



ROCKY KNOLL  
HEALTH CARE CENTER

*Innovation with Compassion*

February 20, 2018

Honorable Members of the Sheboygan County Board and County Administrator Adam Payne,

Attached please find the 2017 Annual Report for Rocky Knoll Health Care Center. The report is inclusive of our mission statement and responsibilities, the goals and objectives achieved in 2017, a synopsis of our budget status, current issues and challenges we face as a skilled nursing facility, as well as goals and objectives identified as foremost for the year 2018.

Rocky Knoll continues to be an acclaimed leader in Sheboygan County for providing outstanding care and services as evidenced by achieving a five star rating in quality measures, as recognized by the Centers for Medicare and Medicaid Services. The employees have worked diligently to strive for continual improvement in order to achieve such great success, and thereby enhance the lives of those we serve on a daily basis.

Rocky Knoll has achieved a positive year-end budget variance driven by conscientiously managing expenditures. Many projects were completed, which continue to improve the facility in terms of structure, functionality and aesthetics. We are well positioned for continued service and success.

Rocky Knoll is the prominent skilled nursing facility in Sheboygan County. It embraces a reputation for providing excellent care, achieving positive outcome measures in rehabilitation, and fostering caring relationships with the residents, families and the community it serves.

Please contact me with any questions or requests for further clarification.

Respectfully,

Katherine (Kayla) Clinton, NHA  
Administrator

## **Mission Statement and Summary of Responsibilities**

***Mission Statement:*** The purpose of the Sheboygan County Health Care Center shall be to establish an integrated system of long term care delivery designed for and dedicated to providing optimal services to its constituents.

The Sheboygan County Health Care Center known as Rocky Knoll Health Care Center is licensed and certified as a Skilled Nursing Facility. The license requires that the Health Care Center complies with state administrative codes and federal regulations established to ensure that residents receive quality care, at a time in their lives when they are dependent on others.

***Responsibilities:*** The responsibilities of the Health Care Center are directed by six guiding principles; according to priority they are:

- 1) Proactively anticipate and meet our residents' physiological and psychological needs
- 2) Continually provide quality care and service to the residents we serve
- 3) Maintain open communication with staff, residents, and representatives
- 4) Maintain fiscal responsibility to the taxpayers of Sheboygan County
- 5) Maintain an open working relationship with the Health Care Center Committee, Foundation Committee, other Committees, members of the County Board, and all other County departments
- 6) Remain dynamic in approach and open to improving operations, recognizing fiscal challenges, and identifying opportunities for alternative revenue streams

## **Goals and Objectives Achieved in 2017**

- Successful on-boarding of new Administrator by sharing mission, vision and values as well as quality of care efforts, budgetary considerations, staffing opportunities, and general facility management.
- Rocky Knoll regained the Five Star quality rating acknowledged by the Centers for Medicare and Medicaid Services in October which reflected improved quality health surveys and an increase in staffing hours.
- Rocky Knoll Building Services joined forces with the Sheboygan County Highway department for shared services; including use of the water tower, maintenance services, and housekeeping.
- By working with Martin Bros on food costs and incorporating new menu planning and operational efficiencies in the department, Rocky Knoll was able to reduce dietary costs by \$26,757.
- The expansion of 1 North Memory care unit from 19 to 28 beds was completed in December in alignment with the installation of a new Nurse Call system in the facility.
- Rocky Knoll improved retention rates among new certified nursing assistants in their first year of employment by 26.6% which is attributed competitive wages and benefit package and sign-on bonus.

## **Budget**

Rocky Knoll's total budget for 2017 was set at \$13,389,835 of which \$844,577 was supplemented with Tax Levy dollars. 2017 ended with a positive variance of \$362,752 or 27% compared to budget. Looking at 2018, we expect \$670,883 of Levy usage reflecting a 20% decrease from 2017 as part of a \$13,464,811 budget. Rocky Knoll also received a supplemental payment of \$1,315,100 which was \$184,677 more than budget. This increase was a result of taking in more Sheboygan County residents with Medicaid and Family Care payer sources.

Operationally, the facility continues to adhere to a fiscally responsible approach to spending. Department heads remain cognizant of their own budgets and explore cost saving measures.

## **Issues and Challenges Ahead**

Nursing homes are heavily regulated at both the federal and state levels. In September, 2016 the Centers for Medicare and Medicaid Services (CMS) made the already burdensome nursing home regulatory system more stringent with the issuance of a new Mega Rule. The Mega Rule is the most comprehensive revision of requirements for nursing homes since 1991.

The Mega Rule includes revisions to existing regulations and many new regulations that affect all aspects of nursing home operations including; staffing, staff training, physical environment, emergency preparedness, and new requirements on mental and behavioral health. The first phase of the Mega Rule went into effect November 28<sup>th</sup>, 2016. The second phase of the Mega Rule went into effect November 28<sup>th</sup> of 2017. The third and final phase goes into effect November 28<sup>th</sup> of 2019.

Wisconsin has a workforce crisis! Our long-term care and assisted living facilities throughout the state are struggling with inadequate numbers of nurse aides and other licensed nursing staff. Recruitment and retention efforts are at an all-time high, but response has been slow to make necessary gains in terms of increasing the staffing in the nursing department.

## **Goals and Objectives for 2018**

- Update and implement all Rocky Knoll policies, procedures, and practices to be in compliance with the new Mega Rule issued by the Centers for Medicare Services regulating long-term care facilities.
- Strengthen efforts in Quality Assurance and Performance Improvement (QAPI) by executing clinical performance improvement projects such as fall and injury prevention/reduction while working towards becoming an alarm free facility.
- Work with Focus on Energy to optimize and capture energy savings from recent building services improvements and upgrades.
- Explore different revenue streams utilizing available land to offset tax levy.
- Maintain our Five Star rating keeping Rocky Knoll in the forefront as the preferred provider of rehabilitative services and long-term care in Sheboygan County.