

3/29/10

5A

**TOWN OF ACTON**

# Memo

**To:** Board of Selectmen  
**From:** Steven L. Ledoux, Town Manager  
**Date:** March 26, 2010  
**Re:** Acton Nursing Service

---

As you are aware, the Acton Nursing Service has provided exemplary service to our citizens for decades. Over the years, the Nursing Service has been funded through an Enterprise Fund. There have been situations in the past where the Enterprise fund has become financially challenged and yet has found a way to become financially solvent.

Over the past two years, the Nursing Service has entered into another era of declining revenues, requiring the utilization of its Fund Balance as well as General Fund support. After much review by the financial staff, we find that the Nursing service is teetering on a critical precipice.

## The Problem

In a nutshell, there are several factors that are driving the fiscal crisis in the Nursing Service. They include:

- An increase in Medicare Advantage patients (HMO), which have a poor reimbursement rate
- An increase in the number of costly patients on fixed rates
- An increase in referrals from Emerson Hospital patients to Emerson Hospital's own Nursing Service, leaving the Town with patients with less lucrative reimbursements

In FY 10, the Finance Staff and the Nursing Service reviewed their operations and reduced the Service's budget to **\$796,406**. However, we find that in order to maintain the Service as a 24/7 enterprise, the FY 11 budget of **\$747,822** needs a **\$50,000** supplement from the General Fund as well as the utilization of **\$97,000** of the Enterprise Fund's Fund Balance for

FY 11, virtually eliminating that Fund Balance. Attached, please a monthly cash flow of the Nursing Enterprise Fund.

Ostensibly, this means that the Nursing Service cannot sustain itself beyond FY 11 without a significant contribution from the General Fund (Its sustainability in FY 11 could be jeopardized as well if revenue continues to decline)

The obvious policy question is whether the Nursing Service is important enough to the community to continue on through increased General Fund support.

### **ACTION PLAN**

Effective immediately after Town Meeting, I would like to assign the Finance Director, or designee, as Comptroller of the Nursing Service to ascertain from an operational perspective what improvements, billing practices, etc. may be viable to assist in the operation. We may also want to hire a consultant depending on the findings of the Finance Director to further triage and make recommendations.

By October, 2010, recommendations will be made to the Board of Selectmen as to the viability of the Nursing Service. This would enable us to either budget for more general fund support if that is the wish of the Board or to commence the shutting down of the service.

It should be pointed out that the current crisis is not a reflection on the Nursing Service staff. It is my opinion that what we are experiencing is a microcosm of the national health care crisis as a whole and it is unclear at present time how the actions in Washington over the past week may impact our situation.

**TOWN OF ACTON  
NURSING ENTERPRISE FUND  
FY2010**

	<b>Revenue</b>	<b>Expenditure</b>	<b>Monthly Cash Flow</b>
<b>July</b>	54,052.01	91,607.97	(37,555.96)
<b>August</b>	54,157.70	56,919.06	(2,761.36)
<b>September</b>	51,092.22	58,855.08	(7,762.86)
<b>October</b>	70,297.59	54,684.03	15,613.56
<b>November</b>	51,544.40	60,525.50	(8,981.10)
<b>December</b>	35,004.03	77,482.82	(42,478.79)
<b>January</b>	47,595.92	55,811.07	(8,215.15)
<b>February</b>	55,021.42	56,227.53	(1,206.11)
<b>March</b>	30,103.21	54,839.36	(24,736.15)
<b>April</b>			
<b>May</b>			
<b>June</b>			
	<b>448,868.50</b>	<b>566,952.42</b>	<b>(118,083.92)</b>



## ACTON PUBLIC HEALTH NURSING SERVICE

Merrily Evdokimoff RN, PhD(c)  
Administrator

472 Main Street  
Acton, MA 01720

Telephone 978-264-9653  
Fax 978-264-4405

E-mail: [nursing@acton-ma.gov](mailto:nursing@acton-ma.gov)

---

### CALL US FIRST!

**Think about this before you have surgery or are in the hospital:**

**Did you know Acton Public Health Nursing Service.....**

- ✓ provides nursing services for post-hospital care and to ill town residents including assessment, medication teaching and wound care for over 120 patients annually who are serviced an average of 65 days and have an average of 25 visits per admission
- ✓ provided physical and occupational therapy to 40 patients annually in their home who have had joint replacement surgery
- ✓ provided over 2500 hours of personal care to patients recovering from serious illness with certified home health aides
- ✓ implemented the Coleman Care Transition Model to provide a safe and stress-free transition from hospital to home
- ✓ works with Minuteman Senior Services to provide ongoing care to frail elders in the community
- ✓ provided over 4000 home visits last year
- ✓ provides a nurse on call 24 hours per day for patient questions and needs and visits a large number of patients on the week-ends, evenings and holidays
- ✓ provided over 800 hours in Public Health Nursing services to the Town of Acton in the past year, including vaccinations, lead screening, communicable disease follow up and TB screening
- ✓ provided 5500 H1N1 and seasonal flu injections in 34 separate clinics and during office hours in the past 6 months
- ✓ is 1 of only 2 town-sponsored agencies who have are a combined certified home care/public health nursing agency in Massachusetts (the other is Stoughton)!
- ✓ provides free care to residents of Acton who do not have health insurance that covers home healthcare. This resulted in over \$6000 in free care in the past 18 months
- ✓ contracts with over 20 separate insurance companies to provide nursing, physical, occupational and speech therapy, as well as medical social services and home health aides
- ✓ provided shingles vaccine, as well as tetanus and pneumonia injections to over 100 adults in the past 12 months

**Provided all of the above services since 1923 to the Town of Acton without use of your tax dollars!**

## Steve Ledoux

---

**From:** Merrily Evdokimoff  
**Sent:** Thursday, March 25, 2010 11:38 AM  
**To:** Steve Ledoux  
**Cc:** Doug Halley; Stephen Barrett  
**Subject:** FW: Questions on the nursing service

**Attachments:** call us first selectmen.doc; Public Health Nursing 2009.doc



call us first    Public Health  
selectmen.doc (2) Nursing 2009.doc

-----Original Message-----

**From:** Merrily Evdokimoff  
**Sent:** Thursday, March 25, 2010 10:21 AM

Steve,

I am attaching 2 documents which may be helpful-the stats are from the Town Report and a listing of our services. Let me know if you need additional information.

The majority of the issues with the revenue shortfall in the Nursing Service are related to the shift of patients from traditional Medicare into the Medicare Advantage (HMO) programs over the past several years. The new health care legislation includes language to change this as HMO's receive a 25% subsidy from the government and provide significantly less service. This translates for us into additional overhead cost and much less reimbursement. My hope is that if we can sustain the Nursing Service for a few years with town support, we will once again be self supporting as the health care system changes. We have had this same issue 2 times in the past, but were able to use our Enterprise fund. This however is now depleted.

If the agency closed, there would continue to be the need for a Public Health Nurse to provide state mandated programs, including immunizations, communicable disease follow up, and TB follow-up and testing. In addition, we provide wellness clinics, educational programs and podiatry clinics to the senior citizens in town. A Public Health Nurse must have a minimum of a BS degree, due to the need for the extensive Public Health knowledge that is not provided in lesser degree programs. I can do further study, but a FT Public Health Nursing (PHN) position would run \$60-80 K plus benefits. Another option would be to contract the PHN portion to another agency.

With the current situation, we always have a PHN qualified nurse available as we have additional staff on site. This allows us to respond to critical situations, such as a child with Hepatitis A in a daycare center, with the report coming at 4PM, just as parents are coming to pick up their children. The PHN was able to go immediately to the center, meet with parents when they arrived to educate them and give them information on prophylactic steps to take to prevent spread of the disease. We also have had to see a patient daily with TB to observe them taking their TB medications. This is called "Directly Observed Therapy (DOT)" and is now the standard due to the increase in antibiotic resistant TB from interrupted ingestion of medications. I hope these examples plus the statistics give a little better picture of what the Public Health Nurse does. The problem with public health is that the more successful you are, the less you are noticed as the outbreaks are prevented i.e. the H1N1 pandemic. Due to the targeted response and immunizing of children this past winter, we seem to have avoided an outbreak this year. Everyone forgets the issues last year when we had to close schools.

The certified division of the Nursing Service provides for the acute skilled needs of patients in their homes, usually following a hospitalization or visit to the ER. We also receive referrals from physicians who have seen patients in their office and are concerned

about their well-being at home. Services by Nursing, physical and occupational therapy and home health aides often can prevent people from going into a nursing home. We bill the insurance companies when people have coverage, but this past 18 months, we have seen an increase in Acton residents who do not have insurance, and have provided over \$6,000 in free care. In addition, we have accepted Acton residents who have been denied services by other agencies as they require a maximum amount of care and the agency would "lose money" if they continued to serve the patient. Our mission is to service Acton residents who need the care.

In addition, we work with Minuteman Senior Services to provide personal care to the most vulnerable of the elders, who are not financially able to pay for services, in a geographic area that is difficult to obtain service.

If we were to close the Nursing Service, we are talking layoffs of 9 benefited employees with the loss of all of the listed services. A \$50K subsidy would keep all of the above services including a FT public health nurse.

For what it would cost the town to have only a Public Health Nurse, we can continue to provide quality care to many in town for whom we are the last resort.

Please let me know if this answers the questions.

Merrily

-----Original Message-----

From: Steve Ledoux  
Sent: Thursday, March 25, 2010 8:18 AM  
To: Merrily Evdokimoff  
Cc: Doug Halley  
Subject: FW: Questions on the nursing service

can you provide the info?

Can you also be at meeting on Monday?

Steven L. Ledoux  
Town Manager  
472 Main St  
Acton, MA 01720  
Telephone: (978) 264-9612  
Fax: (978) 264-9630

When writing or corresponding, please be aware that the Secretary of State has determined that most email is a public record and, therefore, may not be kept confidential.

-----Original Message-----

From: Herman Kabakoff [mailto:herman@kabakoff.net]  
Sent: Thursday, March 25, 2010 7:48 AM  
To: Steve Ledoux; Paulina Knibbe (comcast)  
Subject: FW: Questions on the nursing service

Paulina and Steve,

Please answer Kent's questions.

Thanks for your help.

Herman

-----Original Message-----

From: KENT SHARP [mailto:kentjsharp@verizon.net]  
Sent: Wednesday, March 24, 2010 8:49 AM  
To: Herman Kabakoff  
Subject: Questions on the nursing service

Herman,

Have we seen any information on what the nursing service delivers as far as the # of visits, who the clientele is, etc.? And the follow on question is what other options would exist for servicing those needs.

At the moment it sounds like if we wound it down we'd still need to pay something for a nurse to do what we're required to do, plus we'd have the unemployment, etc. So it may not be a significant financial swing this year

- and we might be hurting some of the population that's already under pressure - but we don't really know that until we know a bit more about what the service does.

- Kent



## ACTON PUBLIC HEALTH NURSING SERVICE

Merrily Evdokimoff RN, PhD(c)  
Administrator

472 Main Street  
Acton, MA 01720

Telephone 978-264-9653  
Fax 978-264-4405

E-mail: [nursing@acton-ma.gov](mailto:nursing@acton-ma.gov)

---

### Did you know Acton Public Health Nursing Service.....

- ✓ provides nursing services for post-hospital care and to ill town residents including assessment, medication teaching and wound care for over 120 patients annually who are serviced an average of 65 days and have an average of 25 visits per admission
- ✓ provided physical and occupational therapy to 40 patients annually in their home who have had joint replacement surgery
- ✓ provided over 2500 hours of personal care to patients recovering from serious illness with certified home health aides
- ✓ implemented the Coleman Care Transition Model to provide a safe and stress-free transition from hospital to home
- ✓ works with Minuteman Senior Services to provide ongoing care to frail elders in the community
- ✓ provided over 5000 home visits last year
- ✓ provides a nurse on call 24 hours per day for patient questions and needs and visits a large number of patients on the week-ends, evenings and holidays
- ✓ provided 799 hours in Public Health Nursing services to the Town of Acton in the past year, including vaccinations, lead screening, communicable disease follow up and TB screening
- ✓ provided 5500 H1N1 and seasonal flu injections in 34 separate clinics and during office hours in the past 6 months
- ✓ is 1 of only 2 town-sponsored agencies who have are a combined certified home care/public health nursing agency in Massachusetts (the other is Stoughton)!
- ✓ provides free care to residents of Acton who do not have health insurance that covers home healthcare. This resulted in over \$6000 in free care in the past 18 months
- ✓ contracts with over 20 separate insurance companies to provide nursing, physical, occupational and speech therapy, as well as medical social services and home health aides
- ✓ provided shingles vaccine, as well as tetanus and pneumonia injections to over 100 adults in the past 12 months



## Public Health Nursing 2009 Annual Report

The Acton Public Health Nursing Service, a division of the Health Department, has provided services to the Town of Acton since 1923. We are proud to carry on the tradition of providing skilled, caring services to Acton residents.

This year has been provided additional challenges to the Public Health Nursing Service by the impact of the H1N1 Pandemic and the increasing demand for free care due to the economic down turn.

The increased workload to respond to the H1N1 Pandemic prompted a need to access additional temporary staff to assist at clinics. It also provided an opportunity to collaborate with the school administration, particularly the school nurses, the health department and the MRC (Medical Reserve Corps). This collaboration with these organizations enabled us to provide over 4000 H1N1 injections during November and December. The focus early in the campaign was on those at high risk, primarily children under 18 years of age. The large response was facilitated by scheduling clinics at times and sites most convenient to parents. These included late afternoon/early evening clinics at day care centers, schools and at group homes in the area. As of year end, we were able to open the clinics up to all due to increased availability of H1N1 vaccine. This public health response to the H1N1 Pandemic created a 400% increase in PH Nursing hours provided to Acton, at no cost to Acton. The value of these services would amount to over \$40,000 if billed to the town. Our continued relationship with the Town of Stow in providing public health services also allowed for close collaboration during the pandemic and provided additional revenue to APHNS.

The downturn in the economy has increased the demand for free care. With increased unemployment, the number of people without employer sponsored health insurance has increased. While the Commonwealth of Massachusetts requires everyone to carry health insurance, much of the insurance covers little or no home health care. This leaves patients with no where to turn when discharged from the hospital and in need of skilled care. APHNS supplied over \$3000 in free care in 2009. We see this as an ongoing issue until the economy shows significant improvement. As the mission of Acton Public Health Nursing Service is to provide for the home care and public health nursing needs of the citizens of Acton, we do not turn any Acton resident away in need of services.

We continue to provide walk-in services at our office on the 2<sup>nd</sup> floor of Town Hall for adult and childhood vaccinations and blood pressure checks. We encourage people to call before coming to assure availability of a nurse.

Acton Public Health Nursing Service continues to provide home health care, including skilled nursing; physical, occupational and speech therapy; medical social services and home health aide assistance. Through our new affiliation with the Visiting Nurse Association's of New England, we are able to contract and care for patients with most insurances. We have seen a significant

shift away from traditional fee for service Medicare to HMO's, particularly the Medicare Advantage policies. These require additional time to obtain prior approvals and meet different documentation/billing expectations, placing additional burdens on the staff, while often providing a lower reimbursement rate for the services provided.

Volunteers and other town departments continue to provide substantial assistance to the Nursing Service. The Friends of Acton Nursing Service (FANS) provides ongoing financial and volunteer support. The Professional Advisory Committee, composed of several health professionals residing in Acton, provide professional guidance by reviewing policies and procedures. We also work closely with the Council on Aging to provide services to the senior citizens.

The Acton Public Health Nursing Service is alive and well and looks forward to another 75 years, serving the Town of Acton!

Merrily Evdokimoff, RN, PhD(c).  
Administrator

Public Health Nursing  
Service Statistics  
FY2009

Home Visits

Registered Nurse	1652
Home Health Aide	2431
Physical Therapy	1257
Occupational Therapy	91
Speech Therapy	14
Medical Social Work	<u>1</u>
Total Home Visits	5446

Health Promotion Activities

TB Testing	14
Blood Pressure Checks	720
Podiatry Clinic	420
Influenza Vaccinations	1385
H1N1 Vaccinations	4000
Other Vaccinations	140

Communicable Disease Follow-up  
FY 09 Confirmed Cases

Campylobacter	6
Cryptosporidiosis	2
Giardia	10
Group B Streptococcus	2
Hepatitis C (chronic)	1
Influenza	14
Lyme Disease	42
Meningococcal Disease	1
Pertussis	2
Salmonellosis	5
TB (active)	1
TB (latent)	3
Vibrio	1

Public Health Nursing Hours:	
Acton (N/C to Town)	799
Stow (Billable)	185