



Emmet County Department of Health & Human Services Board
Board Meeting Minutes
Thursday, February 23, 2023

Carol Hansen, Chairperson, called the meeting to order at 7:35 am at the Harbor Springs Airport Conference Room (8350 M-119, Harbor Springs).

Board Members Present: Carol Hansen
Manuel Cordova
Craig Lively

Board Members Absent: None

Staff Present: Lisa Ashley, Administrator
Jim Connaughton, Chief Financial Officer

Arriving @ 8:30 for Strategic Planning Meeting

Dr. Paul Blanchard – Medical Director
Sonja Bosley – Director of Nursing
Kathe Shaw – Director of Skilled Services
Jessica Berg – HR Director

Others Present: Vicki Ulrich, DHHS
Don Mapes, Emmet County Commissioner

Staff Absent: None

Guests Present: None

Consent Agenda:

Manuel Cordova motioned to approve the consent agenda, Craig Lively supported, no further discussion and **motion carried unanimously.**

DHHS/Bay Bluffs Board Chairwoman's Report: Carol Hansen

Carol Hansen advised that at the MDHHS Board meeting that was held on February 14th. Emmet County did not have a quorum at this meeting so no business was conducted. We talked a bit about Grand Vue. They are pretty much having the same issues as Bay Bluffs, low resident population and difficulty hiring staff.

Lisa Ashley added that she is a Michigan County Medical Care Facilities Counsel, District II Board Member and is working on a lot of things for our region. This region includes Grand Vue. We are trying to figure out how to barter and share services for education and hiring and other things that are mutually beneficial. Lisa plans to get with Joe Taylor, Grand Vue Administrator, to talk about how they can collaborate on Administrative, training, education and Regulatory requirements.



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Discussion was held regarding staff education and training requirements for nursing home staff.

Ms. Hansen reported that Grand Vue is attempting to add a new resident every week to their facility, and they are up to 82 residents. Ms. Hansen stated that Grand Vue is very similar to Bay Bluffs. They would like to hire more people so they can increase census.

Finance Report:

Monthly Financials December 2022:

Mr. Connaughton started with the Summary Page, pointing out the cash on hand had an uptick and there will be big uptick in cash on hand in January as well due to ERC funds. Discussion was held regarding increased staffing and future retirements. Accounts Receivable was discussed. Occupancy is at 76%. The state approved the non-available bed plan and reimbursements will be based on 70 beds. We currently have a waiting list of 36 females and 20 males. Revenue is down due to census. Mr. Connaughton directed the Board's attention to the balance sheet, noting that the Covid funding will change to cash on hand on the next balance sheet. Moving on to the Statement of Operations, Mr. Connaughton reported that Medicare is down \$86,000, private pay is down \$650,000, Medicaid is down \$340,000, and other revenue is down \$250,000. Mr. Connaughton reported that operating expenses are down as well. We saved \$220,000 on nursing. Unfortunately, we would rather have the nursing staff. Other operating expenses were discussed. Overall, \$1.4m net loss, versus budget. Motion by Manuel Cordova, supported by Craig Lively to approve the Financial Report. **Roll Call Vote: Mr. Cordova, YES, Mr. Lively, YES, Ms. Hansen, YES. Motion Carried.**

Accounts Payable: The payables presented were approved for the period ending February 2023 in the amount of \$317,789.84. Questions were asked and answered regarding student loan repayments. Motion by Craig Lively, supported by Manuel Cordova to approve the Accounts Payable Report as presented. **Roll Call Vote: Mr. Cordova, YES, Mr. Lively, YES, Ms. Hansen, YES. Motion Carried.**

Contracts:

Business Resource Network contract for \$9,000.

Lisa Ashley presented the Business Resource Network contract to the Board and reported that this contract provides us with a success coach in our building every Thursday. Katie, the success coach, is amazing and the resources and benefits she brings to our employees is invaluable. These are resources that range from housing, day care, to help with gas. All of these benefits are outside of employment benefits and all meetings and assistance provided by Katie is confidential. We realize about three times the amount of the contract, in benefits to staff. Motion by Craig Lively, supported by Carol Hansen to



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approve the Business Resource Network Contract for \$9,000. **Roll Call Vote: Mr. Cordova, YES, Mr. Lively, YES, Ms. Hansen, YES. Motion Carried.**

Plante Moran Cost Report Agreement for \$10,800 (plus travel and out of pocket costs)

Lisa Ashley presented the Agreement to the Board and advised that Plante Moran does this report better than anyone else can and she would recommend that the Board approve the agreement. Motion by Manuel Cordova, supported by Carol Hansen to approve the Plante Moran Cost Report Agreement for \$10,800, plus travel and out of pocket costs. **Roll Call Vote: Mr. Cordova, YES, Mr. Lively, YES, Ms. Hansen, YES. Motion Carried.**

Capital Expenditures: None

New Business:

Strategic Planning – Roadmap to Recovery

Introductions:

Staff and Board members present introduced themselves and provided an overview of their role and/or involvement with Bay Bluffs.

Lisa talked about Bay Bluff's goals and efforts to retain staff through Covid , create a more stable work force into the future. Bay Bluffs has been the safety net for Emmet County population since 1966. We keep this in mind with everything that we do and, with every decision that we make. Our Executive team has been working since the middle of last year on what our future looks like.

Lisa Ashley stated that we are here today because It's important to put pen to paper and really look at where we are going. We know that we have a lot of people who need care. The idea that institutional or congregate care will go away is unrealistic. People are desperate for their loved ones to be safe. Assisted living is no longer a safe place for folks with dementia. Kathe Shaw and Dr. Blanchard are most in touch with how our resident population is different. Our population is older which requires a certain level of staffing.

Ms. Shaw reported that compared to national average, the age of the residents at Bay Bluffs is much older. Of the 136 residents in the building over the last year 69 of those were 85 years or older. The state demographic is much lower. With increased age comes far more complex needs, which requires more work to keep these residents optimally functional.



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Lisa Ashley advised that hospitals are struggling as they are overburdened with patients that need long term care/nursing. Unfortunately, facilities are not able to take them on because of the lack of staffing. The need is huge but how many staff can we recruit and retain in our efforts to meet the needs of our aging population?

Dr. Blanchard expanded on demographics and the elderly, stating that the older than 85 demographic is increasing significantly. The highest numbers - 90-95 and 95-100 are increasing at a higher rate than younger age groups. Over 100 years of age is also increasing at something like 4 times the rate of those under 85. So, you've got medical conditions, multiple chronic illnesses which are more complicated to take care of in 2023 than they were in 2003. There are quality metrics used to determine if quality care is being provided and now there are multiple drugs to treat with, rather than a couple of drugs. If you add in dementia, which is much higher in frequency, in the over 95 group, it is much more complicated. The standard of care that has evolved on how to take care of the oldest of the old with behavior problems is... more staff. Medications work very selectively and have a down side and plenty of negative press. Then you have the functional problems of people who can't move and need help with mobility. If you're over 90 your chance of having mobility issues is much higher. Mobility problems are posing an enormous need for people at home and in facilities as they need a lot of assistance. This area attracts people who are in their 40s, 50s and 60s and then they bring their elderly parents into this area and increase the number of elderly with needs.

Lisa Ashley asked Dr. Blanchard if he could speak to some of the challenges that are occurring, outside of nursing homes, as we know that there is an awful lot of challenges.

Dr. Blanchard reported that these problems are astonishingly complicated. Even before the pandemic, for at least 20 years, staffing ratios at hospitals nursing to patient ratio has been a major focus of concern for bedside caregivers. You'll recall the nursing strike in Petoskey. A huge part of that issue was staffing ratios. The trend prior to the pandemic was – we need you take care of more patients. Now it's please take care of more patients, more efficiently with fewer support staff, with more things to do and be happy and pleasant, and be sure the patient has a positive experience. In the midst of the pandemic, I've heard leaders speak of this and it's very hard to believe that people are saying this with a straight face. A serious number of people in the work force died – many of Covid. The whole issue of long Covid is a very "squishy" topic because it isn't defined, and it will take time. There are people who had Covid who are experiencing prolonged symptoms. There are a lot of people out of the workforce because of that. People retired early or downsized so that took a lot of people out of the healthcare pool. Pre-pandemic 40% of physicians were at burnout. We have an aging physician workforce who will retire soon. Bedside nurses have an astounding number of things they can do. But, housing is also an issue in



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attracting nursing staff to this community. Subway is right across from the Burns building and they offer \$18 per hour for much less difficult jobs.

Manny Cordova asked if anyone knew what the death rate ratio in our community, given that we have the highest aging population. Kathe Shaw reported that death rate ratios is not a number that is tracked but, it would be interesting to know.

Craig Lively asked about Bay Bluffs readmission rate and what that might indicate.

Kathe Shaw advised that the readmission rate is not as simple as one might think. We have to look at whether they were admitted to hospital within 30 days of leaving facility. We often hear, "Wow, you guys have a great readmission rate. You don't send people back to the hospital and they don't go back to the hospital after going home, following rehab". Our readmission rate is very low.

Dr. Blanchard stated that in contrast to other facilities, Bay Bluffs is more selective when looking at patients for admission. However, Bay Bluffs does not deny admission, just based on the medical condition or situation. When I am asked to review an admission, my impression is that they often go home because they don't want to go to a facility. The structure of the system is such that the goal for a person with complex needs is to get the person admitted, treated and discharged within the best window of time that allows for compensation. This person could have rehabilitative needs and/or multiple medical needs that indicate it's time to reevaluate the end goal – hospice or long-term care. From early December until now we've had 4 very complex medical needs patients. One is going home and has good quality of life with some paid help and hospice.

Craig Lively asked if the compensation for the care of these medically complex patients, is keeping up with the cost of the care?

Dr. Blanchard explained that there are people who never think about the compensation and there are those who think too much about it. From bedside caregivers, nurses' aides, family members all the way up to physicians. There is an enormous amount of uncompensated care and input. The imbalance between what you do and how it gets paid for is enormous.

Jim Connaughton explained bundle payments, giving an example where a payer will pay \$15,000 for a specific procedure, that includes pre-op and post op. Then if the patient has complications, there is no additional compensation. More and more payers are moving toward these bundle payments.



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Kathe Shaw advised that Medicare has changed how they pay for different diagnosis and different treatments. That is why medical coding is so important. So, we can guess at what we're going to get paid but rarely does that factor in to whether we take in a patient.

Lisa Ashley stated that the federal government is changing the way Medicaid pays for patients in medical facilities. Across the country it is estimated that Medicaid pays about 85%. As a county medical care facility, our primary mission is Medicaid patients. So, this new Medicaid reimbursement rate could have a significant impact on us.

Quality of care is very important and that is why county residents would rather come to Bay Bluffs. Running a county health care facility is not a money-making venture. We are working to get to a break-even measure. How do we build that stable workforce to care for the people in this county.

Jessica Berg stated that of the people who apply for employment with Bay Bluffs, only about 50% are actually, realistically viable candidates.

Craig Lively stated that whether Bay Bluffs is at 80 beds or 120 beds, we want to be solvent and thank God we have a capital expenditure fund to draw from.

Lisa Ashley stated that Bay Bluffs is a high-quality health care facility and retaining high quality staff on a permanent basis is crucial.

Carol Hansen agreed that Bay Bluffs is a high-quality facility, adding that we need to really work to make sure that everyone knows that. PR is important and people need to see it differently than they do.

Discussion was held regarding some of the negative press and thoughts that people have regarding nursing homes, and the fact that these negative thoughts and opinions were exacerbated by things that happened at some other nursing homes during the pandemic.

Current Openings, Upcoming Openings (retirements):

Jessica Berg advised that Bay Bluffs has at least 2 nurses who will likely be retiring in the very near future.

Current Recruitment/Retention Strategies:

Jessica Berg reported on some of the Employee Benefits. Ms. Berg advised that Bay Bluffs offers medical health insurance, which people used to have to wait 45 days to become active. Ms. Berg advised that employees are no covered on the first of the following month of their employment date.



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Additionally, we did not pass along the increase in cost for health insurance to the employees, even though the cost went up. We offer FSA, HSA, Medical, prescription coverage, vision, and dental insurance. 44 North does a great job explaining coverage benefits to staff so they can decide whether to take their spouses insurances, or not. We have a 401A retirement program of 8% of gross earnings after the 1st year of employment. Staff can also pay in on their own 401K at any time. We offer mental health and counseling services as well. We have Katie, who is our success coach through Michigan Works. All services provided by Katie are confidential. We have pay incentives for working nights and taking on less attractive shifts. From my perspective we have done everything we can do to keep things running smoothly and keep staffed. The pandemic has forced us to figure a lot of staffing issues out. We need staff to be able to take time when they need it, and they need to feel free to let me know what they need and when. We also have a fund that employees can elect to contribute to, which allows us to help staff fill propane tanks, help families at Christmas with gifts, or other needs as they arise.

Lisa Ashley advised that they did "Stay Interviews" last fall. One CENA staff mentioned how much the population has changed, stating that she used to see people once a day, get them dressed, fed and they were on their way for the day. That is not the population we have now. The population we have now requires constant attention for feeding and general supervision as they are much older patients with greater needs.

Manny Cordova stated that Summer Tree has a company loan benefit that is available to employees. The employee can borrow up to \$500, which then comes out of the employee's paycheck @ \$25 per check, interest free.

Discussion was held regarding other loan/advance pay programs that other facilities use.

Jim Connaughton advised that staff can also borrow from their 401Ks with repayment coming out of their paychecks.

Craig Lively asked about sign on bonuses?

Jessica Berg advised that Bay Bluffs does have sign on bonuses of \$5,000 for a CENA or a nurse. We pay them out monthly for the first 6 months, with a final balloon payout at the end of 1 year. This \$5,000 goes to the new staff member that signed on, as well as the staff member that referred them. We also have referral bonuses for employees who refer staff, which is the same. For RAs we are doing ½ of the \$5,000, so \$2,500. We also have part time staff opportunities, which is wonderful.



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Manny Cordova stated that at Summer Tree we have found that often staff are hesitant to make referrals because they don't want to risk a potential negative reflection on themselves.

Jessica Berg stated that with the referral fee, the staff person who referred doesn't get paid, if the person they referred doesn't get paid. This is sort of a built-in check point of accountability.

Discussion was held regarding sign on bonuses, what other medical facilities are doing and how they work.

Discussion was held regarding contingent staff and how that works.

Jessica Berg said that the biggest hurdle is getting potential staff into the building so that they can see the difference between Bay Bluffs and other facilities.

Sonja Bosley talked about a partnership that she is doing with NCMC. She has been in contact with the Dean of Nursing. NCMC is starting a LPN program in January 2024. LPNs can function as an RN, in a nursing home. NCMC is also looking at a CENA course. Bay Bluffs would be a part of that. NCMC would do an on-line class, skills at the college and then the student would do clinicals at Bay Bluffs. NCMC is also looking at doing a BSN course. We are working on building this relationship with the college, and they are very excited to be working with us. NCMC knows the quality of care we provide. It is a win-win for everyone. Great for potential employees too, given our tuition reimbursement program.

Discussion was held regarding RAs transitioning to CENAs. We can't rush them into CENA classes, because they fail and/or drop out. This has scared some CENAs out of health care. We now make sure they have some time under their belt as an RA, before we allow them to take the CENA course.

Kathe Shaw talked about what was different when she came to Bay Bluffs years ago, when she was on a contingent schedule because there were no full-time openings. She did her clinicals at Bay Bluffs and she knew that's where she wanted to be. At that time everyone knew a shortage was coming. But nobody knew how fast and how severe the shortage was going to be. Things are so different now. There is a general negative stigma around nursing homes, and more complicated needs that older residents have.

Possible Recruitment Strategies:

Lisa Ashley is doing some research on capacity building grants. The advice she has received is - rather than Bay Bluffs foundation applying, why doesn't Bay Bluffs apply for a workforce capacity grant, which would provide funding for a marketing campaign to craft our messages and build our staff. We are always looking at and talking about what we can do to retain our current staff. We don't have that kind



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of expertise in-house and the county doesn't have that on staff either. It's time for us to get back out into the community and change the narrative of what the culture is in working at a good, high-quality health care facility.

Craig Lively stated that if we get an estimate from a marketing company, we can amend our 2023 budget any way we need to. We need to have a story that we present to the public that captures their attention, we need video, smiling faces, expressions, videos of the space and the expressions on employees faces that they are happy to work there. Testimonials from past clients/family members, former employees that can talk about why they spent 20 years working at Bay Bluffs. In the production of all of this we want it to be timeless so that we can re-use it. We should have it include a short history of the facility, who we service, what we do, our vision, mission, and values statements. Even if we don't get a grant, we could use ERC interest monies toward this.

Carol Hansen advised that we want to be careful that it's not too shiny and slick. We don't want it to look like a commercial. We want it to be genuine and tug at the heart strings. We want to show Bay Bluffs as it is, the people that work there, the care that they give. It should be a picture of what it actually is.

Dr. Blanchard reported that at one point the Harbor Springs community felt like, this is our facility. Whatever was happening that engendered that feeling changed during the pandemic. I think that's true for the employees too. They felt like they were part of a team that valued them and they were proud to work at Bay Bluffs.

Lisa Ashley stated that we know that we are the place where people want to be. We have a large number of people wanting to transfer to Bay Bluffs from other nursing homes. Right now, we need to figure out how to add more team members so that we can care for more residents.

Kathe Shaw reported that we have 11 residents from other communities and 22 from other nursing homes. So, 16.2 percent of our residents are transferred from other facilities and the state and national average is only 6.2 percent.

Lisa Ashley pointed out that we want to reduce the number of people transferring from another home. We would like these folks to be sent to us initially – direct from the hospital. We maintain our quality of care through our staff. We have lost 80 staff in the last 2 ½ years and we have the best staff right now that I have ever seen. I think we have a great foundation to build on. It is up to our team to help build up our new staff and make them part of our team as they come on.



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Jessica Berg stated that after losing a staff member she was frustrated. In talking to one of our nurses about this frustration Jessica said that the benefits are great, and the team is great, and she couldn't understand why someone would leave. The nurse said: "Remember, your expectations are higher, so you are asking more work of them. So, it's harder to work here. "

Discussion was held regarding foreign workers and the struggles and expense of getting them into our country.

Discussion was held regarding hiring workers from the Upper Peninsula, downstate and other states.

Jim Connaughton asked if there was a way to work with NLEA or Petoskey Trades, etc.

Lisa Ashley advised they did that in the past but not currently due to the pandemic related issues. Additionally, you have to be 18 to be a CENA.

Lisa Ashley advised that we have short term and long-term opportunities. I did find some local and in-state marketing and branding companies that focus on workforce development. We need to get some idea as to cost. Bay Bluffs Foundation might be willing to put some pre-grant funding in place.

Discussion was held regarding the difference between what Bay Bluffs pays and what the hospital pays for nurses.

Discussion was held regarding growing the volunteer program. However, there are background checks, fingerprinting and currently we are under the PHE.

Discussion was held regarding job fairs and other public events that will begin again, as the PHE ends.

What are we doing, who is doing it and when:

Lisa Ashley stated that Jessica Berg will get with Katie of Business Resource Networking and see if she can schedule some time to meet with the Board.

Lisa Ashley will put together a summary of what we want for a marketing/rebranding campaign for workforce development and provide an update to the Board.

Public Comment: None

Recap & Summary: Carol Hansen

- We approved the consent agenda....
- We approved the financial report & payables



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- We approved contract with BRN
- We approved Plante Moran to do the Cost... report
- We had a great discussion regarding strategic planning and road to recovery.

Adjournment: Motion by Craig Lively and supported by Manny Cordova to adjourn the meeting. No further discussion. All voted “Aye”. **Motion carried.** Regular Meeting adjourned at 11:43 a.m..

Upcoming Meetings: The next Regular Meeting is scheduled for March 16, 2023, in the Harbor Springs Airport Conference Room at 10 a.m.

Date

Carol Hansen, Chairperson

Date

Vicki Ulrich, Recording Secretary

Copies to: Carol Hansen, Manny Cordova, Craig Lively, Lisa Ashley, and Jim Connaughton.