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Colorado Department  
of Public Health  
and Environment

**COLORADO DEPARTMENT OF HEALTH CARE  
POLICY AND FINANCING  
AND  
COLORADO DEPARTMENT OF PUBLIC  
HEALTH AND ENVIRONMENT**

REPORT TO:

HOUSE PUBLIC HEALTH AND HUMAN SERVICES  
SENATE HEALTH AND HUMAN SERVICES COMMITTEE  
GOVERNOR

*ANNUAL REPORT OF EXPENDITURES  
FROM THE NURSING HOME PENALTY CASH FUND*

C.R.S. 25-1-107.5

November 26, 2014

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Governor John W. Hickenlooper  
136 State Capitol  
Denver, CO 80203-1792

Dear Governor Hickenlooper:

The Department of Health Care Policy and Financing and the Department of Public Health and Environment (the Departments) present this report with respect to their compliance with requirements for an annual report of the expenditure of moneys in the Nursing Home Penalty Cash Fund (NHPCF), as stipulated in Section 25-1-107.5, C.R.S.

*The Departments, shall jointly submit an annual report to the governor and the health and human services committees of the senate and house of representatives of the general assembly, or their successor committees, regarding the expenditure of moneys in the nursing home penalty cash fund for the purposes described in subparagraph (II) of paragraph (c) of subsection (4) of this section. The report shall detail the amount of moneys expended for such purposes, the recipients of the funds, the effectiveness of the use of the funds, and any other information deemed pertinent by the departments or requested by the governor or the committees.*

The Department of Health Care Policy and Financing and the Department of Public Health and Environment are pleased to submit this report on behalf of the Board. The departments are supportive of culture change initiatives and appreciates the Board's work on this important issue. The report describes the goals, costs, and results of Fiscal Year (FY) 2013-14 projects funded by FY 2012-13 grants from the NHPCF for projects to benefit nursing home residents by improving their quality of life, as authorized by the statute. Attachment A contains information on the FY 2014-15 projects funded by FY 2013-14 grants.

If you require further information or have additional questions, please contact Zach Lynkiewicz, Legislative Liaison, Department of Health Care Policy and Financing at 720-854-9882 or Randy Kuykendall, Director, Health Facilities and Emergency Medical Services Division, Department of Public Health and Environment, at 303-692-2945.

Sincerely,

Sincerely,

Susan E. Birch, MBA, BSN, RN  
Executive Director  
Department of Health Care Policy and  
Financing

Larry M. Wolk, M.D.  
Executive Director and Chief Medical  
Officer Department of Public Health and  
Environment

SEB/zjl

Cc: Senator Irene Aguilar, Chair, Health and Human Services Committee  
Senator Linda Newell, Vice-Chair, Health and Human Services Committee  
Senator Jeanne Nicholson, Health and Human Services Committee  
Senator John Kefalas, Health and Human Services Committee  
Senator Ellen Roberts, Health and Human Services Committee  
Senator Kevin Lundberg, Health and Human Services Committee  
Senator Larry Crowder, Health and Human Services Committee  
Representative Dianne Primavera, Chair, Public Health Care and Human Services Committee  
Representative Dave Young, Vice Chair, Public Health Care and Human Services Committee  
Representative Joann Ginal, Public Health Care and Human Services Committee  
Representative Beth McCann, Public Health Care and Human Services Committee  
Representative Sue Schafer, Public Health Care and Human Services Committee  
Representative Jonathan Singer, Public Health Care and Human Services Committee  
Representative Max Tyler, Public Health Care and Human Services Committee  
Representative Amy Stephens, Public Health Care and Human Services Committee  
Representative Kathleen Conti, Public Health Care and Human Services Committee  
Committee Representative Janak Joshi, Public Health Care and Human Services Committee  
Representative Lois Landgraf, Public Health Care and Human Services Committee  
Representative Justin Everett, Public Health Care and Human Services Committee  
Representative Jim Wilson, Public Health Care and Human Services Committee  
Katherine Blair Mulready, Health Policy Advisor, Governor's Office  
Legislative Council Library  
State Library  
John Bartholomew, Finance Office Director, HCPF  
Suzanne Brennan, Health Programs Office Director, HCPF  
Dr. Judy Zerzan, Client and Clinical Care Office Director, HCPF  
Chris Underwood, Health Information Office Director, HCPF  
Jed Ziegenhagen, Community Living Office Director, HCPF  
Tom Massey, Policy, Communications, and Administration Office Director, HCPF  
Rachel Reiter, External Relations Division Director, HCPF  
Zach Lynkiewicz, Legislative Liaison, HCPF

## **Nursing Home Penalty Cash Fund (NHPCF) Expenditure Report**

### **State Fiscal Year (SFY) 2013-14**

#### **Introduction**

House Bill 09-1196 established the Nursing Facility Culture Change Accountability Board (NFCCAB) and authorized funding to support facility-based culture change and improved quality of life. This legislation also required the NFCCAB to offer annual expenditure reports to the Governor and legislature on the projects funded during the most recent grant award cycle and on the projects to be funded in the coming grant period. This is the fourth annual NHPCF expenditure report. The three previous reports were created by members of the NFCCAB. This report was created by staff from the Departments of Health Care Policy and Financing and Public Health and Environment as SB 14-151 dissolved the NFCCAB board prior to report drafting.

House Bill 09-1196 authorized the use of a portion of the NHPCF to improve the quality of life for nursing homes residents. Funding requests considered for award include, but are not limited to those that support:

- consumer education on assessing culture change in nursing facilities and recognizing whether a nursing facility uses person-centered care;
- training for state surveyors, supervisors, and the state and local long term care ombudsman regarding culture change in nursing facilities;
- development of a newsletter and website detailing information on culture change in nursing facilities and related information; and
- education and consultation for the purposes of identifying and implementing Culture Change initiatives in nursing facilities.

Senate Bill 14-151 dissolved the NFCCAB Board and created the Nursing Home Innovations Grant Board (NHIGB). This Board will offer recommendations to the Departments for the expenditure of NHPCF funds. This legislation also created a maximum budget for grant Disbursements. If the balance in the NHPCF is greater than \$2 million dollars as of July 1, \$250,000.00 will be allocated to the NHIGB for grant awards and administration. If the NHPCF balance is less than \$2 million dollars as of July 1, the Department of Health Care Policy and

Financing will make available to the NHIGB 25% of the funds deposited in the NHPCF in the immediately preceding fiscal year. SB 14-151 also changed the time periods for grant expenditures. Prior to the current SFY, awarded grant funds had to be fully expended by June 30<sup>th</sup>. The new legislation allows for the expenditure of grant funds over a maximum of three years. SB 14-151 maintains the requirements that grant projects be portable, sustainable, and replicable in other nursing facilities.

In SFY 2013-14, \$88,770.00 was allocated for grant disbursements, but only \$58,800.00 was actually awarded to grant recipients.

### **Nursing Home Innovations Grant Board (NHIGB) Appointment and Development**

The Departments have recommended to the Governor's Office two re-appointments from the NFCCAB, two re-appointment designees from the NFCCAB, and six new member appointments. The first meeting of the NHIGB was in October 2014.

### **Nursing Facility Culture Change Accountability Board**

Prior to dissolution of the NFCCAB, members recommended disbursement of grant funds for SFY 2013-14 to three grantees. Over the course of the year, Board members met with Department staff about Board activities and grant project progress.

### **Grants and Moneys Expended**

The NFCCAB received and reviewed applications from various organizations in Colorado including consultants, charitable organizations, nursing home providers, management companies, higher education, government and others. In the fifth grant cycle, SFY 2013-14, the Board received thirteen grant applications and awarded funds to three organizations. During the sixth grant cycle year and prior to the passage of SB 14-151, the Board received sixteen grant applications and awarded funds to nine organizations. The applications were thoroughly reviewed and scored by the Board using uniform criteria. The recommended awards met the statutory standard and spirit, were innovative, and were replicable, measurable, sustainable, and impactful. Administrative costs were rarely funded and no capital requests were funded. Two of the proposals did not meet pre-defined criteria or did not address furthering Culture Change

concepts and practices in the long-term care community. The Board increased efforts to educate stakeholders on Culture Change concepts and grant criteria. The Departments approved the recommendations offered by the Board. Organizations receiving grants were provided with State vendor numbers and instructions for invoicing for expense reimbursements.

Grants funded in SFY 2013-14 were completed and quarterly reports received and reviewed by the Board and the Departments. Grantee reports submitted to the Board included grant deliverable updates and financial accounting of fund expenditures. Board members were assigned to liaison between the grantees and the Board. Members of the Board conducted on-site visits or in-person meetings with three grant recipient organizations. Project results were impressive, sustainable and replicable.

The grant recipients, amounts awarded and purposes of the grants for SFY 2013-14 are summarized on Attachment A of this document. Grants to be awarded for SFY 2014-15 Grant applications are reflected in Attachment B. The table below identifies the financial accounting for the funds available for grants completed in SFYs 2013-14, and 2014-15.

<b>Total Funds Allocated in SFY 2013-14</b>	\$88,770.00
Grant Funds Awarded	\$58,647.07
Board Expenses and Surety Bond Expense	\$628.00
Undisbursed funds	\$29,342.00
<b>Total Funds Allocated in SFY 2014-15</b>	\$250,000.00
Grants Funds Awarded	\$138,239.00
Board Expenses (est)	\$500.00
Undisbursed funds	\$111,261.00

### **Effectiveness of the Grants**

The Board continued to meet throughout SFY 2013-14 to review quarterly reports and new grant applications. The Board completed reviews by the end of the fiscal year.

Each grant applicant is required to provide basic organization information, a financial statement, project information including a budget, projected impact and an evaluation plan. The Board and

Departments review quarterly grant reports. The grantees are reimbursed by the Department of Health Care Policy and Financing as invoices are received.

**ATTACHMENT A**  
**ORGANIZATIONS RECEIVING SFY 2013-14 DISBURSEMENTS FROM THE**  
**NURSING HOME CASH PENALTY FUND**

From grant applications:

**1. Arapahoe Community College, \$21,647**

The intent of this grant to ACC is to provide scholarships for Certified Nurse Aides (CNAs) who wish to enroll and complete the Eldercare Specialist Certificate program at Arapahoe Community College. The overarching premise for this request is to educate CNAs regarding Culture Change in order to prepare them for their role as an Eldercare Specialist. Eldercare Specialists are able to work in a variety of settings in long term care, providing hands-on care to the elder. This program will provide the needed training to assist CNAs to understand Culture Change and the steps they can take to implement Culture Change in their facilities. The result is a focus on Person-Centered care and a better quality of life for residents, both of which are fundamental goals of evidence-based practice and Culture Change.

**2 Life Quality Institute, \$25,000**

The grant partially funded a pilot execution of the “Life Quality Initiative,” a broad-based and comprehensive effort to improve Person-Centered Care and quality in Colorado by the application of evidence-based palliative care principles and approaches. The Life Quality Initiative is a phased education and consultation program to integrate palliative care approaches and practices into settings “upstream” from hospice, with measurable improvements in quality of care, patient and family satisfaction, and staff competence and turnover, and – ultimately – the healthcare providers’ bottomline. The program comprises four sequential phases: (1) training, (2) implementation and coaching, (3) outcome measurement, and (4) annual renewal with refresher training. In phases (1) and (2), LQI provides comprehensive setting-specific palliative care training to select facility staff and coaches the facility through an implementation process whereby specific

palliative practices are integrated into usual care. Implementation focuses on a discrete set of actions and processes that directly apply learned skills to practice in key areas: advance care planning; mortality assessment and palliative interventions; pain and symptom management; responding to suffering; and preparing for and recognizing the end of life.

### **3 Colorado State Veterans Nursing Home (CSVNH) Walsenburg, \$12,000**

CSVNH Walsenburg is a state-run veterans' nursing home in Walsenburg, CO. The purpose of the grant funds was to fund Eden® Education Growth. The Eden Mission is to improve the well-being of Elders and those who care for them by transforming the communities in which they live and work. The vision of Eden is to eliminate loneliness, helplessness and boredom. Currently, approximately 30 staff have received Eden-certification. The goal is to eventually have all staff be Eden certified.

The goal for the funds of this Grant would allow two new training sessions to be attended by groups of ten employees at both trainings, bringing the facility to a total of 50 trained staff. As in past trainings, the facility invited residents to be a part of this training as it will benefit them to grow with the staff during their Culture Change transition. Family members were also invited to participate in this growth process.

**Total award amounts for SFY 2013-14: \$58,800.00**

## ATTACHMENT B

### ORGANIZATIONS RECEIVING SFY 2014-15 DISBURSEMENTS FROM THE NURSING HOME CASH PENALTY FUND

From grant applications:

**1. Summit Rehabilitation and Care Community, \$24,552**

Optimizing Medication Systems through a Collaborative Learning Environment

The proposed project will assist the efforts of six Colorado-based skilled nursing communities to streamline medication systems by weaving person-directed care concepts into clinical practices. Each organization will identify 1) a sample group within the larger community (e.g. a household, neighborhood, or other organizational subset) as its focus for grant project implementation; and 2) an interdisciplinary team for participation in a webinar-based learning collaborative focused on delivery and active, hands-on application of the first new Wellspring module developed by The Eden® Alternative, *Optimizing Medication Systems and Usage*.

Specifically, grant funds will support the participation of these six interdisciplinary teams in four interactive learning cycles.

**2. Walbridge Memorial Convalescent Wing, \$2,900**

Eden Associate Training

In order to fully implement the Culture Change, we need to engage involvement from all areas of our organization. Therefore, we are seeking funding to assist with the cost of Culture Change trainings, for the 3-day Certified Eden Associate Training and On-site one-day training. We will have four staff members attend the Certified Eden Associate Training in Denver, Colorado, in October 2014. We have chosen Eden because we believe their 10 Principles align with our core values and will integrate into our current processes. We believe that for the Culture Change to be effective it needs to be infused through all

layers of the organization. Therefore, the four team members who would attend the 3-day training would be 1) Director of Long-Term Care, 2) Assistant Director of Long-Term Care, 3) a Registered Nurse providing direct patient care, and 4) a Certified Nurse Assistant providing direct patient care. After the Certified Eden Associate Training, we plan to host a full-staff training on-site; utilizing one of the Trainers in our region. The grant funds would be used to pay for the workshop registration, travel expenses, and on-site training costs.

Depression and anxiety are significant challenges for our residents. Using interview processes we recognize that 9 out of 22 residents are experiencing some level of depression. We believe that implementing the Culture Change techniques will help us to better help our residents. In July of 2013, our Activities Director participated in the 3-day Certified Eden Associate Training. Through this experience, we have learned about many innovative ideas to begin the Culture Change journey for our long-term-care facility.

### **3. Edu-Catering, \$17,000**

#### Encouraging Colorado to Eliminate Alarms and Prevent Falls by Engaging with Life

The purpose of this project is to provide education and encouragement to all Colorado nursing homes to eliminate alarms and prevent falls by helping residents to engage with life, get to the bathroom when needed, anticipate needs and check in on residents more often when the alarm no longer acts as a crutch or gives the message that ignoring residents is okay. A total of 12 state-wide all-day trainings will be held free of charge on *Eliminating Alarms and Preventing Falls by Engaging with Life*. Two trainings, an initial and a subsequent, will be held in each of the Colorado Culture Change Coalition (CCCC) network areas: north, northeast, southern, western and Denver metro north and Denver metro south.

### **4. Highline Rehab and Care Community, \$16,594**

#### Undisturbed Sleep Study

The purpose of the Undisturbed Sleep Study is to attempt to provide natural sleep patterns, so that we can study how this can improve the quality of life in a resident living at a facility as it related to falls, depression and a person's cognitive status over time. With the funds the board will be providing, we will be assessing the residents' environment, contacting families regarding the program, purchasing equipment, doing training, monitoring and developing systems, producing a program, as well as reporting outcomes. We hope to work with Colorado University Hospital on this project on collecting data and publishing data. We will be utilizing the facility staff to help with developing, assessing and training staff with the outcomes. We are limiting the scope of our study to one neighborhood, Cherry Creek, which has a 45 resident pool. We will have a 13 resident control group and a 13 resident sample. (10 on each study with 3 alternates in case residents drop from the study).

**5. American Association of Nurse Assessment: \$24,350**

**12 Month Pilot Study**

The funds will be used to extend foundational work previously supported by Pioneer™ Network and Commonwealth Fund. The deliverable for the Pioneer Project included “Professional Nurses involvement in Nursing Home Culture Change: Overcoming Barriers, Advancing Opportunities (Burger et al., 2009)” and development and publication of nurse competencies to foster Person-Centered Care (Mueller, Burger, Rader, and Carter, 2013). Mueller and colleagues used the Delphi panel technique to draw on the expertise of expert gerontological nurses to develop these competencies. Identification of core clinical competencies to achieve a particular outcome is essential for any clinical practice as it begins to develop innovative, but evidence-based practices. Nurse competencies to foster Person-Centered Care define essential knowledge and skills required for an individual to demonstrate cognitively and behaviorally those nursing processes believed to promote specific clinical outcomes in a clinical setting.

**6. Dr. Cheryl Kruschke, \$18,135**

### Scholarships for Licensed Practical Nurses (LPNs)

Funds requested will provide scholarships to LPNs to participate in the Leadership in Culture Change Certificate Program. Individuals, who do not receive organizational support to participate in the certification program and express the desire to participate in the Leadership in Culture Change Certificate Program will be eligible for the scholarships. It is anticipated that most, if not all, applicants for this certificate program will require some type of monetary assistance to defray the cost of education.

The Leadership in Culture Change Certificate Program will be offered as a Pilot Program in four separate modules. Each module will include 40 hours of education for a total of 160 hours. Grant funds will provide scholarships to 15 students to participate in the certification program. Organizations sponsoring students to participate in this certification program will be requested to provide support in lieu of a scholarship, which will increase the opportunity for more individuals to participate in the program.

#### **7. Centura Health at Home, \$10,000**

##### Support for Care of Alzheimer/Dementia (AD) Patients

Namasté Alzheimer Center is respectfully requesting \$10,000 in program support for Namasté Alzheimer Center in Colorado Springs, Colorado. The residence is designed, staffed, and operated specifically for people with AD and our staff is trained to manage the unique needs of AD residents. Namasté is requesting support for four activities that accommodate the progressive stages of AD and that will improve quality of life for residents. CMP funding would assist in providing four key program elements: (1) life skills development, (2) decreasing depressive symptoms, (3) one-on-one activities and certification, (4) and music therapy to help to improve the quality of life for Alzheimer's residents.

#### **8. Southeast Colorado Hospital District, \$9,158**

##### Linking Generation through Technology

The purpose of the project is to promote the development of individualized activities and experiences that identify a resident's interests and needs. The residents, volunteers, students, family and friends will be involved in an ongoing program that maintains the highest level of physical, cognitive and psychosocial well-being.

We are requesting funding for an It's Never 2 Late system (iN2L). iN2L is an integrated system that includes a touch-screen computer, an extensive library of over 4,000 applications and content items, adaptive peripherals and equipment. iN2L has a unique combination of adaptive hardware and software to give aging and disabled individuals connection, choice, therapy, engagement, and enrichment activities.

Our purpose is twofold. First, it will be used as a rehabilitative tool with therapists from occupational therapy, speech therapy, physical therapy, and restorative therapy. During occupational therapy patients will develop the skills needed to increase independence in activities of daily living. The use of accessories such as the hand crank bicycle will help residents increase strength and endurance. iN2L will allow speech therapy goals to be customized with the use of technology. It is adaptable to resident's disabilities and cognitive challenges. Meaningful therapy tasks could be continued out of therapy with staff, families, volunteers or independently. Physical therapy will adapt a plan to increase motor skills, standing balance, neuromuscular re-education, range of motion and coordination.

The second purpose would be to increase social interactions between residents, staff, families and the world. Residents can play interactive games independently or with other residents, access the internet including Skype, Facebook, email, and their own select web pages. This will bring our residents into the 21<sup>st</sup> century. This interaction will increase contact, decrease isolation and depression. It will also improve memory, and increase problem solving abilities.

## **9. Christian Living Communities, \$15,550**

### Enhanced Sleep Study

The project will serve 25 residents in year one allowing us to test modalities and train staff so that we have a training module that may be readily disseminated to other nursing residences. The following modalities will be tested for those that are best suited to the skilled nursing environment and which approaches are effective in helping residents achieve deep sleep and improved quality of life. Residents in year one will participate at their will and will wear bracelets that monitor sleep patterns. Results will inform staff training so that residents will experience a person-centered lifestyle while they receive the care they need to provide the best possible care. The project features the following elements:

- An audit of current staff patterns assessing habits of waking during sleep hours, how often and what for, and if they are justified and necessary; or putting resident laundry away – how often, is it disruptive, is it necessary?
- Calming modalities that address rest issues and identification of most pressing rest issues, such as aromatherapy.
- Pre-sleep rituals such as self-limiting of screen time, reading, and reading to, and breathing exercises.
- Noise reduction or cancelling machines and/or studies to inform best way to provide quite and peaceful sleeping environment while administering necessary care.
- Different pillow options to enhance resident sleep.
- Testing incontinence management and skin care are critical to ensuring a comfortable and secure night sleep. It is difficult to rest deeply when worried about incontinence.
- Reducing light by darkening the room and determining other lighting options by staff when must enter into a resident's suite.
- Proper nutrition also induces quality, restful sleep.

**Total award amount for SFY 2014-15: \$138,239.00**