

COUNTY HOME AND COUNTRY VIEW HAVEN STORY

In 1816, the Ohio General Assembly authorized county commissioners to construct county poor houses for the care of paupers. Every county in Ohio, established one or more poor houses.

In 1848, Poor houses became county infirmaries for the poor, needy sick, the mentally ill, and the epileptic. Poor houses provided destitute people with shelter. They also commonly provided residents with employment opportunities. Women cared for the houses' upkeep, while men would take classes to learn a trade or work in the farm fields to provide food for the poor houses' residents.

In 1862, it became unlawful to confine the insane and epileptic in the infirmary.

In 1884, the Ohio legislature prohibited orphaned children from being housed in the county infirmaries.

In 1913, the Board of infirmary was abolished and their powers were assumed by the county commissioners.

By the late 1800's to early 1900's, most former poor houses became nursing homes for poverty stricken elderly people, rather than homes for all ages.

In 1919, the Ohio legislature changed the name from county infirmary to county home and emphasis was placed on caring for the aged and infirmed.

In 1929, the Ohio legislature authorized the closure of county homes if a county did not have a sizable number of people who required assistance.

In the early 1970's, the State legislature lifted the mandate that counties provide county homes.

In 2007, CORSA, the insurance provider for Henry County, recommended that counties still operating a county home get out of that business.

Over the years, due to the creation of other government programs such as Medicare and Medicaid, most of these homes have been closed or changed the type of resident.

As of February 2016, 61 counties have closed their county homes. 15 have constructed newer facilities to allow them to become Medicare and Medicaid certified. 12 remain open as non-certified facilities.

Henry County is one of those 12 non-certified homes. The Henry County Commissioners attempted to contact each of those remaining counties to ask about the type of operations each were running. In some cases, the Commissioner's office was contacted. In others, the Directors of the homes were contacted.

One county still operated similarly to the working "poor house". Residents were expected to help farm the 300 acres and tend to the cattle and pigs raised for food and to raise money to support the home. Women were expected to cook and clean or work outside the home to bring in extra funds. One director did not describe his residents, but said the average age of the residents was late forties. One county had 15 - 18 residents with no nurses on staff. A place for down on luck individuals. One county described

their home as 99% developmentally disabled. One county described themselves as assisted living, but everyone had to be ambulatory (no wheel chairs allowed). Only Richland, Carroll, Harrison, and Holmes Counties appeared to have a home similar to Henry County. One did not respond. The most interesting comment came from the Director of the Geauga home. She described the facility as some developmentally disabled and a lot of mental health. That facility employed only one nurse (Five 8 hour days). This Director had a nursing home background and when referring to our home stated ..."If you're doing nursing home care, you're doing the county a disservice".

Medicaid is funded through Federal Income Tax. These taxes support income eligible people with items such as room and board in a Certified Medicare/Medicaid facility. Everyone's income taxes are already paying for income eligible citizens to stay in a certified facility. Country View Haven (CVH) is not Medicaid Certified. The question has been asked - What would it take to become certified? In 1997, the Commissioners had a study done to determine if it was feasible and what the cost might be. Part of the certification included a "Certificate of Need" which would be necessary to renovate the home. As part of the "Certificate of Need" a new addition had to be included. The projected cost for the new addition was approximately \$2 million and the renovation was \$1.825 million for a total of \$3,825 million. The Commissioners at that time determined this amount was too cost prohibitive. While the guidelines may have changed somewhat, the cost today could only be substantially more.

Medicaid eligibility has changed during the last few years. More people than ever are now eligible. The Commissioners had the Henry County Department of Job and Family Services check with each family that was not able to pay the full rate at Country View Haven to ensure that they would be Medicaid eligible. We were assured each non full pay resident would be eligible for Medicaid assistance at any of the certified nursing homes in our county. No one will be put out on the street. No one will be sent back to their home, unless they so choose.

Next, becomes the question of full pay residents. Those residents are considered full pay because they pay the full daily rate. In August 2015, the daily rate was increased to \$120 per day for First floor residents and \$90 per day for Second floor assisted living residents. The average cost per resident per day in 2015 was \$187.35. In 2014, the average cost per day per resident was \$156.56. Thus, even the residents considered full pay are still partially subsidized by the taxpayers. When the Commissioners met with several employees and a family member, the family member stated the reason for choosing CVH was because of the higher staff to resident ratio. This should lead people to question whether we might be over staffed at CVH. We were also told by this group that it was not about money, it was about the quality of care received at CVH. However, when we questioned whether it made sense to increase our rate to the comparable rate of other nursing homes in the county because we provide such good care, the family member and an employee said – "You can't do that!" Actually, the property tax payers of Henry County are helping full pay residents protect their assets by continually supporting CVH. The counter argument has always been that because county residents are paying taxes, they should be entitled to a lower rate. Quite frankly, taxpayers all over the county who have paid taxes and not had a resident in CVH have helped full pay residents protect their assets.

Some people have said the farm ground rent should be used to help pay for residents. As far back as we can find, the farm ground rent has always been used to support Country View Haven. In 2015, we collected \$71,336 in farm rent income. The total expenses for 2015 were \$1,667,837.68. The farm rent covered only 4.3% of our total expenses. Of the total expenses, \$1,292,256.70 was paid for salaries and benefits to our employees. \$985,725 of the revenue came from Henry County property taxes.

We looked at what expenses would be if the home did close. We looked at many scenarios but have listed worst case scenario only. As a government agency, Henry County does not pay unemployment taxes. The County is responsible for the total dollar amount of any unemployment. Based on the current number of weeks allowed for assistance, the maximum amount that the County would owe if every employee stays unemployed for the full term possible would be \$229,554.00. There is never a best time to close a facility. However, each nursing home in Henry County stated that they are regularly looking for employees. Also, if an employee is willing to accept a career change, several employers in the area are looking for people to hire. As far as finding employment, this is the best time in a long time.

The union contract with our employees requires a severance pay if the home closes. The Commissioners feel that is only fair that we provide that same severance package to our non-union employees. This will be a closing expense of between \$20,000 and \$25,000.

Many people have asked what will happen to the Country View Haven building. The original county home was a wood structure built in the 1800's by the Commissioners. In February of 1934 the home burned to the ground. By November 1934 the current structure was in place and taking residents.

The best option for the CVH building would be to repurpose the facility. Meaning, what other thing(s) could this building be used. Could it be used for recovery housing or some other type of residential housing by a private company? Speaking with the Director of one of the addiction recovery services coming to Henry County, said it may be able to be used for recovery type housing. However, the treatment methods currently used and suggested staffing levels require more privacy for the patient and line of site monitoring by staff. Would a business incubator work? Could revenue generated from this subsidized opportunity be able to maintain the facility? The commissioners will continue to look for opportunities to repurpose the facility.

The next available option is to sell the building, wastewater treatment and property the building sets on. The Commissioners plan to keep the 200+ acres of farm ground. The sale of the building and property will have to be done by auction as required by Ohio Revised code. It would be wonderful if someone would buy the building and repurpose the building. A major concern is the building would sell for a very minimal amount and be allowed to fall into a state of disrepair or vandalized. An example of this is the former Florida school. The building has been vandalized, not maintained and currently in arrears on property tax. Should the property be sold with the condition, if the building is not being used at the end of five years after the sale, the building and property are returned to the Commissioners for further disposition?

The last option would be to demolish the building and wastewater treatment facility. This is not the preferred option. This option would require the Commissioners to escrow money from the operating

levy for the possible demolition of the CVH facility. The option of last resort is the demolition of the CVH facility. The worst case scenario would be to demolish the buildings at a cost of approximately \$350,000.

The balance in the CVH fund down can not be taken to zero at closing because there will be ongoing expenses.

Some people have said we sprung this on them all of a sudden. In early January of this year, we announced in open session, with the Northwest Signal present, that we were considering the future of CVH. We were honest with our employees and told them that we were considering closing, but had not established a date. We asked several people in the nursing care business about a suggested amount of time to give residents to find a different facility. Some said six months, but most said three months. Could we have done things differently? - Certainly. However, what everyone should understand is that because of the State of Ohio Sunshine Laws concerning open meetings, the Commissioners are not allowed to make a decision except in open session. Thus, we could not have agreed on a letter or method of contact before we had chosen a closing date.

In 2010, the Country View Haven levy passed 62% to 38%. In 2014, it passed 51% to 49%. The trend has clearly moved away from passing. As people have become aware of the CVH details, more and more residents have told us they used to support it, but do not any longer. Our neighboring counties of Fulton, Defiance, Paulding, and Putnam County have all closed their home several years ago. We, the Commissioners, feel we are compassionate people, but we were elected to be the financial overseers of our tax dollars. Your tax dollars and our tax dollars. Because of the Medicaid expansion, plus the fact that we are competing against our other Henry County nursing homes, we can no longer recommend the continuance of Country View Haven.

Personal note from Commissioner Tom Von Deylen:

Fair. Being fair is something the Henry County employees have heard me say many times. Should we do a project? Is it fair to the Henry County taxpayers? I ask this question because I too, am a taxpayer. I have always tried to make decisions as if it was my own money. When discussing Country View Haven, I wonder how many times someone has said - "We have to help those poor people". Most of "those poor people" would already be taken care of with Medicaid through our Federal Income taxes. The fact that taxpayers are subsidizing full pay residents has bothered me since I learned this fact after I was first elected. If we consider them part of "those poor people" shouldn't we also be subsidizing residents at the other four nursing homes in Henry County? Those homes have 6 to 10 times more residents than CVH. We collect approximately \$1 million in property taxes each year to support CVH. If we are truly compassionate, caring, and fair people, should we be collecting an additional \$6 to \$10 million to support the residents of our other nursing homes? I don't think so. Before I was elected to this position, I always voted for the Country View Haven levy. Since being in office and understanding why this doesn't make sense, I can no longer support CVH.

Personal note from Commissioner Glenn Miller:

Should Henry County be in the Rest Home business? My answer to this question would be, No. Country View Haven has served the purpose for which it was established. There were no alternatives to taking care of the poor and indigent from the 1800's through to the 1970's when the state legislature said it was no longer necessary for counties to have a county home. There are now alternatives to the county home.

Now forty some years later the social care system has been drastically expanded to include additional thousands of people in Henry County. What was known as the poor and indigent now includes some of the middle class. The social care system is our federal dollars through income and medicare tax paying for the medical, room and board of the formerly poor and indigent. Country View Haven has an operating levy paid for by real estate taxes. Henry County taxpayers are being taxed three times for the same purpose. An interesting factoid of note is the operating levy helps CVH to keep the daily care rate artificially low compared to the private care facilities in the county. However, when looking at true operating cost, CVH is close to the private facilities in daily care costs. At CVH there is no profit margin built into the daily rate, but why should there be when the costs are being subsidized with tax dollars. Is it fair to all the voters of Henry County to subsidize a few who have other resources available? My answer is "No, it is not fair." By keeping prices artificially low CVH is competing with the private business sector unfairly. This is not fair to the private business who pays the full burden of taxes. There are many things government should be involved in for the overall health, safety and welfare of the citizens of Henry County. The county home is not one.

Everything has a purpose and a time. There comes a time when some things must end for the overall good of Henry County.

Personal note from Commissioner Bob Hastedt:

I totally agree with the statements made in this report. I also cannot support CVH since I learned that Medicaid is taking care of people that do not have the funds to do so. A lot of study and planning went into this project. I can insure the people of Henry County that their commissioners didn't just do this on a whim. Again we are the overseers of your tax dollars and we feel this is the best way to save some of those dollars. As a taxpayer I don't want to pay any more than I have to. With Medicaid available to people who are in need we really shouldn't pay another tax in Henry County to take care of people who can't afford to be in a nursing home. Also I don't feel that we should use tax dollars to be in competition with businesses in Henry County. If we keep Country View Haven open we are taking clients from other nursing homes in the area. As a county commissioner, I have been asked if we could lower the property taxes and in this case we can, so I feel this is the right thing to do.

Attached below are expected short term expenses required if CVH had stayed open long term.

COUNTRY VIEW HAVEN EXPECTED COSTS TO CONTINUE

Parking lot is not crumbling - crack and seal Dura patch as needed	\$2,200.00
Concrete breaking up - safety concern	\$20,000.00
Roof - slate shingles are falling off the roof Slate portion needs replacing Does not include new sheathing if needed	\$41,600.00
Elevator - Schindler recommended upgrade, has broken down recently - quoted price, but contractor said to expect \$100,000 because additional items may be required	\$83,750.00
Heating system - Maintenance contractor recommended replacing the boiler	\$17,000.00
Waste water treatment plant - Maintenance contractor recommended replacing sand beds	\$50,000.00
EXPECTED SHORT TERM EXPENSES, IF CVH REMAINS OPEN	<u>\$214,550.00</u>

LONG TERM

The plaster walls in the facility are continually "bubbling". There does not appear to be any roof leaking but moisture is permeating the walls. It has been suggested that the construction of the facility may be causing a vapor barrier. This should be taken care of if the facility remains open.

Electronic medical records - Medicare/Medicaid requirement We are not certified. This may only be needed if we want to keep up with other nursing homes.	\$100,000.00
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Do we owe it to the families of our residents to provide the same services they receive at a Certified facility?