

Ourdes Senior Community Boards

Tuesday, August 29, 2023, 1:30 p.m., LRHC Chapel

Note: Includes Board of Directors for Ourdes, Inc., Fox Manor, Clausen Manor (Ourdes Alzheimer's Special Care Center), Joseph T. Mendelson Assisted Living Home (Ourdes Assisted Living), Dominican Health Care and Ourdes Campus Fund

BOARD MEMBERS PRESENT

Richard Acho, President and CEO
Beth Cafaro
Brian Condit, Chair
Linda Gifford
Henrietta Juras, MD
Steven Kastner (via Zoom)
Msgr. Michael LeFevre
Lynne Lepisto-Golling, RN, MS
Joseph Manuszak
Sister Peggy Martin, OP
John Noone, Secretary/Treasurer
Barbara Mendelson, Vice President (via Zoom)
Sister Barbara Rund, OP

STAFF PRESENT

Colleen Burke, Director, Clausen Manor
David Krolikowski, Director, Finance
Rebecca Latta, Director, Human Resources
Robin McClintock, CTRS, CASP, Director, Fox Manor and Mendelson Home
Maureen McGee, Administrator, Ourdes Rehabilitation and Healthcare Center
Jason Mize, Director, Plant Operations
Wendy Mosella, Director, Development and Marketing

EXCUSED

Sister Janice Bachman, OP

CALL TO ORDER

The meeting was called together at 1:36 p.m. by Mr. Condit. A full quorum was present.

OPENING PRAYER

Mr. Rich Acho led the group in prayer.

LOURDES STRATEGIC PLANS

Mr. Acho briefed the group on the different areas of the Ourdes Campus. Areas designated as Marian Hall, the St. Jude home, and the Triangle will be the major areas of focus for the strategic plan. Changes to the skilled nursing industry have required strategic thinking. Regulations for SNFs continue to be added. Reimbursement rates are simultaneously being cut. Nursing shortages continue. Demand for independent living is up, with Fox Manor being 100% occupied. The ratio of independent living and assisted living beds to skilled nursing beds is upside down.

Many options for repurposing Marian Hall were explored. Angela Hospice continued to rise to the top. Angela Hospice operates an inpatient hospice facility in Livonia along with home hospice care. Angela Hospice is sponsored by the Felician Sisters. They are looking to open another inpatient facility in Oakland County. Their mission and values align well with Ourdes. Mr. Acho is working with Angela Hospice's CEO to enter into a lease agreement. Angela Hospice would lease 13,278 square feet of space within Marian Hall from Ourdes Senior Community. The terms of the lease would span for three years, beginning March 1, 2024. Twenty resident rooms will be included in the space along with the beds that are in the rooms, TVs, built-in armoire, dining room, living room, and the nurse call system. A memo of understanding has been signed between the two parties.

In order to lease out the space, 23 beds will need to be delicensed. Currently, the census at LRHC is 76, with 77 beds online. In July, the census was a steady 62. Mr. Acho and Ms. Maureen McGee met with the head of discharge planning at Trinity Health Oakland Hospital on August 7. Since this meeting, referrals from THOH have increased drastically. However, there is no plan to reopen Marian Hall and the extra 23 beds. THOH is changing its referral method and hinted that LRHC would be one of its top three referral facilities.

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Pros of renting out Marian Hall to Angela Hospice include the good cultural fit, extra revenue stream for LSC, and the ability to offer inpatient hospice care to LSC residents. Cons of renting the space include the possibility of being taxed on the property that Marian Hall sits which Angela Hospice has agreed to cover any property tax assessment up to \$80K per year. Once the 23 beds are delicensed, LSC will more than likely never be able to get those licenses back. This will allow LRHC to maintain the 85% occupancy requirement as set by the government.

The commitment from Angela Hospice is for a three-year lease with auto-renew for another three-year term. The rent will be \$28,500 per month and cover the costs of food, one housekeeper, Direct TV, and utilities. Angela Hospice will cover their own insurance. Maintenance issues that are part of a larger building problem will be covered by LSC. Smaller maintenance issues within the space will be covered by Angela Hospice. The rent will have a 2% increase each year after the first year. Angela Hospice currently does not have any other partnerships such as this. The Felician Sisters have a few nursing facilities that they sponsor and senior housing for clergy members. Marywood in Livonia is one of these. The space will be renamed Angela Hospice at Ourdes.

The St. Jude home was used as office space in recent years. The home is no longer safe. The land that the home sits on is approximately 2 acres. Tearing down the St. Jude home and constructing 8 ranch-style homes is being explored. The units would have 2 bedrooms, 2 bathrooms, and approximately 1,200 square feet each. One unit will be a duplex, the others single ranch-style homes. The homes will most likely have a one-car garage and be accessible from the Ourdes campus. The thought is to pay for the homes using the LSC investment portfolio. Estimated costs are \$2.7 million. The rent for each home will be \$3,600 per month. A pro forma was included in the packet. The first residents could move in within a year. The residents will be welcome to participate in dinner at Fox Manor along with all the activities. This plan is preliminary.

The Waterford Township Fire Department has asked the township to not approve any additional independent living permits due to the stress on their department. Mr. Acho spoke to the building and planning directors at the township to discuss our future plans. And for them to take the plans to their higher ups for a tentative approval of sorts.

Following the recommendation at the April Board Retreat, the concept of the addition of independent living units was explored. Mr. Acho and Sr. Janice Bachman, OP, met with the leadership team of the Dominican Sisters of Peace to determine their interest in making some of the campus property which is owned by the DSoP available to Ourdes for an expansion project. The Dominican Sisters of Peace own a triangular-shaped parcel of land which includes the convent, Vivian Via Rosa, and a rental house. On July 24th, Sr. Pat Twohill, OP, the prioress of the DSoP, Sr. Cathy Arnold, OP, the Founded Ministry representative for Ourdes, and Sr. Janice Bachman, OP, met with the four sisters currently living in the convent. During the visit, the future of the convent and the sisters living there was discussed. The sisters agreed they would be willing to move to another location on the campus in order to make the land where the convent now sits available for additional independent living units. In planning the expansion, Mr. Acho agreed to provide a living space for the sisters with enough space for their guests. Mr. and Mrs. Mendelson agree with the move as they understand the safety issues in the older structure. The sisters and Mr. and Mrs. Mendelson would like to see some of the things within the convent used in the new building and a memorial constructed to honor the original donor.

The plan will be to meet with an architect. The goal will be to level the convent, level Vivian Via Rosa, potentially level the rental house and build a three/four-story structure of approximately 50 – 60 independent living units. The units will all have two bedrooms and two bathrooms with a lakefront patio or balcony overlooking Scott Lake. Focus groups will be created to determine exactly what the wants and needs are of the individuals in our community who could potentially be living here. A pro forma was included in the packet. This portion of the

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project will cost approximately \$20M. Of the Ourdes investment plan, \$5M would be used. The rent for these units will be around \$5,800 per month.

It has been discovered that the township has approved a permit for an independent-living apartment building on Crescent Lake Road. The permit was pulled in 2019. Nothing has been built on the property. The property is owned by a contractor. Mr. Acho spoke to the property owner, Robert Slade. Mr. Slade provided plans for the building he had hoped to construct but has been unable to secure funding. Mr. Slade would like to sell the property as is for \$3M. He has approximately \$500K into the property. The township may not grant Ourdes a permit for additional independent units unless the permit is revoked by Mr. Slade. Potentially Ourdes could buy the property from Mr. Slade to prevent him from building the independent units and then this allows us to construct our building.

MOTION: BETH CAFARO MADE A MOTION TO RECOMMEND TO THE CORPORATE MEMBERS THE DELICENSING OF 23 BEDS AT LRHC, REDUCING THE NUMBER OF LICENSED BEDS FROM 100 TO 77 EFFECTIVE AS OF NOVEMBER 1, 2023. SECONDED BY SR. PEGGY MARTIN, OP. ALL IN FAVOR. MOTION CARRIED.

MOTION: JOHN NOONE MADE A MOTION TO RECOMMEND TO THE CORPORATE MEMBERS THE SUBLEASE OF SPACE FORMERLY KNOWN AS MAIRAN HALL TO ANGELA HOSPICE WITH THE FINAL TERMS OF THE LEASE DELIGATED TO THE LOURDES BOARD. SECONDED BY SR. PEGGY MARTIN, OP. ALL IN FAVOR. MOTION CARRIED.

MOTION: STEVE KASTNER MADE A MOTION TO RECOMMEND TO THE CORPORATE MEMBERS THE ABILITY FOR LSC TO DEVELOP A MASTER PLAN OF THE PROPERTY AND GO THROUGH A DUE DILIGENCE PROCESS ON THESE CONCEPTS. SECONDED BY DR. HENRIETTA JURAS. ALL IN FAVOR. MOTION CARRIED.

LSC PLANT OPERATIONS AND HEALING GARDEN

Mr. Jason Mize reported on the Healing Garden and displayed pictures as the garden was being completed. Tours will be given to the Board members following the meeting.

Quotes are coming in for the demolition of the St. Jude home. It is estimated to cost approximately \$26K for abatement and demolition.

Mendelson Home has new dining room windows. Eighteen apartments have been remodeled. Nine apartments have new flooring with the original cabinets. Thirty-three apartments need complete remodeling.

Fox Manor has 25 remodeled apartments with the new design. 24 apartments have been partially remodeled through the years.

Seventeen sidewalks across the campus have been raised to satisfy safety concerns.

MANAGEMENT REPORTS

Fox Manor – Robin McClintock: Two residents moved from Fox Manor to Mendelson Home the past week. One resident is moving from Mendelson Home to Fox Manor. The hospice resident noted in the report has moved to Mendelson Home. The Resident Satisfaction Survey was included in the packet. Requests that were noted in the comment section of the survey are being addressed.

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Mendelson Assisted Living – Robin McClintock: Mendelson Home currently has 10 openings with one move-in on August 30. Four potential new move-ins will take place in the next month.

Human Resources – Rebecca Latta: Staffing is holding steady at all of the buildings. The Michigan Wage Pass-Through Program has been extended through October 1, 2024, with significant changes. Currently, direct care and clinical workers in qualifying SNFs, AFCs, and HFAs receive an additional \$2.35 per hour. Effective October 1, 2023, the rate will increase to \$3.20 per hour. Staff in other qualifying departments such as housekeeping, laundry, dietary workers, etc. will receive an additional \$.85 per hour. This only affects LRHC staff.

Lourdes Rehabilitation and Healthcare Center – Maureen McGee: The annual State survey took place August 22 – August 24. There were six areas of concern with four that involved medication issues, one regarding a formulation of an advanced directive, and one a fall accident with a resident. This was the result of a communication error.

Finance and Information Technology – David Krolkowski: Significant improvements have been made over this time last year. Last year at July month end LSC had a consolidated operating loss of \$743K. This year the July consolidated operating loss is \$58K. The expenses recouped with the closure of Marian Hall, the renegotiation of contracts, and bringing billing in-house are some of the items attributing to the improved numbers. Civil monetary penalties dating back to 2021 and 2022 which were unexpected resulted in an \$84K expense. Capital spending is down from budget. The capital spending will be reevaluated for the 2024 budget.

Marketing/Communications/Development – Wendy Mosella: Regina Mayes has taken a position outside of Lourdes. A shift in duties has taken place to absorb Regina's responsibilities. The focus is to honor the wishes of donors regarding the healing garden. Garden tiles and benches are being ordered. The 2024 golf outing will be held at the Fountains in Clarkston again.

Clausen Manor – Colleen Burke: Discharges are at 9 for the year. There are 4 residents currently receiving hospice care. The Tovertafel game projector has been installed to the delight of the residents. The game was purchased through a grant and donations from families. All residents are now being monitored for falls by SafelyYou.

ACKNOWLEDGEMENTS

Mr. Condit acknowledged Mrs. Beth Cafaro and Mrs. Lynne Lepisto-Golling for their many years of service on the LSC Board. A brick paver will be engraved in their honor and placed near the peace pole at LRHC. Both Mrs. Cafaro and Mrs. Lepisto-Golling will be continuing on their committees.

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EXECUTIVE SESSION

DOMINICAN SISTERS OF PEACE

Sr. Peggy Martin, OP, reported for Sr. Janice Bachman, OP. The Office of Founded Ministries recently hired Claire Crane as Resource and Education Coordinator. Her purpose is to work with staff in their various ministries.

REPORT OF THE CHAIR

Mr. Condit mentioned the union bargaining that is getting attention. The SEIU, which represents the unionized employees at LRHC, anticipates striking a specific nursing home provider. Historically the SEIU staff representing the LRHC unionized employees have not been acting in the best interest of the Ourdes' employees. This will be something to keep an eye on going into next year's union contract negotiations.

The HR Compensation Committee met the third week of August. The timing for compensation changes for the management team is shifting slightly to align better with the budgeting process. Historically, blanket raises have been given. In 2024, performance metrics will be tied to the increases. A one-and-a-half percent raise was given to everyone in the second payroll of July. In February 2024, performance reviews will be held to notify staff as to the metrics they will be held to. This is for all staff.

REPORT OF THE CHIEF EXECUTIVE OFFICER

Certain personnel changes are being made. Census challenges require these changes. Pre-COVID, Baker Tilley did a study on our operations. Baker Tilley made recommendations to the LSC management to right-size the organization. The items that were recommended were never implemented. The leadership team took the opportunity to realign personnel. The full-time medical records person that was needed when we had 108 residents was decreased to part-time. Medical record requests are less frequent due to the electronic medical record systems in place. The medical supply clerk's hours were based on 108 residents. This position is now part-time.

Mr. Acho stressed the fact that LRHC would like to become one of Trinity Health Oakland's three preferred providers and will work to achieve that status.

An active lawsuit is pending for the resident who fell with a fracture while in LRHC's care. A plan was in place due to the knowledge that she was a fall risk, but at the time of implementing the plan the resident fell and returned to the hospital. The resident passed away shortly after a stay at a different facility.

A complaint was made to the State at Clausen Manor regarding a previous resident. He was treating female residents inappropriately and was asked to move out. A former employee made the complaint. The State sighted Clausen Manor for failing to update the resident's plan of care, failing to provide enough protection for the female resident, and failing to intervene when we knew what was happening. It is felt that the team did everything they could to protect the resident. The official report has not yet been received. Once received, Clausen Manor will have fifteen days to provide a plan of correction on how to correct these deficiencies.

It was asked if PPD is being monitored. Mr. Acho replied that the staffing model has changed to reflect the number of residents, with fewer staff working afternoons and midnights. Nurses and CNAs are running at 3.4 nursing hours per resident. Previously this was running at upwards of 3.7. We do this while not disrupting the quality of care. The biggest hindrance for staff is the amount of square footage each unit has.

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COMMITTEE REPORTS

Governance and Nominating Committee – Brian Condit: The Committee has requested the recommendation of three individuals for inclusion on the Board.

MOTION: SR. PEGGY MARTIN, OP, MADE A MOTION TO RECOMMEND ERIN ASDELL, PEGGY HOLDEN, AND PAUL PROPSON TO THE LSC BOARD EFFECTIVE NOVEMBER 1, 2023 FOR APPROVAL OF THE CORPORATE MEMBERS. SECONDED BY BETH CAFARO. ALL IN FAVOR. MOTION CARRIED.

The Committee has determined that the number one need at the moment is to add some clinicians as committee members. Board Members that have termed off the Board can remain on their assigned committee(s) for another term of three years, however, not in the chair position. This is prospective. Grandfathered members will be addressed at the next Committee meeting.

Philanthropy Committee – Brian Condit: Report stands as written.

Quality Resident Care Committee – Lynne Lepisto-Golling: At the last meeting of the Committee on May 17, LRHC was rated as a 4-star facility. Since then, LRHC has dropped to a 3-star overall. Two of the strategic imperatives have been addressed by the Committee. The first is the home health care providers. A list of recommendations has been created. The list will be revised twice a year. The second imperative was the transition of care. A policy is being created for LRHC to follow when a resident has transitioned home. This can help to address deficiencies in the resident's care to prevent readmission to the hospital or LRHC.

Audit and Compliance Committee – Barbara Mendelson: Report stands as written.

Finance Committee – John Noone: The Finance Committee met the third week of August. The budget process has begun. The next meeting is November 8.

Human Resources Committee – Beth Cafaro: The employee opinion survey results were reviewed at the Committee's May meeting. The Committee will work on a clever way to get staff engaged for the survey that will be conducted in conjunction with LeadingAge Michigan. Staff of LSC management were offered DEI training in June.

Continuing Support Fund Committee – Rich Acho: The Continuing Support Fund currently is worth \$4.9M. The money is to assist residents who can no longer afford to live on the LSC campus. Rules to apply for the fund were previously very strict. Given what is being seen at the assisted living home since the start of 2023, more residents than ever cannot afford the LSC market rate. The Committee is requesting a revision to the charter to allow residents who have not lived at LSC for two or more years to receive financial assistance of up to \$1,000 per month. Once the resident reaches the two-year mark, they may apply for the fund for further assistance. This may also help our appeal to the Tax Tribunal to ensure our charitable works are being recognized.

MOTION: SR. PEGGY MARTIN, OP, MADE A MOTION TO APPROVE THE REVISED CONTINUING SUPPORT FUND CHARTER. SECONDED BY JOE MANUSZAK. ALL IN FAVOR. MOTION CARRIED.

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CONSENT AGENDA

- Meeting minutes of April 18, 2023
- 2024 LSC Board Meeting Dates
- Board Education
- Testimonials
- Educational Article

The minutes presented in the original Board packet have been revised to note that Sr. Peggy Martin, OP, was excused from the April 18, 2023, meeting. The presented 2024 LSC Board meeting date list should state the date Tuesday, August 27, 2024, as the meeting date, not Tuesday, August 7, 2024.

MOTION: JOHN NOONE MADE A MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED. BETH CAFARO SECONDED. ALL IN FAVOR. MOTION CARRIED.

ADJOURNMENT

The meeting adjourned at 4:31 p.m.



Brian Condit, Board Chair



Debi Batchelder, Recorder

