

OFFICE OF THE STATE AUDITOR

DIANA DIZOGLIO

Official Audit Report – Issued January 14, 2026

Veterans Home at Chelsea

For the period July 1, 2021 through June 30, 2023



OFFICE OF THE STATE AUDITOR

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January 14, 2026

Christine Baldini, Executive Director
Veterans Home at Chelsea
91 Crest Avenue
Chelsea, MA 02150

Dear Executive Director Baldini:

I am pleased to provide to you the results of the enclosed performance audit of the Veterans Home at Chelsea. As is typically the case, this report details the audit objectives, scope, methodology, findings, and recommendations for the audit period, July 1, 2021 through June 30, 2023. As you know, my audit team discussed the contents of this report with agency managers. This report reflects those comments.

I appreciate you and all your efforts at the Veterans Home at Chelsea. The cooperation and assistance provided to my staff during the audit went a long way toward a smooth process. Thank you for encouraging and making available your team. I am available to discuss this audit if you or your team has any questions.

Best regards,



Diana DiZoglio
Auditor of the Commonwealth

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LIST OF ABBREVIATIONS

ADON	acting director of nursing
CFR	Code of Federal Regulations
CLC	Community Living Center
CMR	Code of Massachusetts Regulations
EOHHS	Executive Office of Health and Human Services
EOP	emergency operations plan
MMARS	Massachusetts Management Accounting and Reporting System
VHC	Veterans Home at Chelsea

EXECUTIVE SUMMARY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor has performed an audit of the Veterans Home at Chelsea (VHC) for the period July 1, 2021 through June 30, 2023.

In this performance audit, we examined whether VHC implemented recommendations from our prior audit report (Audit No. 2020-0065-3S), issued on March 30, 2021. Specifically, we determined the following:

- whether VHC has policies and procedures in place to ensure that the home had sufficient staffing to meet its veterans' needs in accordance with Section 51.130 of Title 38 of the Code of Federal Regulations (CFR);
- whether VHC ensured that the need for nursing overtime was documented and approved in accordance with VHC's Overtime Policy 180-11-2022-A; and
- whether VHC had an emergency operations plan (EOP) in place and whether that plan had been updated to address the risk involved in providing adequate patient care during an emergency in accordance with Section 150.015(E) of Title 105 of the Code of Massachusetts Regulations (CMR).

Below is a summary of our findings, the effects of those findings, and our recommendations, with links to each page listed.

Finding 1 <u>Page 15</u>	VHC did not always meet the total nursing care needs for its veterans as determined by veterans' assessments.
Effect	Failure to meet the needs of veterans, as determined by VHC's own assessment of those needs, can lead to a variety of negative consequences for veterans, including an increased risk of mortality, physical decline, and infections, as well as emotional distress. It can also place excessive burdens on nursing staff members who are required to perform duties in excess of what was planned for during various shifts.
Recommendation <u>Page 16</u>	VHC should develop formal policies and procedures to ensure that all veterans' nursing care needs are met based on their individualized plans of care and assessments.
Finding 2 <u>Page 16</u>	VHC did not always update its veterans' assessments in accordance with 38 CFR 51.110(b)(2)–(3).
Effect	If VHC does not complete and review each veteran's assessment, then VHC cannot ensure that it meets the nursing needs of each veteran in its care.
Recommendation <u>Page 17</u>	VHC should ensure that all assessments are completed within 14 days of admission and should review each veteran's assessment at least once every three months.
Finding 3 <u>Page 18</u>	VHC did not properly maintain Nursing Department staffing records and incident logs, which may have impacted the quality of care it provided to veterans.

Effect	Without maintaining proper records, VHC cannot ensure that it is properly staffed and providing necessary care to veterans. Further, failure to maintain proper records can create liability for the Commonwealth, should VHC need to demonstrate the sufficiency or quality of the care it provided to a veteran.
Recommendation Page 19	VHC should ensure that it properly stores, and has available for review, all documentation related to staffing and incidents.
Finding 4 Page 19	VHC did not implement the monitoring controls recommended from our previous audit to ensure that it documents the need or approval for Nursing Department overtime, including incremental overtime, as required by its Overtime Policy 180-11-2022A.
Effect	If VHC does not monitor and properly document overtime occurrences, then there is a higher-than-acceptable risk of VHC incurring unnecessary overtime expenses. Based on our testing, we do not believe the overtime was unwarranted but, rather, that a large number of overtime occurrences indicate staffing shortages at VHC.
Recommendation Page 21	VHC should enhance its policies and procedures by establishing effective monitoring controls that are properly designed and implemented to ensure that it properly documents the need and prior approval for overtime, including incremental overtime worked.
Finding 5a Page 22	VHC violated state regulation (105 CMR 150.015(E)(4)) by not conducting simulated emergency drills for all shifts.
Effect	Without performing simulated emergency drills to test the effectiveness of its EOP, VHC cannot ensure that it has an effective response to disasters and emergencies, thereby jeopardizing the safety of veterans and hospital staff members.
Recommendation Page 22	VHC should ensure that it conducts simulated emergency drills for all shifts at least twice a year.
Finding 5b Page 23	VHC violated state regulation (105 CMR 150.015(E)(1)) by not posting its EOP throughout the facility.
Effect	Without its EOP posted in conspicuous locations, VHC is unable to ensure an effective response to disasters and emergencies that affect the environment of care and could impede the safety of veterans and hospital staff members.
Recommendation Page 24	VHC should ensure that its EOP is available at all nurses' and attendants' stations and is posted in conspicuous locations throughout the facility. VHC should also make its EOP accessible in digital form from all computer terminals.
Finding 5c Page 25	VHC violated state regulation (105 CMR 150.015(E)(2)) by its EOP not containing the locations of alarm signals, fire extinguishers, and evacuation routes.
Effect	If VHC's EOP does not contain the location of alarm signals, fire extinguishers, and evacuation routes, then this could affect the timely and safe evacuation of veterans, staff members, and visitors in the event of a disaster.
Recommendation Page 25	VHC should add the locations of alarm signals, fire extinguishers, and evacuation routes to its EOP.
Finding 5d Page 26	VHC did not train employees to perform assigned duties, specifically concerning emergency preparedness.

Effect	Without training employees on tasks they must complete during an emergency, VHC cannot ensure that all employees are properly prepared to respond to disasters and emergencies, which may jeopardize the safety of veterans and employees at VHC in the event of an emergency.
Recommendation Page 26	VHC should include emergency disaster training as part of its annual training requirement to ensure that all VHC employees are properly trained to perform their duties during an emergency.

OVERVIEW OF AUDITED ENTITY

The Veterans Home at Chelsea (VHC) was established in 1882 and is a nursing facility that provides healthcare services for eligible veterans in the Commonwealth.

VHC's name changed in March 2023 from "Soldiers' Home" to "Veterans Home" to be more inclusive of all branches of the military. Authorized by Chapter 115A of the Massachusetts General Laws, VHC historically operated within the Department of Veterans Services, which was organized under the Executive Office of Health and Human Services (EOHHS). As of March 2023, VHC is now under the Executive Office of Veterans Services. According to its website, VHC's mission is "to provide the highest quality personal health care services to Massachusetts veterans with dignity, honor, and respect."

VHC operates a facility that consists of the new Community Living Center (CLC) and nine domiciliary buildings that are proposed for rehabilitation. The Quigley building was in use during most of the audit period and had previously been set to be demolished after the completion of the new CLC. The Quigley building is now under the control of EOHHS as an emergency shelter. The estimated total cost of the project at VHC is \$201.2 million, and the estimated completion date is fall 2027. The new CLC building has 154 long-term care beds, and veterans began moving in on October 18, 2023.

VHC's day-to-day operations are overseen by an executive director (previously referred to as the superintendent) who is appointed by and reports to the Secretary of Veterans Services. VHC's executive director is responsible for managing the facilities and maintaining a high quality of care at VHC. VHC is licensed as a skilled nursing facility by the Department of Public Health and is fully accredited by the Joint Commission, which has a mission to continuously improve healthcare for the public.

VHC received the following budget appropriations for fiscal years 2022 and 2023, respectively, \$36,100,637 and \$49,295,995.

Previous Superintendent

The previous superintendent (executive director) of VHC, who served during the audit period, started in December 2020. After allegations of sexual harassment and bullying, he was placed on paid leave in June 2022 but later returned to the job in October 2022. According to a letter from the Massachusetts Inspector General, dated January 3, 2023, many serious problems existed at VHC, including that the superintendent

“[lacked] the capacity and integrity to manage the Home.” The previous superintendent was fired in January 2023 by the Governor, and an acting superintendent was placed in charge of the home.

Issues with Previous Acting Director of Nursing

There were multiple investigations into the excessive amounts of overtime being paid to VHC’s acting director of nursing (ADON). These investigations revealed that the ADON was paid approximately \$87,000 in overtime, making them one of the most highly compensated managers on the state payroll, according to *The Boston Globe*.¹ Investigations have found that there were no overtime forms used for the ADON, and overtime approval was given verbally by the previous superintendent, who was also investigated for a number of issues related to not following VHC policies. An investigation by EOHHS found that the ADON often billed for hours that had not been worked at the home, had abused the telework policy, and had worked from locations that violated policies (for example, conducting meetings from the airport, other states, and places other than home). In addition, the EOHHS investigation revealed that the ADON received almost \$15,000 in COVID-19 pandemic weekend bonuses that were inappropriately paid as telework when they were intended to be paid for direct care in VHC. However, according to its investigation, EOHHS could not substantiate that the ADON knowingly received these bonuses inappropriately.

Scheduling Nursing Staff Members

VHC does not have formal written policies and procedures for scheduling nursing staff members. However, through interviews with VHC staff members, we learned that schedules are created based on how many veterans reside in each unit and their individual needs. VHC schedules each unit with two certified nursing assistants² and one registered nurse³ for each shift, which when calculated based on the number of veterans per unit put the hours per patient day at 5.3, exceeding the federal minimum of 2.5. VHC adds nursing staff members to a unit if a veteran requires 1:1 care, which is prescribed by the medical director through an assessment. This prescription for 1:1 care can be found in the veteran’s medical file. In addition, VHC has assignment sheets for each month broken down by shift and unit. The charge nurse is responsible for assigning duties to each scheduled nurse. These assignments are created based on the daily nurse care plan. The assignment sheets include specific responsibilities for each nurse, for example,

1. *The Boston Globe* article is titled “[Top Executive at Chelsea Soldiers’ Home made \\$217,000 last year, collecting significant overtime](#)” and was published on January 11, 2023.
2. A certified nursing assistant is a healthcare professional who provides direct patient care under the supervision of a registered nurse or licensed practical nurse.
3. A registered nurse is a healthcare professional who has successfully passed a nursing program and met the requirements to obtain a nursing license or registration in the state.

which veterans need 1:1 care, medications needed, if a veteran needs side rails, the type of assistance they need, and who is a fall risk.

Schedules are developed on paper two weeks in advance by a scheduler and are managed by supervisors and the director of nursing. In an effort to minimize cross-contamination of illnesses such as COVID-19, staff members do not work between floors or units. Nurses' hours per patient day are verified against the schedule to ensure that there is sufficient staffing for each unit. The supervisors for day, evening, and night shifts are responsible for ensuring that scheduled staff members report to their shifts or the supervisors need to find replacements. Furthermore, supervisors manage situations in which staff members call out of a shift or do not call and do not arrive for a shift. When managing these situations, a supervisor calls the next shift employees to see if they can come in early, calls unscheduled staff members to see if they can come in, or asks employees from the previous shift if they can stay. Staff members cannot leave until a replacement has been confirmed. Supervisors note any changes to the original schedule on the Daily Staffing Sheet.⁴ The only people who have access to change the schedule are the supervisors, and the schedule is kept in the director of nursing's office.

Nursing Staff Member Overtime

In our previous audit of VHC (Audit No. 2020-0065-3S), issued before the overtime scandal described above, our office made the following recommendations:

- *[VHC] should enhance its policies and procedures by establishing monitoring controls to ensure that it properly documents the need and prior approval for overtime worked and that its supervisors properly complete the Daily Staffing Schedules and Weekly Overtime Summary Forms.*
- *[VHC] should create policies and procedures to require overtime documentation to be retained for at least six years in accordance with the Massachusetts Statewide Records Retention Schedule.*
- *[VHC] should enhance its overtime policies, procedures, and processes to apply the same rules to incremental overtime that apply to other overtime.*

To address our recommendations, VHC updated its overtime policy as of December 2022 to include an Overtime Committee. According to VHC's policy, the Overtime Committee meets biweekly to review overtime reports and discuss the use of overtime for each department, incremental overtime, excessive

4. Nurse supervisors complete the Daily Staffing Sheet. It is a daily roster used to allocate and track staff members. It also ensures that the Nursing Department maintains at least the minimum staffing level for every shift.

overtime, approval forms, and staffing vacancies. The committee includes department managers, the budget director, the chief financial officer, and the deputy executive director.

The budget director acts as the chair of the Overtime Committee and is required to meet with the executive director and the director of nursing at least quarterly to review all approved and denied overtime.

In addition to running the Overtime Committee, according to Section 5(G) of VHC's Overtime Policy 180-11-2022-A,

The Budget Director shall:

- a. Submit overtime reports tracking total spending and bi-weekly utilization by employee to the Superintendent; and*
- b. Review the overtime utilization report with the Department Heads and Supervisors.*

In addition, VHC added to its policy that the budget director should retain the overtime request forms for a minimum of six years. Finally, incremental overtime was specifically added to VHC's Overtime Policy and required an overtime request form.

Requesting Overtime

Each department head or supervisor is responsible for making sure that each floor is sufficiently staffed. Overtime is dispersed based on a rotation of seniority that has been agreed upon by the nurse's union. The nursing staff members have a set daily schedule, and it is updated as changes occur. If a department head or supervisor determines that overtime is needed, VHC has an overtime request form that staff members need to fill out and get approved by the department head or supervisor before they work the overtime. In addition, department heads and supervisors are responsible for addressing overtime worked by staff members without being approved by supervisors. If there are repeated occurrences, a supervisor can issue an informal warning or provide coaching to the staff member.

Below are the different types of overtime that we looked at during our audit.

Premium and Straight Overtime

Premium overtime is work that exceeds eight hours per day or 40 hours per week; it is paid at more than the standard hourly rate. In contrast, straight overtime is work that exceeds a worker's scheduled hours but does not exceed eight hours per day or 40 hours per week; it is paid at the standard hourly rate.

Callback Premium and Callback Straight Overtime

Callback overtime is time earned by an employee who has been called after a shift to answer questions remotely or who has been requested to come back into work physically. At VHC, remote questions result in a minimum of two hours of overtime,⁵ while coming in physically results in a minimum of four hours of overtime. The overtime earned would either be straight or premium time, depending on the hours worked by the employee. If the employee is designated as part time (under 40 hours) then the overtime is straight (i.e., paid at their normal hourly rate). If the employee is designated as full-time (40 hours), then the overtime is premium (i.e., paid at a higher rate than their normal hourly rate).

Incremental Overtime

VHC nursing staff members can accumulate incremental overtime by clocking in early before shifts, clocking out late after scheduled shifts, and/or not clocking out for unpaid meal periods. In our previous audit of VHC, we recommended that VHC “enhance its overtime policies, procedures, and processes to apply the same rules to incremental overtime that apply to other overtime.” VHC has updated its policy on overtime to treat incremental overtime the same as other overtime, requiring the home to document the need and approval.

Below is a summary of overtime paid to nursing staff members during the audit period.

Position	Sum of Overtime Paid	Sum of Overtime Hours Worked	Number of Employees
Licensed Practical Nurse II	\$ 696,580	14,552	34
Nursing Assistant I	536,869	16,834	114
Registered Nurse III	263,966	3,202	12
Registered Nurse II	260,281	3,341	20
Registered Nurse IV	183,178	2,315	4
Nurse Practitioner	145,999	1,708	2
Licensed Practical Nurse I	140,456	2,950	10
Registered Nurse V	117,543	1,290	4
Nursing Assistant II	20,727	618	1
Registered Nurse I	3,979	60	3
Grand Total	\$2,369,578	46,870	204

5. At VHC, two-hour minimums for remote callbacks are generally for supervisors.

Emergency Operations Plan

VHC has an emergency operations plan (EOP) that outlines actions to take in case of a manmade or natural disaster or other emergencies that present imminent danger of death or serious physical harm of a veteran. This plan also helps address the medical and physical needs of its staff members and veterans during an emergency. VHC's EOP establishes the procedures, responses, and infrastructure required to maintain safety for all of VHC's staff members and veterans. The EOP addresses four phases of its management processes, specifically, mitigation, preparedness, response, and recovery. The EOP was developed by the VHC leadership team and the safety committee, which includes medical staff members and local public safety and emergency management teams (e.g., the local fire department). Each staff member is trained on their specific role and responsibilities during an emergency, which helps VHC staff members provide a safe and dignified response to emergencies.

AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor has conducted a performance audit of certain activities of the Veterans Home at Chelsea (VHC) for the period July 1, 2021 through June 30, 2023.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Below is a list of our audit objectives, indicating each question we intended our audit to answer; the conclusion we reached regarding each objective; and, if applicable, where each objective is discussed in the audit findings.

Objective	Conclusion
1. Did VHC have policies and procedures in place to ensure that it had sufficient staffing to meet its veterans' needs in accordance with Sections 51.110(b) and 51.130 of Title 38 of the Code of Federal Regulations (CFR)?	No; see Findings 1, 2, and 3
2. Did VHC ensure that the need for nursing overtime was documented and approved in accordance with VHC's Overtime Policy 180-11-2022-A?	No; see Finding 4
3. Did VHC have an emergency operations plan (EOP) in place, and was it updated to address the risk involved in providing adequate patient care during an emergency in accordance with Section 150.015(E) of Title 105 of the Code of Massachusetts Regulations (CMR)?	No; see Findings 5a, 5b, 5c, and 5d

To accomplish our audit objectives, we gained an understanding of the VHC internal control environment relevant to our objectives by reviewing VHC's policies and procedures, as well as by conducting inquiries with its staff members and management. We evaluated the design of controls over VHC's management review and approval of overtime and the Overtime Committee and retention of the overtime request forms as part of our substantiate testing. In addition, to obtain sufficient, appropriate evidence to address our audit objectives, we performed the procedures described below.

Review of Staffing

To determine whether VHC had policies and procedures in place to ensure that it had sufficient staffing in accordance with 38 CFR 51.110(b) and 51.130, we met with VHC's scheduler and director of nursing to gain an understanding of the process. Next, we obtained a list of veterans who were at VHC during the audit period. We selected a nonstatistical,⁶ judgmental sample of 35 veterans from a population of 153. To complete our testing, we reviewed the hardcopy medical records for each veteran in our sample and determined whether each veteran had an individualized comprehensive plan of care⁷ and had a completed assessment on file. Next, we reviewed the plans of care and assessments to determine whether, during the audit period, any of the veterans in our sample had a prescription for 1:1 care or whether the assessment indicated that the veteran was a fall risk. We then judgmentally selected a date for each veteran in our sample for when the assessment indicated they were prescribed 1:1 care or deemed a fall risk and requested the corresponding assignment sheets to determine whether the assessment of each veteran in our sample aligned with the duties assigned to nursing staff members. For example, any veteran who had a 1:1 care prescription in their medical file, we determined whether an extra staff member was scheduled for that veteran on the assignment sheet. If the veteran was deemed a fall risk, we sought to determine whether the assignment sheet reflected this status, so that staff members were made aware of the need to manage this risk.

Based on the results of our testing, VHC was missing the following requested documentation: assignment sheets, veteran assessments, daily staffing schedules, and incident logs. See Findings [1](#), [2](#), and [3](#) for more information.

Review of Overtime

To determine whether VHC documented the need and approval of overtime for nursing staff members in accordance with VHC's Overtime Policy 180-11-2022-A, we obtained labor history data from the Massachusetts Management Accounting and Reporting System (MMARS). We filtered this data to only include nursing staff members who were paid overtime during the audit period. Nursing staff members included licensed practical nurses, nurse practitioners, certified nursing assistants, and registered nurses. We also filtered the population to only include overtime premium, overtime straight, callback premium,

6. Auditors use nonstatistical sampling to select items for audit testing when a population is very small, the population items are not similar enough, or there are specific items in the population that the auditors want to review.
7. An individualized plan of care is a document that outlines an individual's specific health conditions, goals, necessary services, and the treatments needed to meet their goals.

and callback straight pay. This resulted in a population of 5,669 premium and straight overtime and callback occurrences⁸ from which we selected our sample for testing.

We selected a statistical,⁹ random sample of 128 overtime transactions out of the population of 5,669, using a confidence level of 90%,¹⁰ a 15% desired precision range,¹¹ and 50% expected error rate.¹² We reviewed the hardcopy overtime request forms to determine whether the form was submitted for approval, the time requested matched the time paid, and the overtime was approved by a supervisor with their signature, as well as the reason for the overtime.

In addition, we requested evidence of the biweekly Overtime Committee meetings, overtime reports run during the audit period, and any evidence of department heads or supervisors addressing overtime that was not approved. Furthermore, we interviewed staff members to ensure that Overtime Request Forms were properly maintained in accordance with the *Massachusetts Statewide Records Retention Schedule*.

Based on the results of our testing, VHC did not follow its Overtime Policy 180-11-2022-A in documenting the need for and approval of overtime and conducting biweekly Overtime Committee meetings, evidencing the implementation of monitoring controls. See [Finding 4](#) for more information.

Review of EOP

In order to determine whether VHC had an EOP in place and whether it was updated to address the risk involved in providing adequate patient care during an emergency in accordance with 105 CMR 150.015(E), we obtained and reviewed a copy of VHC's February 2020 internal control plan, which includes the EOP.

- 8. We included incremental overtime within our population of premium, straight, and callback overtime.
- 9. Auditors use statistical sampling to select items for audit testing when a population is large and contains similar items. Auditors generally use a statistical software program to choose a random sample when sampling is used. The results of testing using statistical sampling, unlike those from judgmental sampling, can usually be used to make conclusions or projections about entire populations.
- 10. Confidence level is a mathematically based measure of the auditor's assurance that the sample results (statistic) are representative of the population (parameter), expressed as a percentage.
- 11. Desired precision range is the range of likely values within which the true population value should lie; also called confidence interval. For example, if the interval is 90%, the auditor will set an upper confidence limit and a lower confidence where 90% of transactions fall within those limits.
- 12. Expected error rate is the number of errors that are expected in the population, expressed as a percentage. It is based on the auditor's knowledge of factors such as prior year results, the understanding of controls gained in planning, or a probe sample.

We then performed the following procedures:

- We conducted a tour of VHC to determine whether there was a written plan in place and whether there were copies of the plan posted throughout the facility.
- We reviewed the hardcopy EOP contained in the incident command center to determine whether the plan detailed which people should be notified and when; the location of alarm signals, fire extinguishers, and evacuation routes; procedures for evacuation of veterans; and assignment of responsibilities to the personnel of each shift.
- We reviewed After Action Reports to determine whether staff members conducted a minimum of two drills per year per shift.
- We reviewed After Action Reports to determine whether a reliable means of communication was always available for sending and receiving information from the Department of Public Health.

Based on the results of our testing, VHC's EOP did not meet the requirements of 105 CMR 150.015(E). See Findings [5a](#), [5b](#), [5c](#), and [5d](#) for more information.

We used a combination of statistical and nonstatistical sampling methods for testing. Where we used nonstatistical sampling methods, we did not project the results of our testing to the corresponding population.

Data Reliability Assessment

In 2022, the Office of the State Auditor performed data reliability assessments of the Massachusetts Management Accounting and Reporting System (MMARS) focused on testing selected system controls (access, security awareness, audit and accountability, configuration management, identification and authentication as well as personnel security). In addition, as part of our current audit, we tested certain general information system controls, including security management (i.e., obtained and reviewed security awareness and training policies and procedures, personnel screenings/Criminal Offender Record Information background checks, and security training certificates of completion) and access controls (i.e., supervision and review of user access to MMARS) to determine the reliability of the data therein. We also conducted tests to identify any duplicates, a criteria check to ensure that the data was within the audit period, and a criteria check for any blanks in pertinent information. Further, we selected a random sample of 20 overtime occurrences from the MMARS Labor History and vouched¹³ these occurrences to physical documentation (overtime request forms). We also selected a sample of 20 overtime request forms from

13. Vouching is the inspection of supporting documentation to corroborate data.

VHC's files and traced these files to the MMARS Labor History. See [Finding 4](#) for more information regarding the results of our overtime request test.

To determine the reliability of the data from the list of all residents at VHC during the audit period, we vouched a sample of 20 residents from the list to their resident files and selected 20 resident files that we traced back to the list. In addition, we conducted tests to identify any duplicates to determine the integrity of the information on the list.

Based on the results of the data reliability assessment procedures described above, we determined that all data we obtained during the course of our audit was sufficiently reliable for the purposes of our audit.

DETAILED AUDIT FINDINGS WITH AUDITEE'S RESPONSE

1. The Veterans Home at Chelsea did not always meet the total nursing care needs for its veterans as determined by veterans' assessments.

The Veterans Home at Chelsea (VHC) did not always meet its veterans' nursing care needs. Specifically, of the 35 veterans in our sample, 15 veterans required 1:1 care based on their assessment; and 4 of these 15 veterans were not assigned an extra staff member for 1:1 care.

In addition, nine veterans in our sample were labeled as fall risks in their assessments; however, we found that five of these nine veterans whose assessments deemed them as fall risks were not labeled as such on the daily assignment sheet. This may have resulted in staff members being unaware of the fall risk related to these veterans, increasing the risk of injury and the likelihood of providing substandard care to veterans.

Lastly, VHC was missing at least one assignment sheet for 24 veterans out of the 35 in our sample.

Failure to meet the needs of veterans, as determined by VHC's own assessment of those needs, can lead to a variety of negative consequences for veterans, including an increased risk of mortality, physical decline, and infections, as well as emotional distress. It can also place excessive burdens on nursing staff members who are required to perform duties in excess of what was planned for during various shifts.

Authoritative Guidance

According to Section 51.130 of Title 38 of the Code of Federal Regulations (CFR),

The facility management must provide an organized nursing service with a sufficient number of qualified nursing personnel to meet the total nursing care needs, as determined by resident assessment and individualized comprehensive plans of care, of all patients within the facility 24 hours a day, 7 days a week.

Reasons for Issue

VHC does not have formal policies and procedures in place to ensure all veterans receive their required nursing care needs.

Recommendation

VHC should develop formal policies and procedures to ensure that all veterans' nursing care needs are met based on their individualized plans of care and assessments.

Auditee's Response

Since the establishment of [the Executive Office of Veterans Services (EOVS)] in March 2023, [Massachusetts Veteran Home (MVH)] Chelsea has undergone significant leadership, structural, and quality improvements. For the first time, the Home is led by experienced, licensed administrators, supported by a strengthened management team focused on professionalism, accountability, and compliance.

Under this leadership, MVH Chelsea achieved licensure by the Massachusetts Department of Public Health (DPH), certification by the Centers for Medicare & Medicaid Services (CMS), and continued recognition by the U.S. Department of Veterans Affairs (VA). These achievements confirm that the Home now meets regulatory and quality standards.

To support this transformation, EOVS engaged Health Management Associates (HMA), a nationally respected consulting firm, to assist both Veterans Homes in reviewing, standardizing, and modernizing clinical and nursing policies. The Homes now operate under a unified framework of approximately 165 policies, including 50 nursing-specific policies and digital protocols aligned with VA, CMS, and DPH requirements and best practices.

In addition, EOVS provides agency support, partnership and collaboration with both Veterans Homes through joint policy review, QAPI monitoring incident/accident reporting, grievance process management, Pinnacle report for customer satisfaction, and plan of correction support, as well as systemwide coordination efforts to ensure the consistent delivery of high-quality, veteran-centered care.

Auditor's Reply

Based on its response, VHC is taking measures to address our concerns regarding this matter, and our office will follow up in approximately six months as part of our post-audit review process.

2. The Veterans Home at Chelsea did not always update its veterans' assessments in accordance with Section 51.110(b)(2)–(3) of Title 38 of the Code of Federal Regulations.

VHC did not always update its veterans' assessments as required. Specifically, 5 (14%) of the 35 veterans in our sample did not have assessments completed within 14 days of their admission. In addition, for 19 (54%) of the 35 veterans in our sample, VHC did not properly review the veterans' assessments every three months during the audit period.

If VHC does not complete and review each veteran's assessment, then VHC cannot ensure that it meets the nursing needs of each veteran in its care.

Authoritative Guidance

According to 38 CFR 51.110(b),

Comprehensive assessments. . . .

(2) Frequency. Assessments must be conducted–

- (i) No later than 14 days after the date of admission;*
- (ii) Promptly after a significant change in the resident's physical, mental, or social condition; and*
- (iii) In no case less often than once every 12 months.*

(3) Review of assessments. The nursing facility management must examine each resident no less than once every 3 months, and as appropriate, revise the resident's assessment to assure the continued accuracy of the assessment.

Reasons for Issue

According to VHC officials, the missing assessments could have been left in the old Quigley building during the move into the new Community Living Center (CLC), or, when the medical records were scanned into the new electronic medical record (EMR) system, some items were missing or skipped during the process.

Recommendation

VHC should ensure that all assessments are completed within 14 days of admission and should review each veteran's assessment at least once every three months.

Auditee's Response

An electronic medical record (EMR) system was implemented at MVH Chelsea in November 2024. In November 2025, an internal audit of the nursing assessments within the Minimum Data Set (MDS) section of the EMR confirmed that the required 14-day admission assessments were completed on time. Resident assessments are conducted at least every three months, or more frequently if a significant change requires reassessment.

These new digital processes ensure timely and complete clinical documentation, improving both continuity of care and regulatory compliance.

Auditor's Reply

Based on its response, VHC is taking measures to address our concerns regarding this matter, and our office will follow up in approximately six months, as part of our post-audit review process.

3. The Veterans Home at Chelsea did not properly maintain Nursing Department staffing records and incident logs, which may have impacted the quality of care it provided to veterans.

VHC could not provide multiple types of documentation related to staffing and veteran safety. Specifically, VHC could not provide any daily staffing schedules for the audit period, and it could only provide six months of incident logs for the audit period.

Without maintaining proper records, VHC cannot ensure that it is properly staffed and providing necessary care to veterans. Further, failure to maintain proper records can create liability for the Commonwealth, should VHC need to demonstrate the sufficiency or quality of the care it provided to a veteran.

Authoritative Guidance

Section D04-03 of the Massachusetts Statewide Records Retention Schedule, issued by the Secretary of the Commonwealth, describes the time and attendance records as follows:

Documents actual hours worked by unit employees and types and amounts of leave taken. Includes time sheets, time cards, attendance forms, absence reports, leave reports, and related correspondence.

D04-03(a): Fiscal/Payroll Office records.

Retain 6 years.

According to Section 150.013 of Title 105 of the Code of Massachusetts Regulations (CMR),

(B) All records shall be complete, accurate, current, available on the premises of the facility. In addition to the clinical record for each resident, the following records shall be maintained: . . .

(3) Incident, fire, epidemic, emergency and other report forms . . .

(9) Identification and summary sheets on all residents . . .

(D) All clinical records of residents including those receiving outpatient rehabilitation services shall be completed within two weeks of discharge and filed and retained for at least five years. Provisions shall be made for safe keeping for at least five years of all clinical records.

Reasons for Issue

According to VHC officials, the missing documentation could have been left in the old Quigley building during the move into the new CLC, or, when the medical records were scanned into the new EMR system, some items were missing or skipped during the process.

Recommendation

VHC should ensure that it properly stores, and has available for review, all documentation related to staffing and incidents.

Auditee's Response

A new Executive Director joined MVH Chelsea on January 28, 2024. In February 2024, the Home implemented ScheduleAnywhere, a cloud-based scheduling and documentation platform that replaced all paper systems. This tool provides real-time visibility into staffing levels, assignments, and coverage, ensuring compliance with state and federal staffing standards.

Incident Reports are now maintained by the [Quality Assurance and Performance Improvement] Manager with oversight by the Director of Nursing and Executive Director and are routinely reviewed by EOVS leadership as part of statewide performance monitoring. All records are maintained in accordance with Massachusetts record-retention requirements.

Auditor's Reply

Based on its response, VHC is taking measures to address our concerns regarding this matter, and our office will follow up in approximately six months, as part of our post-audit review process.

4. The Veterans Home at Chelsea did not implement the monitoring controls recommended from our previous audit to ensure that it documents the need or approval for Nursing Department overtime, including incremental overtime, as required by its Overtime Policy 180-11-2022A.

VHC could not provide evidence that it implemented monitoring controls to ensure that it documents the need for or the approval of overtime, including incremental overtime, for its Nursing Department. Specifically, VHC did not provide evidence that the Overtime Committee met regularly to review all approved and unapproved overtime.

Furthermore, we found that 106 (83%) of our sample of 128 overtime occurrences, including incremental overtime, were not approved or documented. Unapproved or undocumented overtime totaled \$25,117 out of \$60,546 in overtime pay in our sample. Of the 106 overtime occurrences with issues, 74 did not

have an overtime request form, and the remaining 32 overtime request forms either did not have a reason documented for the overtime or the hours paid exceeded the hours approved.

In addition, for our data reliability testing, 9 of the 20 randomly sampled overtime instances did not have overtime request forms associated with them.

We extrapolated the test results from our sample to the entire population, and we are 90% confident that VHC paid at least \$722,402 for unapproved overtime.

If VHC does not monitor and properly document overtime occurrences, then there is a higher-than-acceptable risk of VHC incurring unnecessary overtime expenses. Based on our testing, we do not believe the overtime was unwarranted but, rather, that a large number of overtime occurrences indicate staffing shortages at VHC.

Authoritative Guidance

According to Section 5 of VHC's Overtime Policy 180-11-2022A,

- B. Department Heads and Supervisors: . . .*
 - b. Are responsible for:*
 - i. The prior approval of requested overtime, including for Incremental Overtime . . .*
- C. Employees shall submit request for overtime in writing to the Department Head or Supervisor including the justification for request. The Department Head or Supervisor shall provide written approval or denial of the overtime request to the requestor. . . .*
- F. An Overtime Committee shall meet regularly, and at a minimum no less than quarterly, to review all approved and unapproved overtime, including Incremental Overtime, paid during prior pay period(s). The Overtime Committee will be chaired by the Budget Director and at a minimum shall include the Superintendent or their designee and the Director of Nursing or their designee.*

Reasons for Issue

VHC stated that most of the undocumented overtime is related to incremental overtime. In addition, VHC updated its Overtime Policy since our last audit to include an Overtime Committee that reviews all overtime. However, VHC was unable to provide us with sufficient evidence that the Overtime Committee's meetings occurred during the audit period. Therefore, the design and implementation of these controls

are not effective, as VHC continues to have issues with documenting and approving overtime, including incremental overtime.

Recommendation

VHC should enhance its policies and procedures by establishing effective monitoring controls that are properly designed and implemented to ensure that it properly documents the need and prior approval for overtime, including incremental overtime worked.

Auditee's Response

The controls now in place are a direct result of the establishment of EOVS and the appointment or hiring of new leadership at MVH Chelsea under the current Administration.

EOVS and MVH Chelsea leadership have implemented comprehensive oversight of time management and overtime authorization. The Deputy Executive Director, Chief Financial Officer and Budget Director jointly reviewed each payroll cycle. The CFO's office produces detailed management reports tracking overtime, premium pay, callback pay, and related categories. These are audited by the Budget Director to verify proper authorization and identify trends. Meetings are held to review overtime utilization following each payroll cycle with department leadership to discuss findings and develop corrective actions to reduce unnecessary overtime utilization. The CFO also provides these reports directly to EOVS leadership, ensuring centralized, cabinet-level financial oversight.

It was suggested in the audit report that the "overtime occurrences indicated staffing shortages" and that the overtime "was not unwarranted..." With support from EOVS and the now full human resources department at Chelsea there have been 71 new licensed and CNA staff hired since March 2023 with an additional 12 who are pending offers.

Auditor's Reply

Based on its response, VHC is taking measures to address our concerns regarding this matter, and our office will follow up in approximately six months, as part of our post-audit review process.

5. The Veterans Home at Chelsea's emergency operations plan did not include all the required components, which could jeopardize the safety of veteran residents.

We identified several issues regarding VHC's access to and understanding of its emergency operations plan (EOP), leading to multiple findings detailed below.

a. The Veterans Home at Chelsea violated state regulation (Section 150.015(E)(4) of Title 105 of the Code of Massachusetts Regulations) by not conducting simulated emergency drills for all shifts.

VHC did not perform simulated drills of its EOP for all shifts at least twice a year; however, VHC did perform one drill in 2022 for day shift employees and two drills in 2023 for day shift employees.

Without performing simulated emergency drills to test the effectiveness of its EOP, VHC cannot ensure that it has an effective response to disasters and emergencies, thereby jeopardizing the safety of veterans and hospital staff members.

Authoritative Guidance

According to 105 CMR 150.015(E)(4), "Simulated drills testing the effectiveness of the plan shall be conducted for all shifts at least twice a year."

Reasons for Issue

VHC officials stated that they were not aware that they needed to conduct simulated drills on all shifts.

Recommendation

VHC should ensure that it conducts simulated emergency drills for all shifts at least twice a year.

Auditee's Response

During the audit period (July 1, 2021 – June 30, 2023), [Massachusetts Veterans Home (MVH)] Chelsea was not yet a [Department of Public Health (DPH)]-licensed facility and therefore was subject to 38 C.F.R. 51.200 life-safety requirements rather than 105 CMR 150. Following enactment of An Act Relative to the Governance Structure and Care of Veterans at the Commonwealth's Veterans' Homes ([Chapter 144 of the Acts of 2022]), MVH Chelsea obtained DPH licensure on September 28, 2023.

Prior to licensure, the Home complied with [National Fire Protection Association] 101 Life Safety Code standards, including quarterly emergency drills for all shifts. Under [the Executive Office of Veterans Services'] oversight, fire safety training is now conducted annually and during employee orientation, and fire-emergency drills are conducted at least twice per year on each shift.

MVH Chelsea also participates in semi-annual Emergency Management Exercises, including an annual statewide drill coordinated through the Massachusetts Long Term Care Mutual Aid Plan (MassMAP). The Home routinely updates its emergency procedures and has recently revised its "Code Yellow" (Missing Veteran) plan, conducting drills on all three shifts.

Auditor's Reply

We disagree that VHH was not subject to 105 CMR 150 because 105 CMR 150.001 defines a long-term care facility as the following:

Any institution whether conducted for charity or profit that is advertised, announced or maintained for the express or implied purpose of providing four or more individuals admitted thereto with long-term resident, nursing, convalescent or rehabilitative care; supervision and care incident to old age for ambulatory persons; or retirement home care for elderly persons. Long-term care facility shall include convalescent or nursing homes, rest homes, infirmaries maintained in towns and charitable homes for the aged. Facility as used in 105 CMR 150.000, shall mean a long-term care facility or unit thereof and units within acute hospitals converted under provisions of [Section 32 of Chapter 23 of the Acts of 1988].

While VHC does not agree that it was subject to Department of Public Health regulations during the audit period, based on its response, VHC is taking measures to address our concerns regarding this matter. As part of our post-audit review process, we will follow up on this matter in approximately six months.

b. The Veterans Home at Chelsea violated state regulation (Section 150.015(E)(1) of Title 105 of the Code of Massachusetts Regulations) by not posting its emergency operations plan throughout the facility.

VHC's EOP was not posted at nurses' and attendants' stations and in conspicuous locations throughout the facility.

Without its EOP posted in conspicuous locations, VHC is unable to ensure an effective response to disasters and emergencies that affect the environment of care and could impede the safety of veterans and hospital staff members.

Authoritative Guidance

According to 105 CMR 150.015(E)(1),

Every facility shall have a written plan and procedures to be followed in case of fire, or other emergency, developed with the assistance of local and state fire and safety experts, and posted at all nurses' and attendants' stations and in conspicuous locations throughout the facility.

Reasons for Issue

The staff members we spoke to at VHC stated that they do not have access to the EOP, and VHC management explained that staff members did not have access to the EOP due to the sensitive information contained in it.

Recommendation

VHC should ensure that its EOP is available at all nurses' and attendants' stations and is posted in conspicuous locations throughout the facility. VHC should also make its EOP accessible in digital form from all computer terminals.

Auditee's Response

During the audit period, [the Massachusetts Veterans Home (MVH)] Chelsea was governed by federal rather than [Department of Public Health (DPH)] regulations. In preparation for DPH licensure of the new Community Living Center (CLC), MVH Chelsea engaged Jensen Hughes: Safety, Security & Risk Consulting Services to update and finalize its EOP. The new, 500-page plan was completed in September 2023.

Hard copies are maintained in the Incident Command Center and the Director of Environment of Care's office, while digital copies reside on a shared network drive. One-page "Quick Reference Guides" summarizing emergency procedures are posted at every nurse's station and throughout the facility. An EOP icon is also being installed on all staff computer desktops for instant digital access.

Section D of the [new] EOP includes Evacuation Floor Plans, and Appendix E includes Evacuation Route Maps. The Chelsea Life Safety Plans, updated on May 1, 2023 identify all fire-extinguisher locations. Staff receive training on these safety elements during orientation, annually, and during scheduled emergency drills.

Auditor's Reply

We disagree that VHH was not subject to 105 CMR 150 because 105 CMR 150.001 defines a long-term care facility as the following:

Any institution whether conducted for charity or profit that is advertised, announced or maintained for the express or implied purpose of providing four or more individuals admitted thereto with long-term resident, nursing, convalescent or rehabilitative care; supervision and care incident to old age for ambulatory persons; or retirement home care for elderly persons. Long-term care facility shall include convalescent or nursing homes, rest homes, infirmaries maintained in towns and charitable homes for the aged. Facility as used in 105 CMR 150.000, shall mean a long-term care facility or unit thereof and units

within acute hospitals converted under provisions of [Section 32 of Chapter 23 of the Acts of 1988].

While VHC does not agree that it was subject to Department of Public Health regulations during the audit period, the audit team was able to confirm that policies and procedures were located at the nursing stations; however, several nursing staff members told us that they were not aware of the EOP and where it was located. Based on its response, VHC is taking additional measures to address our concerns regarding this matter and as part of our post audit review process, we will follow up on this matter in approximately six months.

c. The Veterans Home at Chelsea violated state regulation (Section 150.015(E)(2) of Title 105 of the Code of Massachusetts Regulations) by its emergency operations plan not containing the locations of alarm signals, fire extinguishers, and evacuation routes.

VHC's EOP does not contain the location of alarm signals, fire extinguishers, and evacuation routes at VHC.

If VHC's EOP does not contain the location of alarm signals, fire extinguishers, and evacuation routes, then this could affect the timely and safe evacuation of veterans, staff members, and visitors in the event of a disaster.

Authoritative Guidance

According to 105 CMR 150.015(E)(2),

The plan shall specify persons to be notified, locations of alarm signals and fire extinguishers, evacuation routes, procedures for evacuating residents, and assignment of specific tasks and responsibilities to the personnel of each shift.

Reasons for Issue

VHC stated that the alarm signals, fire extinguishers, and evacuation routes are posted throughout the facility, and it was not aware that they needed to be in the EOP.

Recommendation

VHC should add the locations of alarm signals, fire extinguishers, and evacuation routes to its EOP.

Auditee's Response

Section D of the [new] EOP includes Evacuation Floor Plans, and Appendix E includes Evacuation Route Maps. The Chelsea Life Safety Plans, updated on May 1, 2023 identify all fire-extinguisher locations. Staff receive training on these safety elements during orientation, annually, and during scheduled emergency drills.

Auditor's Reply

Based on its response, VHC is taking measures to address our concerns regarding this matter, and our office will follow up in approximately six months as part of our post-audit review process.

d. The Veterans Home at Chelsea did not train employees to perform assigned duties, specifically concerning emergency preparedness.

VHC does not train its employees on their duties during an emergency. VHC stated that each employee is trained on the definitions of specific codes—for example, code colors and their meanings—but not on their responsibilities during an emergency.

Without training employees on tasks they must complete during an emergency, VHC cannot ensure that all employees are properly prepared to respond to disasters and emergencies, which may jeopardize the safety of veterans and employees at VHC in the event of an emergency.

Authoritative Guidance

According to 105 CMR 150.015(E)(3), "All personnel shall be trained to perform assigned tasks."

Reasons for Issue

VHC stated that it plans to implement an annual training fair for all employees; however, it has not been implemented yet.

Recommendation

VHC should include emergency disaster training as part of its annual training requirement to ensure that all VHC employees are properly trained to perform their duties during an emergency.

Auditee's Response

In July and August 2023, [a fire protection consulting firm] conducted comprehensive training on the new EOP with staff from every department at [Massachusetts Veterans

Home] Chelsea. All new staff receive emergency preparedness training during orientation, and annual refresher courses address the most likely scenarios, including:

- *Fire*
- *Missing Resident (Veteran)*
- *Dangerous or Threatening Situation*
- *Medical Emergency Response*
- *Unresponsive Resident*

The Home has also acquired new Med Sleds and Evacuation Chairs to expedite safe evacuation. Training on this equipment, conducted with the Chelsea Fire Department, is underway for all staff.

Auditor's Reply

Based on its response, VHC is taking measures to address our concerns regarding this matter, and our office will follow up in approximately six months, as part of our post-audit review process.