

HEALTH CARE ADVISORY BOARD

Meeting Summary
December 10, 2012

MEMBERS PRESENT

Marlene Blum, Chairman
Rose Chu, Vice Chairman
Bill Finerfrock, Vice Chairman
Dr. Tim Yarboro
Dr. Michael C. Trahos, DO
Rosanne Rodilloso
Ann Zuvekas
Ellyn Crawford
Dave West
Judith Beattie

STAFF

Sherryn Craig

GUESTS

Andrew Teeters, Development Director, Shelter Development, LLC
David Carliner, Senior Vice President, Brightview Senior Living
Lori Greenlief, Land Use Planner, McGuireWoods LLP
Jane Raymond, Reston Hospital Center (RHC) Acting Chief Executive Officer (CEO) and Chief Operating Officer (COO)
Ed Stojakovich, Chief Financial Officer (CFO)
Tracey White, RHC Vice President (VP) of Community and Government Affairs
Rosalyn Foroobar, Health Department

Call to Order

The meeting was called to order by Marlene Blum at 8:17 p.m.

November Meeting Summary

The minutes from the November 14, 2012 meeting were accepted as submitted.

Cancellation of January 14 HCAB Meeting

The Special Exception (SE) application for the development of an Adult Day Health Care Center has been postponed from February to March. The HCAB agreed to reschedule its public hearing from January to February. The presentation on the use of observation admissions will be rescheduled for the spring. Given January 14 HCAB meeting cancellation, members who are interested are encouraged to attend the Human Services Council meeting, also scheduled for January 14 in Conference Rooms 4-5 of the Government Center.

Public Hearing on Shelter Development, LLC/Brightview Senior Living SE application (SE-2012-MA-017) to Build an Assisted Living Facility in the Mason District

Andrew Teeters, Development Director, Shelter Development, LLC; David Carliner, Senior Vice President, Brightview Senior Living; and Lori Greenlief, Land Use Planner, McGuireWoods LLP appeared before the HCAB to present Shelter Development, LLC/Brightview Senior Living's application. Brightview Senior Living is a senior-focused part of the Shelter Group, a privately-held company that has been in business for more than 30 years. The Shelter Group develops, manages and owns residential real estate while specializing in market rate, service enriched, multi-family and senior living communities.

Brightview Senior Living, LLC, operates 25 senior living communities in nine states: Connecticut, Florida, Maryland, Massachusetts, Missouri, New Jersey, Pennsylvania, Rhode Island, and Virginia. Brightview Fairfax will be the second Shelter Development assisted living community located in Fairfax County, with the first, Brightview Great Falls, expected to break ground in early 2013.

Shelter Development, LLC/Brightview Senior Living proposes to construct Brightview Fairfax, a 95-unit assisted living and Alzheimer's care community on 6.5 acres in Annandale. The proposed facility will provide personalized residential care services for seniors and for persons with memory impairment disabilities. Approximately 26 units will be dedicated to the Wellspring Program, a separate and secured "neighborhood" within the building for those seniors confronting various forms of dementia or memory impairment, including Alzheimer's disease.

Brightview Fairfax will provide personalized residential care services onsite, including concierge, security, all utilities except phone and cable, meals and snacks, housekeeping, laundry and linen service, 24-hour emergency call response systems, wellness programs, scheduled transportation, social and recreational activities.

Shelter Development's market research data identified a significant need for assisted living services due to an aging demographic and an insufficient number of ALF beds. The study, conducted over a 5 mile service area, concluded that Brightview's target population are residents and/or their families (e.g. adult children) who live within a 5 mile radius of the property or who have moved back into the area. The applicant noted that, while there are other ALF providers in that area of the County – Sunrise Fairfax, Aarondale Assisted Living, Arden Courts of Annandale, and Sunrise Falls Church – the Brightview Fairfax facility would be the first new assisted living community built in over a decade. Mr. Teeters acknowledged that Shelter Development did consider income levels in its market research.

The Fairfax service area is four times larger than the typical Brightview Senior Living community with a surrounding population of 400,000 residents, 19,000 75+ years-old adults, and 61,000 adult children.

Mr. Teeters committed to maintaining at least 4% of Brightview Fairfax's beds for residents who are eligible for the Virginia Department of Social Services' Auxiliary Grant. AG recipients will not be treated differently from other residents; for example, beds will not be re-rented while a patient recovers in a hospital or a skilled nursing facility. The 4% commitment is for Brightview's total beds, inclusive of the Wellspring Program. Beds are allocated on a first come, first serve basis.

Outdoor space is assigned to the Wellspring Program. Located on the third floor of the building, the Wellspring Program will have a secured terrace, high walls and a trellis system.

Based on the Virginia Department of Transportation's (VDOT) review of the applicant's traffic plan, additional traffic light installations are not planned at this time. Mr. Teeters maintained that the majority of the facility's residents would not be driving, and that employees' shifts (7 a.m. to 3 p.m., 3 p.m. to 11 p.m., and 11 pm) are staggered over nonpeak commuting times.

Mr. Teeters presented artist renderings of the proposed facility. The community will be designed internally and externally to be harmonious with the surrounding neighborhood. The architecture of the Brightview residence will take its inspiration from the authentic Mid-Century Modern style prevalent in the neighboring Holmes Run Acres community, which is listed on both the National Register of Historic Places and the Virginia Landmarks Register. This distinctive architectural style features contemporary details such as clean asymmetrical lines, lots of glass, a mixture of siding and panel materials, modern brick detailing, and low sloped roofs with deep overhangs.

Like its other communities, Brightview Fairfax will have an emergency generator to supply full power to the facility in the event of a storm/emergency. The facility's elevators will continue to operate on back up emergency power.

Staffing of the facility will include health services, administrative, security, marketing, activities, transportation, dining, housekeeping, and maintenance. The health services staff includes a Medical Director, Registered Nurse, Licensed Practical Nurses, and Certified Nursing Assistants. All staff will be licensed and/or trained as required by state law and regulations.

Mr. Teeters said that the minimum staffing levels for off-peak hours would vary according to patients' frailty, but on average would be between 5-8 staff persons, or a ratio of 12-13 residents per direct care associate. Direct care associate is an industry term used to describe an individual who provides care to residents. Brightview's residents, especially those living in the Wellspring Program, will be actively engaged throughout the day so that they can sleep soundly at night.

The HCAB underscored the need for appropriate and timely training in medication administration and procedures. The Virginia Department of Social Services (DSS), during its inspections of the single Shelter Development ALF operating in Virginia – Brightview Baldwin Park located in Staunton – found compliance issues surrounding how patient medication was administered and stored within the facility. The HCAB acknowledged Shelter Development, LLC/Brightview Senior Living’s remediation efforts, and the applicant agreed that staff training was the key to preventing future violations.

Shelter Development, LLC is interested in providing all levels of senior residential care, including independent living. However, the 6.5 acre site in Annandale will only support an assisted living community.

Rose Chu moved that the HCAB recommend that the Board of Supervisors approve Shelter Development, LLC/Brightview Senior Living’s Special Exception application (SE 2012-MA-017) to construct a 95-unit assisted living and Alzheimer’s care community in the Mason District. Dr. Michael C. Trahos, DO seconded the motion.

The motion passed unanimously.

Update on Northern Virginia Health Investors (NVHI) Application to Build an Assisted Living and Skilled Nursing Facility in Chantilly, VA

Marlene Blum testified before the Planning Commission on Wednesday, December 5. Ms. Blum presented the HCAB’s recommendation and the criteria used to support its position. The PC voted to defer its decision on NVHI’s application until January 10. Commissioners shared the HCAB’s concerns over the applicant’s compliance history, and expressed its appreciation to the HCAB and Ms. Blum despite the applicant’s argument that the data used by the HCAB (i.e., 5 Star Quality Ratings, Health Inspections, Staffing Reports, etc.) were subjective.

Reston Hospital Center Presentation

Jane Raymond, RHC Acting Chief Executive Officer (CEO) and Chief Operating Officer (COO), Ed Stojakovich, Chief Financial Officer (CFO), and Tracey White, RHC Vice President (VP) of Community and Government Affairs, appeared before the HCAB with information on its capital improvement plans, community investments/partnerships, and uninsured discount and charity care policies. Ms. Raymond announced that John Deardorff has been hired as RHC’s new CEO. He starts his position January 2, 2013.

RHC is a 187-bed, full-service, medical/surgical hospital serving western Fairfax and eastern Loudoun counties. It employs 1,200 skilled workers and recently achieved a milestone of 1,000 credentialed physician providers. In November, RHC began its 26th year as an affiliate of Hospital Corporation of America (HCA) – a healthcare system with more than 175 hospitals throughout the United States and Europe.

RHC is a private, for profit hospital. Ms. Raymond reported that RHC pays nearly \$7.5 million in taxes, including \$2.1 million in local property taxes. RHC admitted 12,000 patients, performed <#> surgeries, and delivered 3,303 babies in FY 2011. Among the hospital's many distinctions, RHC has been awarded the Joint Commission's Gold Seal of Approval for certification as a Primary Stroke Center, continues as the only accredited chest pain center in Northern Virginia, and was recently ranked by U.S. News & World Reports as the 7th Best Hospital in the Washington-DC Metropolitan Area and 10th in the State of Virginia.

In September 2012, RHC broke ground on a \$25 million Pavilion II Medical Office Building (MOB), which will be located adjacent to the Pavilion I MOB. The new MOB will provide 180,000 square feet of space for both physicians' offices and hospital services, the latter of which will be located on the ground floor and will include four operating rooms (ORs). The Pavilion II MOB will also be HCA's first LEED certified building in the country.

The hospital provided \$34.8 million of uncompensated health care in FY 2011, which includes \$2 million in radiation, laboratory, and pharmacy services to the Jeanie Schmidt Free Clinic (JSFC), soon to be Health Works for Northern Virginia. Ms. Raymond underscored RHC's commitment to working with the JSFC as it transitions to the new Health Works Federally Qualified Health Center (FQHC). The primary challenge in making the transition involves electronic health records (EHRs). Health Works is using the E-Clinical Works System, and RHC is trying to get up to speed.

RHC representatives estimated that between 12-15% of the hospital's net revenue is spent on uncompensated care and taxes. Reston's other community partnerships include the Medical Care for Children Partnership (MCCP), Reston Interfaith, and VOICE Dental. Ms. Raymond and Ms. White agreed to follow up with a more detailed estimate, including a line item breakdown of community benefits.

All charity care, according to Ms. Raymond, is standardized across the HCA system. RHC's Charity Care Program and Financial Discount Policy are available publicly on the hospital's website and are included in all patients' billing documents. Free, medically necessary care is available to uninsured patients with household incomes at or below 200% FPL. An Uninsured Discount is available to uninsured patients with household incomes above 200% FPL. The Uninsured Discount represents 71% of total charges with an additional 10% taken off their account if paid at the time of service.

Eligibility specialists and case managers provide assistance to low income patients in applying for Medicaid as well as RHC's charity care and uninsured discount programs. Translational assistance, including American Sign Language (ASL), is provided free of charge to all non-English speaking patients. Case managers also work with patients to navigate the county's safety net system, which includes the Community Health Care Network (CHCN).

Mr. Stojakovich stated that Medicaid reimburses \$0.64 for every dollar spent. HCA commissioned a study that looked at the amount of uncompensated care provided system-wide; the methodology used in that study incorporated Medicare and Medicaid discounts. However, the statistics provided by RHC do not take these discounts into consideration. Ms. White agreed to follow up with these figures.

Dr. Michael C. Trahos, DO asked what Reston's average length of stay, excluding outliers, was in addition to what an additional 0.1 increase in LOS costs the hospital. Mr. Stojakovich replied that for Medicare, the average LOS was under five days. RHC's overall LOS is under 4. Mr. Stojakovich said he would follow up with the HCAB on more precise LOS statistics.

With regards to the Affordable Care Act (ACA), Ms. Raymond announced that HSC supports Medicaid expansion, which would increase patients' health care coverage, expand access to care, and promote primary and community-based health care. RHC has discussed HCA's position with the Governor and delegates from the General Assembly. The HCAB agreed to highlight this position in its memo to the BOS.

RHC does not employ physicians and neither is it looking to acquire primary care practices at this time. Ms. Raymond felt that small practices and many larger practices are moving along the Accountable Care Organization (ACO) continuum. Ms. Raymond submitted that purchasing practices may make sense in certain markets. However, she expressed RHC's commitment to integrate its work using independent physicians and without obligating itself to a wholly-owned situation.

RHC was not adversely impacted by the Derrecho storm. While the surrounding region experienced a loss of power, RHC's two emergency generators kept the hospital fully operational. RHC did respond to requests from the community to refrigerate immunizations, medications, etc.

With respect to the August *New York Times* article on HCA, Ms. Raymond stated that the reporting was biased. Moreover, the article centered on a facility in Florida, not RHC. Ms. Raymond said she was not fully prepared to speak to the article and could follow up at a later time.

According to Ms. Raymond, RHC has fostered good relationships and strong communication with EMS providers. She cited RHC's interventional cardiology and stroke programs for cementing this bond.

Ms. Raymond acknowledged that RHC's reimbursements will be tied to the hospital's readmission rates. To mitigate future readmissions, Ms. Raymond described RHC's Healthy Aging initiative, in partnership with Medical Group, to develop protocols (e.g.,

compliance with medication, aftercare instructions, etc.) and provide home-based hospital support post discharge.

RHC representatives also acknowledged the growing use of observational, as opposed to inpatient admissions. The HCAB expressed concern that patients and/or their families are not informed of the hospital's decision to admit them as an observation or an inpatient. RHC will look into how it communicates these decisions to patients and report back to the HCAB.

HCAB Feedback to the County Executive on the FY14/15 Budget

The County Executive has requested input from Boards, Authorities and Commissions (BACs) to help identify ways to close an estimated \$100 million shortfall for FY14 and FY15.

Rosalyn Foroobar briefly explained the Health Department's criteria in proposing reductions. The HD reviews programs/services based on whether they:

- Are mandated or non-mandated;
- Support a core service;
- Are essential to public health;
- May disproportionately impact a population, group, or community
- Generate revenue that pays for the cost of the program;
- Eliminates or reduces a service;
- Represents a program/service where the Health Department is the provider of last resort.

The County Executive has requested that all agencies identify spending reductions totaling 5 percent for each fiscal year (FY 14 and FY 15), which is equivalent to \$2.6 million for the Health Department.

Given that many of the Health Department's services/programs are mandated by federal and state law, the agency's budget reductions are more narrowly focused. Ms. Foroobar estimated the total budget amount allocated to non-mandated programs at \$20 million. She will find out the actual amount and report back to the HCAB.

Ann Zuvekas stated that there are two approaches to identifying reductions: (1) squeeze further efficiencies from the agency's mandated services and/or (2) cut non-mandated programs above the percentage of other departments.

Bill Finerfrock cautioned the HCAB from putting too much emphasis on mandated versus non-mandated programs. He felt it was premature, given that the HCAB did not have specific cuts to which to respond. Rather, he recommended that the HCAB focus on the cuts that had already been made as well as their overall impact.

Ms. Foroobar agreed and said that the Health Department had made changes in its service delivery models in order to improve overall efficiency. For example, by switching to risk-based models, the agency decreased the number of restaurant inspections and home visits in its Community Health and Safety Division and Division of Maternal and Child Health (MCH), respectively.

The agency has also managed 38 vacant positions for several years, and along with other human services agencies, is reviewing its fee schedules.

Members agreed to send a memorandum to the County Executive that underscored the nature of the Health Department's budget (mandated versus non-mandated programs). Non-mandated programs provide critical services to the community and would not be able to sustain deep cuts. Based on prior budget cycles, the agency's non-mandated service lines are strained. The CHCN continues to have large waiting lists for enrollment. Ms. Foroobar will provide an updated census to the HCAB. Coverage levels for School Health Aides (SHA) have also been compromised, and waiting lists are in effect for 1-2 Adult Day Health Care (ADHC) sites.

Mandated programs have been trimmed as much as possible.

HCAB members speculated that the Health Department would need to identify the elimination of one or more non-mandated services in order to meet \$2.6 million in reduced program expenditures.

Ms. Foroobar explained that an increase in the Health Department's fees would offset its total budgeted reductions.

In addition to the HCAB sending a memo to the County Executive, HCAB members were encouraged to send individual correspondence expressing their personal concerns.

Other Business

Ellyn Crawford has agreed to chair a workgroup to review the HCAB's criteria for making recommendations to the BOS. The workgroup will work through the winter and present a proposal to the HCAB by early spring. Members who are interested in participating in the workgroup should contact Sherryn Craig and/or Ms. Crawford.

The HCAB will celebrate its 40th Anniversary in 2013. Staff will work to identify a date in the spring to convene a breakfast reception prior to a BOS meeting.

There being no further business, the meeting adjourned at 10:28 pm.