**APPLICANT RESPONSES #1**

*Responses should be sent to DoN staff at* DPH.DON@State.MA.US

|  |
| --- |
| While you may submit each answer as available, please * List question number and question for each answer you provide
* Submit responses as a separate word document, using the above application title and number as a running header and page numbers in the footer
* When providing the answer to the final question, submit all questions and answers in one final document
* Submit responses in WORD or EXCEL; only use PDF’s if absolutely necessary. If “cutting and pasting” charts, provide them in a PDF so they can be clearly seen
* **Whenever possible, include a table with the response**
* **For HIPAA compliance Do not include numbers <11.**
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**Factor 1a: Patient Panel Need**

1. **To better understand Patient Panel access to the Overlook, please complete the Table below regarding payer mix.**

**Table: Payer Mix, CY21-23**

| **2023** | **Short-term residents** | **Long-term residents** |
| --- | --- | --- |
| Commercial | 15%  | 8% |
| Medicare Fee-For-Service (FFS) | 56% | 5%  |
| Managed Medicare  | 14% |  0% |
| Medicaid  | 7% | 45% |
| Managed Medicaid  | 1%  | 2%  |
|    Private Pay | 7% | 40% |
| Total  | 100% | 100%  |

|  **2022** | **Short-term residents** | **Long-term residents** |
| --- | --- | --- |
| Commercial |  15% | 3% |
| Medicare Fee-For-Service (FFS) | 62% |  3% |
| Managed Medicare  | 5% |  0% |
| Medicaid  | 2% | 44% |
| Managed Medicaid  | 0%  | 4%  |
|    Private Pay | 16% | 46% |
| Total  | 100% |  100% |

| **2021** | **Short-term residents** | **Long-term residents** |
| --- | --- | --- |
| Commercial | 10%  | 2% |
| Medicare Fee-For-Service (FFS) | 62% | 1%  |
| Managed Medicare  | 6% |  0% |
| Medicaid  | 2% | 51% |
| Managed Medicaid  | 0%  | 6%  |
|    Private Pay | 20% | 40% |
| Total  | 100% | 100%  |

* 1. **Please also provide payer mix for 2021 and 2022.**

See tables above.

* 1. **Does the Applicant expect any changes in the facility’s payer-mix as a result of the Proposed Project?**

As a preliminary note, Medicare pays for short-term rehabilitation but generally does not pay for long-term residential care. Therefore, the majority of short-term residents are covered by Medicare and the majority of long-term residents are covered by Medicaid or private pay. When looking at the payer mix for short-term residents and long-term residents separately, these percentages are unlikely to change as a result of the Proposed Project. However, given the planned increase to short-term utilization and corresponding decrease of long-term utilization, the overall payer mix will shift proportionally. The Proposed Project seeks to provide the community with needed capacity to short-term and long-term care through a shift in the proportion of beds. As stated elsewhere in these responses, the need for short-term beds at the Facility may be as high as 20 beds. The Facility chose not to pursue costly construction to add additional short-term beds, in order to balance the community’s need for additional short-term rehabilitation with the ongoing need to retain 78 long-term beds. By adding 13 short-term beds, the Proposed Project will address need for expanded short-term rehabilitation access while still providing needed long-term care beds. To that end, the Facility will be in the best position to adequately address the needs of both populations through the Proposed Project and will not shift its payer mix beyond what is necessary to meet those needs.

1. **The application states the majority of long-term and short-term residents are predominantly White (pgs.2-3).**
	1. **What percentage is White, and what percentage is Other?**

To protect patient confidentiality, the Applicant is unable to provide percentages as they involve patient counts less than 11.

1. **Patient origin and race/ethnicity information were provided for Level II residents. Please provide patient origin and race/ethnicity for the Patient Panel.**

| **Overlook Patient Panel** | **CY2023** |
| --- | --- |
| Race: White | 422 |
| Race: Other/Unknown | 11 |
| Town: Charlton | 189 |
| Town: Southbridge | 31 |
| Town: Dudley | 27 |
| Town: Webster | 27 |
| Town: Sturbridge | 43 |
| Town: Oxford | 15 |
| Town: North Brookfield | 12 |
| Town: Spencer | 11> |
| Town: West Brookfield | 11> |
| Town: Leicester | 11> |
| Town: Auburn | 11> |
| Town: Brookfield | 11> |
| Town: Brimfield | 11> |
| Town: Wales/Brimfield | 11> |
| Town: Other  | 44 |
| **Total** | **433** |

1. **To better understand the Applicant’s Patient Panel, provide definitions of short-term and long-term resident.**

Short-term residents may be admitted to the facility only when following a qualifying hospital stay (inpatient admission) that lasted at least three days. Long-term residents may be admitted based on meeting admission criteria but do not need a prior qualifying hospital admission and may reside in the facility for more than 100 days.

1. **To better understand the current facility, describe the current and projected licensed bed configuration at the facility.**

| **The Overlook**  | **Current** | **Proposed** |
| --- | --- | --- |
| Level II: Short Term | 27 | 40 |
| Level II: Long Term | 112 | 78 |
| Level IV: Rest Home | 28 | 28  |
| Total Licensed Beds  | 167 | 146 |

1. **To better understand increasing need for short-term rehabilitation services, please complete the Table below.**

**Table: Historical Utilization**

| **SHORT TERM** | **2019** |
| --- | --- |
| Patient Days | 8,292  |
| ALOS | 20.83  |
| ADC | 22.72  |
| Discharges | 398  |
|  |  |

| **LONG TERM** | **2019** |
| --- | --- |
| Patient Days | 39,063  |
| ALOS | 434  |
| ADC | 107.02  |
| Discharges | 90  |

1. **The Tables below show year-over-year changes in historical utilization for both short-term and long-term residents.**

**Table: Historical Utilization**

| **SHORT TERM** | **% Change 2020-2021** | **% Change 2021-2022** | **% Change 2022-2023** |
| --- | --- | --- | --- |
| Patient Days | 12.16% | -16.65% | 40.57% |
| ALOS | -12.80% | -13.85% | -8.45% |
| ADC | 12.48% | -16.65% | 40.55% |
| Discharges | 28.65% | -3.24% | 53.56% |
|  |  |  |  |

| **LONG TERM** | **% Change 2020-2021** | **% Change 2021-2022** | **% Change 2022-2023** |
| --- | --- | --- | --- |
| Patient Days | -6.04% | 4.68% | -6.99% |
| ALOS | -19.81% | -31.01% | 16.93% |
| ADC | -5.78% | 4.68% | -6.99% |
| Discharges | 17.17% | 51.72% | -20.45% |

* 1. **What is the reason for the decrease in long-term discharges between 2022 and 2023.**

As a result of increased ALOS for long-term care residents, discharges decreased.

* 1. **What is the reason for the increase in short-term discharges between 2022 and 2023?**

Need for short-term rehabilitation increased in 2023 and accordingly, so did utilization. This resulted in an increase to patient days and a corresponding increase to discharges.

1. **Between 2020 and 2023, ALOS decreased by 31.25% for short-term residents and decreased by 35.31% for long-term residents. Explain the reason for decreasing ALOS.**

ALOS for short-term rehabilitation residents decreased due to improvements in care management and the Applicant’s post-discharge services. Regarding long term care, the time frame largely covers the COVID-19 pandemic. During that time, many residents came from the Applicant’s independent living community. These residents were able to be discharged sooner with appropriate in-home services in order complete their recovery outside of the Facility. This approach of allowing residents to complete their recovery in their home promoted not only their physical and emotion well-being, but also infection prevention. In turn, ALOS decreased.

1. **The Applicant will reduce the number of long-term care beds by 34, from 112 to 78 beds, as resident days and the need for long term care continue to decline (pg.4)**
	1. **Why is need for long-term care decreasing at the facility?**

The Applicant understands the decreasing need for long-term care at the facility is part of a national trend that reflects the changing needs of older adults and the ability to offer more services in their homes.[[1]](#footnote-2)

1. **The application states the Proposed Project seeks to right-size the Health Center’s services to match the needs within the community with the greater need for short-term rehabilitation (pg.6).**
	1. **Describe the methodology used, including data sources, to determine that 13 beds needed to be re-designated for short-term rehabilitation residents and the number of long-term beds needed to decrease by 34.**

The Applicant relied on internal and external data to determine that short-term rehabilitation capacity must be expanded to meet the community’s needs.

The Applicant first reviewed referrals for admission and the number of denials. In addition, it considered the rising number of independent living, assisted living, and rest home residents requiring short-term rehabilitation. Based on the rising number of referrals, the Applicant determined that the Facility would need to increase short-term rehabilitation capacity by at least 50% to meet projected need.

Moreover, the Applicant determined that an existing long-term care floor could efficiently be renovated and reconfigured into a 40-bed short-term care unit. The floor currently has 34 private rooms and can be renovated to add six resident rooms, in addition to adding clinical and ancillary rehabilitation services. This would provide the Facility with the necessary 13 beds to adequately expand short-term rehabilitation capacity while keeping construction costs to a minimum.

1. **The Applicant states that the additional 13 beds redesigned for short-term rehabilitation residents, will result in fewer denials of admission to individuals due to lack of bed availability (pg. 7).**
	1. **Provide the number of denied admissions for short-term rehabilitation services in the most recent year available.** The total number of denied admissions to the Facility was 2,603 in CY2023. Of this number, 408 referrals were denied because the Facility did not have a bed available on the day of the patient’s discharge. An additional 69 patients chose another facility with sooner availability, while the Facility attempted to find a bed. In addition, 558 patients were denied admission due to clinical needs. As stated in the Narrative, the Proposed Project will not only address access but also clinical capability through improvements to short-term rehabilitation care. Therefore, upon completion of the Proposed Project, the Facility will be able to accept some of the patients who are currently denied for clinical need.

If the Facility were to expand sufficiently to accept all of the patients who were denied due to a lack of a bed, the Facility would need to add approximately 20 beds . As discussed in other responses, adding 20 short term beds would require additional costly construction and additional disruption to current residents. To that end, the Proposed Project represents the best option to expand access to short-term rehabilitation care without adding significant costs.

* 1. **Provide any other data showing wait times for accessing short-term rehabilitation services.**

The Facility cannot track wait times for accessing short-term rehabilitation services for hospital patients. This is data that the hospitals track.

1. **Describe current infection prevention and control practices at the Overlook.**

All resident rooms at the Facility are private rooms with private bathrooms (toilet and sink).[[2]](#footnote-3) Due to the absence of shared rooms, the Facility’s ability to manage isolation of residents and the prevention of the spread of infection is more effective than with multi-bedded rooms. As a result of the private rooms, all infection control happens in a contained area with limited exposure to non-infected residents.

In addition to private rooms, the Facility employs an Infection Preventionist and Staff Development Coordinator who work in tandem to ensure team members are educated through annual and intermittent in-servicing and competencies for infection control, including but not limited to hand hygiene, PPE don/doff management, multiple levels of precautions, etc. The Infection Preventionist ensures new information from CDC and DPH is reviewed, added to policy as appropriate, presented to the team, and audited for compliance.

In compliance with 105 CMR 150.02(D)(110, the Facility encourages vaccine usage for all residents and team members. All residents are offered annual vaccines, including but not limited to Influenza, COVID-19, Pneumonia and Respiratory Syncytial (RSV). Team members are educated on and offered Influenza and COVID-19 vaccines.

1. **The application states an outdoor space will be available for working with residents on their uneven surface mobility (pg. 6).**
	1. **Does the existing facility include outdoor space for residents?** Yes.
2. **The application states that at the time of writing this application, the Health Center’s census on the short-term rehabilitation unit is 25, resulting in an occupancy rate of 93% (pg. 4).**
	1. **Provide a date for the occupancy rate and provide the occupancy rate for long-term beds.**

The occupancy rate for the short-term rehabilitation beds was 93% on 3/11/24. The occupancy rate for long-term beds on DATE was 77%.

* 1. **Provide projected occupancy Year 1 through Year 5, for short-term and long-term beds.**

Projected occupancy for Year 1 through Year 5 is 90% and 95%, respectively.

1. **The Tables below include the Applicant’s projected utilization after project completion (pg. 4). Why are patient days and ADC consistent for Years 2 through 5 when historical utilization varied from year to year?**

The Applicant is projecting a ramp up period in Year 1 followed by flat utilization based on current utilization as well as current staffing. The Applicant is projecting that they will be able to fully staff the new unit on day one, based on their current staffing. Because the primary users of their nursing facility are the members of The Overlook community, the Applicant can anticipate a consistent demand for their services, based on their community’s needs. However, these numbers are only a projection as it is impossible to predict the scope of possible impacts to utilization.

**Table: Short Term Rehabilitation – Projected Utilization**

|  | **Year 1** | **Year 2** | **Year 3** | **Year 4** | **Year 5** |
| --- | --- | --- | --- | --- | --- |
| **Designated Beds** | 40 | 40 | 40 | 40 | 40 |
| **Patient Days** | 11,680 | 13,140 | 13,140 | 13,140 | 13,140 |
| **Average Daily Census** | 32 | 36 | 36 | 36 | 36 |
| **Discharges** | 648 | 730 | 730 | 730 | 730 |

**Table: Long Term Care – Projected Utilization**

|  | **Year 1** | **Year 2** | **Year 3** | **Year 4** | **Year 5** |
| --- | --- | --- | --- | --- | --- |
| **Designated Beds** | 78 | 78 | 78 | 78 | 78 |
| **Resident Days** | 27,010 | 27,010 | 27,010 | 27,010 | 27,010 |
| **Average Daily Census** | 74 | 74 | 74 | 74 | 74 |
| **Discharges** | 44 | 44 | 44 | 44 | 44 |

1. **How will the reduction and reorganization of licensed beds impact long-term residents?**
	1. **Will any long-term residents be displaced as a result of the Proposed Project?**

No, no long-term residents will be displaced as a result of the Proposed Project. The Applicant is leveraging decreased long-term care utilization to ensure that all existing long-term care residents are living on other floors of the facility so no residents will need to be moved to accommodate the Proposed Project’s construction.

1. **Describe any staffing changes that will occur as a result of the Proposed Project and the increase in short-term rehabilitation services.**

Because the Proposed Project represents a reduction in overall beds, the Facility has the necessary staffing for the Proposed Project currently. However, the most significant change to staffing will be the Facility’s reduced reliance on temporary staffing agencies.[[3]](#footnote-4) Due to the planned ramp up period and the reduction in overall beds, the Facility will have sufficient staff on day one and will be able to assess future staffing needs as utilization increases. Not only will the Proposed Project better align beds to community need, but it will ensure the Facility is able to ensure it maintains a competent, dedicated workforce to care for its residents.

1. **How does the Applicant plan to minimize disruption of patient care and ensure patient safety and well-being during construction?**

The Proposed Project is limited to and will be entirely contained within the second floor of the Facility. Furthermore, no travel through the Facility will be disrupted because there is no travel currently required through the floor to travel to other spaces in the Facility. As a result, there will be no disruption to patient care and every effort will be made to minimize sound disturbances.

**Factor 1e: Community Engagement**

1. **Was the public meeting held on January 30, 2024 a virtual or in-person event?**

It was a virtual event.

**Factor 5: Relative Merit**

1. **The application states that only one alternative option to the Proposed Project was considered: forgo the Proposed Project (pg.1). Please provide information about any additional methods that may have been considered and details on why those options were rejected.**

The Proposed Project seeks to expand the Applicant’s capacity for short-term rehabilitation to meet the community’s need for increased access. To increase short-term capacity, the Applicant could build a new wing, but the cost would be prohibitive and therefore was not considered seriously. Alternatively, the Applicant could use existing long-term beds for short-term residents. However, that would cause short-term residents to be physically separated from one another and rehabilitation services, which would create significant barriers than would not lead to improved health outcomes. For example, patients on a different floor from the therapy suite might find the distance unacceptable and decide to forgo therapy altogether. They might similarly decide to avoid the dining room because of the distance, further limiting their social interactions and physical recovery.

1. **Explain why operating expenses will decrease as a result of the Proposed Project.**

Operating expenses will decrease in correlation to the reduced capacity of the Facility. Most notably, the Facility’s current layout requires the use of additional staff to ensure visibility and proximity to residents. The Proposed Project will reduce the need for additional staff for these reasons. This will result in less reliance on temporary staff, which are more expensive than employed staff. As a result, the Proposed Project represents a cost-effective option to improve patient care and health outcomes.

1. “Between 2015 and 2023, the number of residents living in nursing facilities decreased by 12%, from 1.37 million in July 2015 to approximately 1.2 million in July 2023 (Figure 2). Decreasing resident counts reflect longer-term trends as people increasingly opt to receive care in home and community-based settings (HCBS) over institutional settings, and the increased availability of HCBS resulting from the Supreme Court’s Olmstead decision, which ruled that people with disabilities are to be served in the most integrated setting that is appropriate.” <https://www.kff.org/medicaid/issue-brief/a-look-at-nursing-facility-characteristics/> [↑](#footnote-ref-2)
2. The Proposed Project will create 14 short-term rooms with private showers and 26 with shared showers. [↑](#footnote-ref-3)
3. The Applicant will maintain a contract with staffing agencies to ensure any staffing needs can be immediately addressed. [↑](#footnote-ref-4)