

Ourdes Senior Community Boards

Tuesday, February 6, 2024, 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
Erin Asdell
Sister Janice Bachman, OP
Brian Condit, Chair
Linda Gifford
Peggy Holden
Henrietta Juras, MD
Steven Kastner (via Zoom)
Msg. Michael LeFevre
Joseph Manuszak
Sister Peggy Martin, OP (via Zoom)
John Noone, Secretary/Treasurer
Barbara Mendelson, Vice President (via Zoom)
Paul Propson (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

GUESTS

Dr. Fadi Salloum
Sr. Teresita Lipar, OP

CALL TO ORDER

The meeting was called together at 1:34 p.m. by Mr. Brian Condit. A full quorum was present.

OPENING PRAYER

Mr. Rich Acho along with the Senior Leadership Group led the group in prayer.

LOURDES MASTER PLAN

Mr. Rich Acho gave a broad update on the plans for the Independent Living Expansion. A sub-committee has been formed to oversee the expansion project. The Committee met for their first meeting on January 26th. Approximately six ranch-style villas will be built in the area where the St. Jude home now sits. A 60-apartment building will be constructed where the the convent and retreat home now sit. The Committee reviewed proposals from two architects, Fusco, Shafer, and Pappas, Inc (FSP). and Edmond London and Associates (ELA). FSP has done several projects for Ourdes in the past. The references on ELA are being checked. FSP was asked to resubmit the cost portion of their proposal as they came in at \$1.3M and ELA came in at \$500K. The Committee will choose an architect at their next meeting on February 9th. The hope is to have conceptual drawings to present at the April Board meeting.

Angela Hospice is in the process of some renovations in the Marian Hall before they take occupancy. They are repainting portions of the area and replacing the resident room desks with sleeper sofas. Angela will begin paying rent on March 1, with residents moving in during May or June. Rent will be modified less the food costs until patients move in. A press release will be coming out at the end of February or first of March. They have hired an internal candidate to act as director for their Angela Hospice at Ourdes facility.

The property tax appeal is in the discovery phase at the Michigan Tax Tribunal. Included in the packet is House Bill 5380 sponsored by State House Representatives Alabas Farhat and Brenda Carter. This bill will expand property tax exemption to senior living licensed CCRCs, homes for the aged, and adult foster care facilities. A court date with the Tax Tribunal is set for June 10th. Requested documents have been submitted for this discovery phase of the appeal along with a statement drafted by the Ourdes' attorney. The attorneys for the township have reviewed what was submitted by Ourdes. The township would now like Ourdes to justify how

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Lourdes differs from Canterbury on the Lake. Canterbury lost their appeal with the Tax Tribunal and is now subject to property tax on all of their facilities except the skilled nursing. Mr. Acho explained the six factors of Wexford which are used to justify exempt status. Lourdes meets these six factors. The articles of incorporation also state that Lourdes is a charitable organization that will provide care.

SKILLED NURSING AND HEALTHCARE IN 2024

Dr. Fadi Salloum, rounding physician for Lourdes Rehabilitation and Healthcare Center and Medical Director for Clausen Manor spoke to the Board regarding the changes in healthcare. Dr. Salloum is an internal medicine physician and hospitalist. He has worked with LRHC for the past 25 years.

Dr. Salloum noted that fewer patients seen in the ED are admitted to the hospital. Most patients sit in observation status until they are discharged. The hospitals make more money on tests that are run in observation status than they do if the patient is admitted. Not being admitted also decreases the number of patients eligible for inpatient rehab. There must be a 3-day hospital stay prior to rehab.

Patients with traditional Medicare are fewer. 80% of patients today are covered by Medicare Advantage plans. These plans are monitored by NaviHealth which decides whether the patient needs inpatient rehab. They approve very few patients for admission into skilled nursing/rehab facilities. NaviHealth dictates the length of stay of residents who do get admitted to a rehab facility. Patients who qualified for rehab 5 years ago will most likely be sent home today.

SNFs that offer a specialty service are more in demand than SNFs that only offer rehab. Most knee and hip replacement patients return home right after surgery, skipping the SNF altogether. Select Specialty in the Cleveland market partnered with Cleveland Clinic. As a partner, the Cleveland Clinic now has an interest in sending patients to their rehabs. One option is to relieve a hospital bed by taking a patient who needs to continue on IV antibiotics for several more days. That means the SNF must have nurses who can start IVs, a lab that can return lab tests STAT, and a rounding physician daily. Specialty units for acuities that will not be denied by insurance companies are the way of the future. Some of these specialties might include high-flow oxygen, traumatic brain injuries, strokes, burns and wounds. A neuro-transitional unit for traumatic brain injuries is in high demand. For this unit, a head-injury specialist is needed to round with a multi-disciplinary team that includes a speech therapist, physical therapist, and a dietician, and staff needs to be trained in TBI. This specialty unit can be copied for what brain injury rehab hospitals offer. Lourdes can offer the Catholic charism that other SNFs cannot offer. Lourdes has an excellent reputation for care. Market the Catholic services to the Chaldean community with a chef who specializes in ethnic foods and a staff person who speaks Arabic.

DEPARTMENT SPOTLIGHT – PASTORAL CARE

Sr. Teresita Lipar, OP, spoke to the Board members about the department she supervises, Pastoral Care. She began by explaining that charism is a special gift given to the church by the holy spirit. Throughout the centuries many charisms have blessed the church. Some are emphasized through the saints. St. Francis of Assisi expressed simplicity and poverty. St. Benedict recognized the importance of manual work. Mother Catherine McCauley began the hospitals and included the poor in their care. St. Dominic greatly inspires the Dominican Sisters and Lourdes Senior Community. St. Dominic offered the charism of studying and pursuing truth. St. Dominic loved the scriptures. He memorized the gospel of St. Matthew in his mind and heart, which became his way of life. Dominican Sisters throughout the world spread the truth in the way that it needs to be spread in the current day.

Three people work in the Pastoral Care Department – Sr. Teresita Lipar, OP, serves as Director, Deacon Paul Latcha, and Chaplain Mary Boyhtari. Each has a background in scripture. They meet weekly to share their gifts and the mission of Lourdes. A list of spiritual services that are available to the residents is included in the packet.

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33 volunteers work within the department to offer communion and resident visits at each of the buildings. The Pastoral Department also orchestrates funerals for families and residents.

BOARD RETREAT – APRIL 23, 2024

Plans for the agenda of the Board retreat were discussed. The architect that is chosen by the Independent Living Expansion Committee will be asked to present conceptual drawings and designs to the Board members. The Dominican Sisters of Peace will have two members of their founded ministries department visit to present the Dominican Charism Initiative and how it can be used in the Lourdes mission every day. The initiative could be incorporated into the new Board member and new employee orientations. Challenges in senior living and the strategies to address the challenges will be discussed at the retreat.

MANAGEMENT REPORTS

Plant Operations – Jason Mize: Report stands as submitted. The generator at Mendelson Home quit working during a power outage. The voltage regulator was blown out and parts were ordered to fix it. The front entrance doors at Mendelson are being replaced. Replacement parts for the current doors are no longer available. Renovations on the apartments of each building continue. Fox Manor has completed 30 apartment renovations with 24 remaining. Mendelson has completed 31 apartment renovations with 29 remaining. Clausen Manor has renovated 16 rooms with 4 remaining.

Human Resources – Rebecca Latta: The survey that was offered to LRHC employees through a State of Michigan grant will be extended to include all of the other LSC facilities. The Michigan Department of Licensing and Regulatory Affairs has agreed that CNAs may be trained as medication aides, thus giving them the authority to pass medications. Their CNA certification must be kept current. These medication aides will not be allowed to pass as-needed medications or narcotics. More information is expected in March. The training will be outsourced by the State.

Lourdes Rehabilitation and Healthcare Center – Maureen McGee: Report stands as written. The rating for health inspections dropped from a 4 star to a 3 star. The 5 star report in Maureen's report was questioned. The hours of nursing care varied in the report. Maureen stated that this is based on the PBJ report. She is not certain how accurate it is considering the way that the report is calculated. She does know that LRHC calculates it correctly. Facilities have been audited on this due to their numbers being suspect.

Finance and Information Technology – David Krolikowski: Preliminary updated financials have been released for 2023. On a consolidated operating level, LSC had a gain of \$993K up from the 2022 loss of -\$1.3M. A past-year adjustment was received on the 2021 and 2022 cost reports of \$438K which relates to the Medicaid rate. The reimbursement rate for Medicaid is driven by the cost reports submitted by LSC showing what the costs are to operate LRHC. During COVID, CMS issued a flat 2.5% increase on the 2019 rate. In 2023, the adjustment was made to the true costs to operate. New accounting standards produced a favorable adjustment of \$143K in bad debt. Net assets reduced from restrictions resulted in a \$344K favorable adjustment.

Marketing/Communications/Development – Wendy Mosella: LSC has signed up to receive the Catholic Funding Guide which allows access to a major source of grants available. A small pet visitation area will be added in the courtyard off the front lobby. A family member has taken the lead in setting this up. An estate planning seminar will be held at LRHC on March 14 at 6:00 p.m.

Clausen Manor – Colleen Burke: The mix of the number of men and women at Clausen Manor presents challenges. This presents staffing challenges. The campus social worker and psych services are helping to educate

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the resident assistants and families. The number of staff members on afternoons has been increased due to the sundowner's behaviors.

Fox Manor – Robin McClintock: Report stands as written. Two admissions are scheduled for the spring.

Mendelson Assisted Living – Robin McClintock: Mendelson has one vacancy that is spoken for. Two residents are on hospice under Trinity Hospice.

Compliance – Robin McClintock: The ethics guide was included in the Board packet. The acknowledgment was included for the staff and Board members to sign annually.

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EXECUTIVE SESSION

DOMINICAN SISTERS OF PEACE

Sr. Janice Bachman, OP, is working with Mr. Acho to develop a strategy to integrate the Dominican charism into the mission of Ourdes. The founded ministries will be holding their Ministry Leaders Conference at the end of February. Mr. Acho is attending with Mr. Noone. On March 18, the DSoP Corporate Members will meet with Mr. Acho and Mr. Condit to present the annual report.

REPORT OF THE CHAIR

Nothing additional to report at this time.

REPORT OF THE CHIEF EXECUTIVE OFFICER

Mr. Acho is working with the Archdiocese of Detroit's communication department to help spread the Ourdes name within the AOD advertising options. Two commercials are currently running on WDIV along with their two streaming channels, MeTV and Cozi. Thus far, three people have toured the facilities after seeing the commercials. As Dr. Salloum suggested, Mr. Acho has been exploring specialty programs for LRHC to possibly become involved with. One such program is a Hospital to Home program through Henry Ford. This program would utilize Mendelson Home or Fox Manor as the "home" part of this program. Mr. Acho has been in conversation with Dr. Salloum about opening a COPD unit within LRHC. Approximately 30-40% of residents who are admitted to LRHC have COPD as part of their diagnosis.

LRHC has signed a risk share agreement with Trinity Health Oakland Hospital for admissions to LRHC that are pending insurance approval. Should a THOH patient be admitted to LRHC with a pending authorization that does not get final approval, THOH will help to relocate the patient to another facility and split the cost of care while at LRHC. Certain payors are not included in this program due to a low rate of approvals. This was trialed for six months with THOH, modified, and now set going forward.

Sponsorships, mergers, and acquisition opportunities are continually explored. Mr. Acho receives a list from Ziegler on current potential opportunities. One notification was for a local organization that is looking to sell. The organization is under severe financial strain with no cash and \$30M in bond debt. The organization is in the local area. The opportunity did not make sense to LSC and there will be no movement forward. This would have meant an additional campus for LSC had they proceeded. A piece of land in Waterford with plans to develop an independent living apartment building was discussed at last year's retreat. It was clarified that the Ziegler notification was an unsolicited acquisition.

For the retreat, the strategic work of last year will be summarized. Areas of strategic growth opportunities and the development of an itemized list can be helpful for the future. The data on independent living to SNF ratio numbers will be included. The addition of a second campus acquisition will be added to the list of future opportunities to discuss at the retreat.

COMMITTEE REPORTS

Quality Resident Care Committee – Linda Gifford: The Legionella policy is included in the consent agenda for approval. This policy is compliant with the HHS guidelines.

Audit and Compliance Committee – Barbara Mendelson: The Committee has not met since the last Board meeting. The next meeting is set for April 19. The audit will begin on March 1.

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Finance Committee – John Noone: The Committee met on January 31. The adjustments resulted in a positive year-end.

Human Resources Committee – Steve Kastner: The Committee met on January 25. The employee satisfaction survey was discussed. 61 of 65 employees answered that they do see themselves working for LSC in one year. A high number of employees responded that they would recommend LRHC to family and friends. Satisfaction goals will be set for the organization going forward. Succession planning continues to be looked at on a position-to-position basis. The Assistant Director of Nursing will be stepping into the Director of Nursing position in 1-2 years when the current DON retires.

Governance and Nominating Committee – Brian Condit: Progress has been made in Board member Committee assignments. The Committee is planning the retreat in April. The Dominican Charism Initiative will be addressed as part of the educational portion of the retreat.

Philanthropy Committee – Brian Condit: The Philanthropy Committee met in December. A strategic long-term plan with benefactors and tactical events is needed.

Continuing Support Fund Committee – Rich Acho: The Committee met in December. Five residents were approved to receive support in 2024 totaling \$230K. This is in addition to the \$1,000 charitable mark set in the charter. \$4.7M is in the Continuing Support Fund. In 2023, \$306K was spent on assistance to residents. The next Committee meeting will be in December 2024.

CONSENT AGENDA

- Meeting minutes of November 14, 2023
- Legionella Policy
- CEO Performance Metrics
- Testimonials
- Educational Article

MOTION: SR. BARBARA RUND, OP, MADE A MOTION TO APPROVE THE CONSENT AGENDA AS PRESENTED. DR. HENRIETTA JURAS SECONDED. ALL IN FAVOR. MOTION CARRIED.

ADJOURNMENT

The meeting adjourned at 4:00 p.m.



Brian Condit, Board Chair



Debi Batchelder, Recorder