.

Question from audience - How can you say that? There are not enough people in here to run this place the right way. Mr. Brennan answered that from his experience and running the numbers this building is very well staffed. It all comes down to how much the state is going to reimburse us and we are losing money now because the reimbursement rates for Medicaid residents is so low. We need CNAs on 3-11

and we are attempting to hire them. Other departments may be affected by the lack of proper reimbursement. This is not about what can we do, what can we cut, it is us looking at our census and seeing what is needed for staffing. We are talking about managing our money and managing our expenses. We need to be responsible financially.

Mr. Martin asked what TNH has received for capital money from the city in the past. Mr. Brennan stated that we have received no capital money from the City in the past. All the improvements made over the last several years, the kitchen, dining rooms, bathrooms, lighting, equipment has been all grant money. The capital items needed now are the maintenance shed, windows, nurse call system, electric beds, and roof repairs. Are there any grants available? We had situations in place but Mr. Brennan's retirement situation put that over to the side. Mr. Brennan will be at reviving that. Mr. Brennan met with Senator Markey's office and with the city grant people. Basically we are in a unique position, we are not a 501c3 we are an enterprise account within the government. We are pigeon holed into this enterprise account system and are really not eligible. Given our enterprise account status the only grants we are probably eligible for are federal grants and the earmark system has basically gone away.

Audience member stated that he understands we are not 501c3 but many organizations have a "friends of" group, have you ever thought about forming a 501c3 group? Mr. Brennan stated that we have volunteers who help us out and we always fund our Christmas presents for residents and things like that. We have no capital fund raising campaign. The state is looking to get out of the nursing home business. We have been in contact with Representative Kennedy but he has many higher priority issues.

This is a preliminary budget, but again it is going to be a very lean budget this year. Michelle stated that her suggestions were cutting not nursing but management, contracting out laundry if possible, reducing a cook and reducing some maintenance hours. We are talking about reducing positions, but not in the nursing department. There are currently 4 positions in the laundry department, they are all staff. You're basically saving the healthcare and pension share by eliminating positions. A copy of the budget documents will be provided to the City Council per request. Mr. Martin stated that getting rid of a staff person means you will get hit with unemployment, seniority will take effect. Ms. Swartz stated that healthcare for the residents come first. We are mainly Medicare driven and our Medicare is \$308 per day and we have 4 Medicare residents right now. The only way to change that is to become a more skilled facility which means you would have to be accredited and an out of network provider. Other nursing homes in the area have the ability to take in more skilled residents because they are Joint Commission accredited. If we don't put money out there to become Joint Commission accredited we are going to stay as we are. Councilor Quinn asked what does it cost to get Joint Commission approved. You're looking at \$150,000.00-\$250,000.00; the upgrade on the building would be a huge cost. Does the building fall under any grandfathered clause? Mr. Brennan doesn't believe there is any grandfathering. Would it be harmful to determine what it could cost? Bring in a management company just to get a possible plan or idea? Mr. Brennan will try to get a proposal for the Board to review. It's a huge undertaking; it's the only way to possibly increase revenue. The Board will take the budget under advisement for discussion next month.

Ms. Swartz asked if Mr. Brennan had looked into bundling ACL, it has to do with referrals and the type of residents you might be receiving. Facilities have to sign up for it and the hospital with the correct partnership has to sign up for it. If in Massachusetts they're taking 10% of your payment up front, at the end of the year you can be reimbursed for it when your cost report is done as long as you're medical documentation and certain things falls under their criteria. If they audit that and see something off you won't get your 10% back and you won't get the plus initiative. As of April certain hospitals are mandated. Steward is a big part of ACL. Mr. Brennan will look into this.

DON REPORT

Ms. Swartz asked Heidi if there was any news or anything we need to be aware of or need to look into before next month. Heidi stated that mainly budget cuts we have already started working with the nurses restructuring their duties. Trying to cut all of the overtime by getting the nurses out on time. Right now we are down three nurses on 3-11, one broke her leg and the other two are on maternity leave. Once they come back that will cut overtime. We have restructured so some of the nurses from 7-3 are working 3-11 to help us out. That is working out pretty well. We are also looking at ways to restructure the whole nursing staff so that we can make it more budget friendly. Clinically we are in pretty good shape.

Audience member Carolyn Basler stated that she has been attending meetings since last summer and is impressed with Heidi and her team. Obviously she and her team have put their nose to the grindstone and she has come to every one of these meetings and outlined the changes they are making and the efforts they are making. She needs to be complimented by all of us. As a member of the community I thank you.

Is there a statute of limitations on how far back you can go back on elder fraud? Not to my knowledge, the cases we are looking at go back several years and I truly believe that we had some serious financial abuse and ADA Karen Welker has been assigned that job. That's about \$500,000.00 that should be coming here instead of the family. We aren't pursuing somebody that's passed away and owes \$2,000.00 we are talking about family members that have stolen money that should have gone to the nursing home for resident care. This doesn't just affect resident care it affects all their payor sources because of this family members neglect.

Audience member Barry Sanders made a request, he would like to attend all of the meetings, but it's been difficult when there's a notice put up on Thursday about a meeting that's been moved to Monday. He asked if the Board would be willing, for those of us that come in regularly, to take our email addresses so that we can be notified of a meeting change. Mr. Brennan stated that anyone interested in getting on the email for the meeting schedule; please give Kelley your email address.

Family Member Mary Gauthier asked to have everyone introduce themselves. What is the role of the City of Taunton in conjunction with the nursing home? Mother has been a resident for 5 years and this is a lovely nursing home with a great staff. You have some very dedicated family members and we would like to get more involved in the nursing home as far as fundraising or networking. I have mentioned this to Dyan, the Activities Director.

Helen Boarman stated that in March we will start to have some family in-services in the evenings, the first is an introduction to hospice. Just so people know what that is and we will be sending out flyers.

One of the other things we are going to do is offer dementia training to families so they have a better understanding and how to handle it.

The resident council meets every month. The facility can have a volunteer family council, if interested let the facility know.

Mr. Brennan stated that the role of the City of Taunton is to appoint five board members and that Board is being reconstituted and I believe the City is looking at going up to seven board members. The Board appoints the Administrator. From the city we interact with the human resources department, the law department, the building department, TEMA, we interact with all the departments but basically we are on our own. We don't receive services from all the city departments. We have our own accounting department and we have our own maintenance department. They support us to the best of their ability. The members of the city council here today are here as interested citizens. The City Council this year has taken a positive interest in the Nursing Home more than they have in the past. The people that work here are employed by the City of Taunton except for the Board.

The City and City Council are taking a new interest in the nursing home to see what it like, what the care is like and we are happy to see interested members of the community.

Councilor Carr asked what our indirect cost number is. Michelle stated the indirect cost right now is right on the budget. Already asked Gil the new number and he didn't have it, he said to use last year's number which I believe is 1.597 million. But the percentage for salaries and health care is extremely high. That number is going to go up. Its three pieces, healthcare which is going up a ridiculous rate, pension and then we do get an allocation for City overhead. If we go back to the budget we are 1 million short in indirect costs. Mr. Martin stated that the indirect costs are going up but the reimbursements from Medicare and Medicaid are going down.

Mr. Martin motioned and Mr. Boiros seconded to go into Executive Session to consider applicants for employment, and not reconvene in Open Session. Unanimously Approved.

Respectfully submitted,

Kelley A. McGovern
Recording Secretary