

Years of Caring

**Annual Report
May 2004**

Wisconsin Association of Homes
and Services for the Aging
204 South Hamilton Street
Madison WI 53703
Tel: (608) 255-7060
Fax: (608) 266-7064
www.wahsa.org



The Beacon of Hope

2003-2004 President's Report

“With a proven track record and a bright future, this organization boldly yet respectfully stands up for its members and their missions.”

I recently overheard one WAHSA board member say to another, “WOW, I never thought we would have to work so hard to do good for others!” This revelation speaks to all of us involved in the not-for-profit world of long term health care and senior housing. We are challenged daily in our organizations to provide superior care and services, to meet fiduciary expectations, to comply with literally thousands of regulations, to fulfill our commitments to the communities we serve, to provide education, to be astute and responsive to growing competition, to attract and train staff members and future leaders, to develop boards of directors, to impart a strategic plan for our organizations, and, most importantly, to be directed in all ways by our mission. These tasks can seem daunting. But our ability to succeed many times comes from the networking and the synergy of working with collegial organizations, namely WAHSA! As our organizations come together under the auspices of WAHSA, we many times find the impossible possible!

WAHSA is made up of 186 religious, fraternal, private and governmental organizations which own, operate and/or sponsor 184 nursing homes, 19 facilities for the developmentally disabled, 48 residential care apartment complexes, 65 community-based residential facilities, 103 independent living facilities, and over 310 community service agencies that provide programs such as Alzheimer's support, adult day care, child day care, home health, hospice, homecare, and Meals on Wheels. Through WAHSA, our collective voices are heard in State and Federal legislative chambers, in newspaper editorials and articles, at internet websites, in boardrooms, at hospital discharge offices, in churches, and in the homes of our elderly and their families.

WAHSA speaks for the needs of its members and the needs of those its members serve, including children, families, and seniors. With a proven track record and a bright future, this organization boldly yet respectfully stands up for its members and their missions. The near future has WAHSA seeking a positive and improved direction with Medicaid and Medicare reimbursements, with issues of property-tax exemptions, with HIPAA and other regulatory

items, with image campaigns, with wiser utilization of technology, with education and training, with staff recruitment, with board training, with strategic planning, with our relationship with AAHSA, and with meeting the ever-changing needs of current and new WAHSA members.

I would like to take this opportunity, in this annual report, to thank the exemplary work of the entire WASHA staff. John Sauer, Janice Mashak, Tom Ramsey, Brian Schoeneck and Yvonne Mick bring a combined 88 years of service to WAHSA members and form a world-class team known and respected throughout Wisconsin and across the nation for diligence, efficiency, dedication, and success. Please join me in thanking them for their work, loyalty, and commitment to aid us, as well as in welcoming Jan Zimmerman to our WAHSA family.

I think that in these truly difficult times, it is easy to become frightened and tenuous as we face each day, not knowing what else might go wrong. It is easy to feel this way because of so many issues which truly threaten the future existence of long term health care. But while we address the negatives, we can not become tainted. It is just as important to prepare for success! Irving Berlin once said, “The toughest thing about success is that you've got to keep on being a success.” Henry Kissinger said, “Each success only buys an admission ticket to move to a more difficult problem.” With that said, long term health care and senior services do have a bright future. Throughout the years we've seen the “biorhythms” of long term health care. Successes and failures seem to ebb and flow. As we work to overcome our problems, we need to prepare for better times. Demographers tell us the numbers of people seeking our services in the future will increase dramatically. Success will come to those who prepare for it. Plan on meeting and greeting success. Plan on WAHSA to be there, in good times and bad, for you and for those you serve.

Respectfully submitted,

Steve Jaberg
WAHSA 2003-04 President

The Stars of Success



2003-2004 Executive Director's Report

Given the natural curiosity most of us have, it seems strange that we would have such anxiety about change. But imagination – certainly one of the richest of our endowments – produces fear as well as hope. For every urge to explore, there is an opposing inclination to leave well enough alone. Some individuals seem able to overcome these limitations. They somehow see a better way and have the courage to pursue it. These are the innovators, the people who press forward despite the limitations and resistance of their time.

Because of the courage and convictions of the innovators, Wisconsin has one of the highest quality long term care and senior housing environments within this nation. From the foresight and determination of these innovators, we have nurtured an association that has endured the test of time and has grown to its present-day position of integrity, dedication, strength, and leadership. From the imagination of our innovators, this association has been able to develop creative products such as *Simple Savvy*, *Gratitude Attitude*, community education programs, and statewide roundtable discussion forums – products and services that offer new ways of addressing and resolving age-old problems. It is evident that WAHSA would not and could not be the association it is without our mindset of change.

That is not to say we promote change for the sake of change. Unfounded change that would disrupt solid programs or that would disable a strong tradition of success would be foolhardy, to say the least. That is why WAHSA still relies on our formula for success when it comes to our education programs. That is why this association fights to retain the tax exempt status for not-for-profit long term care and senior housing organizations. These systems work. They have passed the test of time.


WAHSA itself has passed the test of time. In this case, I am talking about the individuals who make this association everything it is. This year, we are celebrating WAHSA's cumulative years of caring. Collectively, with over 94 percent of our members accounted for, the current employees of member organizations represent over 253,000 years of caring. **253,000 years!** That is amazing! And, that does not even count the years of service of former employees. Think about all the

individuals we have served. Think about how we have enhanced their lives. Think about where thousands of seniors would be and what their quality of life would not be if it were not for the system of quality that WAHSA represents. I challenge anybody from any walk of life to compare their cumulative years. I am convinced that, when it comes to improving life for thousands of individuals over the long haul, we stand alone. We have passed the test of time. We are successful. We are the heroes of care.

The secret of our success is no secret at all. Our success is the direct result of our passion and our compassion. It is the cumulative sum of who we are and what we represent. We hold fast to our traditions of success while we aggressively pursue logical risks that are driven by an acute adherence to our mission and core values. However, we are not content to sit where we are; rather, we continue our insatiable quest to raise the bar of quality, to foster innovation, to empower ourselves and each other, to go where we have not yet been, to make long term care and senior housing all we know it can be.

As we wind down our fiscal year, it is important to think about the traditions we value and the logical risks we yearn to pursue. Before embarking on the journey of a new fiscal year, however, it is imperative that we momentarily take a break from our fast-paced lives and from the busyness of our profession. It seems we fill our lives with "things." But if we consider ourselves so unimportant that we must fill every moment of our lives with action and with "things," when will we have time to make the long, slow introspective journey through which we will realize just how far we have come? When will we discover how marvelously important we are? For each one of us, there is a being within ourselves to bring to life. For each of us, in our personal lives and in our professional lives, there is a star to discover. That being, that star, that champion of care, is each of us – individually. Today, tomorrow and forevermore, take time to let your star shine.

Respectfully submitted,


John Sauer
Executive Director

“We hold fast to our traditions of success while we aggressively pursue logical risks that are driven by an acute adherence to our mission and core values.”



The Year in Review

2003-2004

Working for the Future; Preserving Our Past

In many respects, WAHSA's fiscal year 2003-2004 may be viewed retrospectively as the year of extremes. On one hand, the association worked pro-actively to sponsor Wisconsin's first *Statewide Long Term Care & Senior Housing Roundtable Discussion Forum*. This innovative educational venue brought together over 250 individuals from nearly every professional background and from every type of long term care and senior housing facility. Despite the seemingly different perspectives and opinions of these individuals, the forum fostered engaging discussions geared towards working together to find new approaches, innovative solutions, and creative strategies to advance the mission of long term care and senior housing. This forum nurtured new partnerships that will pave the way for even more intense discussions and more practical applications that will grow out of more structured forum offerings in the future.

At the other end of the extreme, in the last year WAHSA and its not-for-profit members were thrust into the spotlight with new challenges to a core concept within our philosophy of care, namely, the tax-exempt status of senior housing providers. In the November 19, 2003 *Columbus Park* decision, the Wisconsin Supreme Court ruled that not-for-profit housing providers who lease their property must pay property taxes on that leased property unless the lessees themselves are tax-exempt. The result of that decision is that virtually all property leased by low income housing providers and an uncertain amount of property leased by providers of elderly services would have been placed on the tax rolls for taxable year 2004 and possibly for taxable years 2002 and 2003 as well. That decision propelled WAHSA into a whirlwind of activity that was simultaneously aggressive and low key.

The association quickly established collaborative relationships with other housing providers who were detrimentally affected by this decision. Further, WAHSA retained the invaluable legal services of Reinhart Boerner Van Deuren. After nearly four months of intense focus on this issue, a flurry of grass roots action to garner the attention of legislators, an avalanche of mem-

ber contacts to their elected representatives, and aggressive work both behind-the-scenes and in the foreground, WAHSA was successful in helping secure a temporary *Columbus Park* "fix" with the passage of Senate Bill 512.

Senate Bill 512, as passed by the Legislature, would codify the pre-*Columbus Park* practice of exempting not-for-profit organizations from property taxes when they lease their property for residential housing. In addition, this legislation directs the Legislative Council to study the effect of the *Columbus Park* decision on property tax exemptions for property that is leased and to report its findings, conclusions, and recommendations to the Legislature no later than December 15, 2004.

Other Public Policy Pursuits

Although *Columbus Park* warranted and received its share of attention within the past year, it was not the only public policy issue on WAHSA's radar screen. Other successful regulatory and legislative achievements in the last twelve months include the following:

WAHSA created an open forum via regional meetings and the Legislative and Reimbursement Committees enabling members to voice their opinions on a licensed bed tax proposal and related allocation options. The association defeated attempts to impose the tax on occupied beds, an option that would have adversely impacted WAHSA's not-for-profit members.

WAHSA served as an active member of the Save Medicaid Coalition that sought to address a \$400 million Medicaid deficit. The leadership of this coalition lobbied the Legislature in support of the Governor's proposal to restructure the state debt. The end result was passage of AB 909, which, among other things, provided an additional \$123 million to the Medicaid program.

WAHSA pushed the Division of Health Care Financing (DHCF) to increase capital payments for facilities that undergo substantial downsizing. This successful initiative will enable homes to reduce bed capacity or pursue replacement options in a more cost-effective manner.

WAHSA worked with legislators, the Wisconsin Health Care Association, and the Department of Health and Family Service (DHFS) on legislation to eliminate “double jeopardy” enforcement of state and federal cites for the same incident, resulting in the introduction of AB 842.

WAHSA’s Assisted Living Workgroup completed a comprehensive analysis of the differences between nursing homes, RCACs, and CBRFs. The document was shared with the Bureau of Quality Assurance (BQA) and the Board on Aging and Long Term Care (BOALTC) and was intended to dissuade BQA officials from using a nursing home regulatory approach in assisted living settings.

WAHSA members attending the AAHSA spring conference used their time in Washington D.C. to lobby the state’s congressional delegation in support of federal legislation which ultimately provided over \$300 million in additional Medicaid funding to Wisconsin.

WAHSA worked to make sense of the revised CNA testing requirements and pushed BQA and the state’s technical colleges to ensure statewide testing availability and improved responsiveness on the part of Promissor, the independent contract testing agency.

WAHSA worked extensively with BQA on the final feeding assistant training requirements. The final rules offer free model training programs to members. WAHSA received a 2003 award from AAHSA in recognition of our efforts to enable the use of paid feeding assistants.

WAHSA convinced several legislators to seek a Legislative Council legal opinion on whether BQA surveyors must comply with federal and state resident rights. The Council concluded that surveyors must comply with these regulations (specifically, if a resident asks the surveyor to leave the room during cares, the surveyor must comply).

WAHSA worked with the Wisconsin Counties Association to draft and lobby the Legislature to pass AB 592. This legislation restored \$13 million of the \$40 million cut in Intergovernmental Transfer Program (IGT) payments contained in the 2003-05 state budget.

WAHSA successfully advocated for an amendment to the concealed weapons bill, SB 214, which would prohibit the carrying of concealed weapons in health care facilities, including nursing homes and CBRFs.

WAHSA’s Executive Director serves as co-leader of the Department of Workforce Development

(DWD) Health Care Workforce Committee’s Leadership Task Force. The Task Force is pursuing strategies to publicize the manner in which organizations successfully address workforce issues (reduce turnover, culture change, and quality improvement).

WAHSA continues to work collaboratively with MetaStar on nursing home quality improvement projects. Members and staff serve on the MetaStar advisory committee and strive to promote positive efforts to increase quality in Wisconsin’s long term care facilities.

In the past year, WAHSA also:

- Developed public policy positions opposing the mandatory overtime bill.
- Worked with DHFS to change the ISN level of care determination memo and related guidance to surveyors.
- Advocated for the restoration of the nursing home personal needs allowance amount.
- Completed a 2002-03 analysis of Medicaid nursing home rates and losses documenting the ongoing funding crisis.
- Fought efforts to adopt and implement Medicaid Block Grants.
- Worked with Senator Kohl’s office to improve the proposed national criminal background check legislation.
- Opposed AB 241, which would have required nursing homes and CBRFs to adhere to “first come, first served” admissions policies.
- Met with representatives of the federal Centers for Medicare and Medicaid Services (CMS) on several occasions to voice members concerns with the current long term care survey system.
- Worked with DHCF to achieve the least disruption possible with the implementation of a bedhold payment change necessitated by new coding requirements under the federal Health Insurance Portability and Accountability Act (HIPAA).
- Pushed DHFS to adopt tougher divestment prohibitions.
- Convinced DHCF to adopt the 2003-04 direct care funding option most preferred by non-profit providers.
- Provided feedback to AAHSA on our preferred “federal long term care financing scenarios.”
- Led efforts to build opposition to AB 644 which would add regulations and fees to RCACs.

As this summary of the highlights of WAHSA’s public policy agenda indicates, this was an ambitious and, overall, successful year for WAHSA when it came to representing the best interests of Wisconsin’s not-for-profit and senior housing providers.





Forging Forward Towards New Frontiers

Public policy is not the only arena within WAHSA that buzzed with activity throughout the fiscal year. Work within the Division of Member Services focused on maintaining traditional programs and offerings while simultaneously pursuing new and innovative ventures.

WAHSA is hailed not only as the leader in long term care advocacy, but also as the champion in quality when it comes to educational programs. Indeed, WAHSA's annual conferences and tradeshow have become the largest offerings for Wisconsin's long term care and senior housing professionals. Within the last year, we significantly increased registrations for our conferences, sold out space for our annual tradeshow, secured a record number of sponsorships, featured Wisconsin's unprecedented roundtable discussion forum for all long term care and senior housing professionals, and enhanced the program offerings for the certificate seminar series for senior housing professionals. With yet another year of success behind us, it is evident that WAHSA continues to excel when it comes to addressing the educational needs and interests of professionals within long term care and senior housing.

Our efforts to enhance our members' abilities in long term care did not end with our educational offerings; rather, the association embarked on an entirely new venture -- grant writing. WAHSA led the effort to collaborate with the Center for Health Systems Resources and Analysis (CHSRA) at the UW-Madison and other groups in applying for a *Better Jobs, Better Care* grant. Our comprehensive grant, which proposed a quality improvement system based on culture change and effective use of quality measures, made the final cut along with forty other grant applications. Although WAHSA was not among the six organizations selected to receive grant funding, the process did energize WAHSA and helped improve our strategic thinking.

With renewed emphasis on strategic thinking, WAHSA continued a major emphasis on developing services to address the needs of senior housing providers. Through renewed dedication to this influential segment of the association's membership, we strengthened WAHSA's State-wide Senior Housing Network. This network, now in its third year, is hailed as one of the best new services for WAHSA member senior housing professionals and currently has a loyal following of about 30 individuals. In addition, about 20 additional individuals attend the meetings depending on the topics being addressed.

The Senior Housing Network's planning retreat generated many ideas for new programs and services that WAHSA incorporated into the association's work plan. From this process, WAHSA formed a task force to develop training guidelines for residential care apartment complexes (RCACs). The association also implemented a process for more systematic sharing of information (rate structures, budget benchmarks, social accountability programs, regulatory interpretations, and survey experiences) among senior housing providers. Further, WAHSA began development of the *Gratitude Attitude* program for residents within senior housing facilities.

With the senior housing edition of *Gratitude Attitude* still in the developmental stages, the original *Gratitude Attitude* program sparked national attention after being featured in an article in *McKnight's Long Term Care*. Within its first year, *Gratitude Attitude* became the single most successful product WAHSA ever developed.

Discussion of the association's success would be far from complete without mention of the focus of WAHSA's 2004 Awards Program. This year, the Awards Committee set out to identify the longest tenured employee within a member facility and to determine how many years of caring WAHSA members represent. The response to our call for information was overwhelming, to say the least. Forty-three members identified their longest tenured employee, all of whom have been employed within their respective facilities continuously for more than twenty years. Ninety-four percent of the membership reported to us their cumulative years of service, helping WAHSA to determine that member organizations account for well over 253,000 years of caring.

While the magnitude of these milestones might seem unfathomable to some, the significance of these numbers highlights the commitment WAHSA members have to their mission. Caring is your calling.

WAHSA recognizes that point and is dedicated to maintaining our tradition of excellence and pursuing new possibilities to sustain your efforts beyond present day problems and to focus your energies toward future opportunities. To ensure that WAHSA continues its impressive reputation for strength, leadership, and integrity, we are looking at new dues structures, technological enhancements, and office environments that will complement our strategic plan to move ahead. Working together, you and WAHSA will continue our tradition of excellence and will ensure many more rewarding *Years of Caring*.

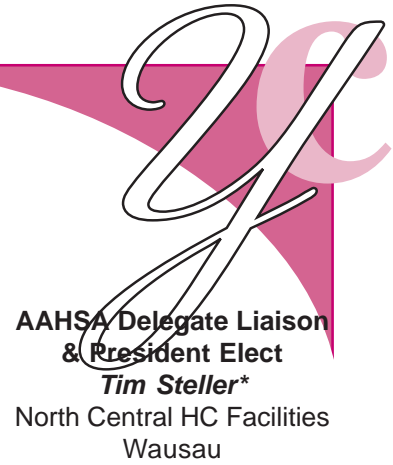
WAHSA's Budget



Wisconsin Association of Homes and Services for the Aging
 Income Statement
 Nine Months Ending March 31, 2004
 Projections to June 30, 2004

	<u>3/31/2004</u>	<u>Budget</u>	<u>Variance</u>	<u>Projected 6/30/2004</u>	<u>2003/04 Budget</u>	<u>Variance</u>	<u>2004/05 Budget</u>
Member Dues	\$ 402,600	\$ 406,100	\$ (3,500)	\$ 525,000	\$ 532,400	\$ (7,400)	\$ 549,000
Associate Dues	24,615	30,000	(5,385)	35,100	41,000	(5,900)	37,800
AAHSA Dues	25,400	27,000	(1,600)	34,200	36,500	(2,300)	34,900
Investment Income	14,761	28,000	(13,239)	22,000	40,000	(18,000)	40,000
Subscriptions	500	500	-	500	500	-	500
Conferences/Seminars	192,604	189,500	3,104	290,100	303,500	(13,400)	299,500
Nursing Home Week	5,298	5,300	(2)	55,000	55,000	-	55,000
Surveys/EO	1,235	1,000	235	1,700	1,000	700	1,500
Member Services	21,882	24,600	(2,718)	27,000	32,900	(5,900)	29,300
Miscellaneous	694	700	(6)	1,000	1,000	-	1,000
Total Revenue	\$ 689,589	\$ 712,700	\$ (23,111)	\$ 991,600	\$ 1,043,800	\$ (52,200)	\$ 1,048,500
Salaries/Insurance/Temp.	\$ 366,042	\$ 388,600	\$ 22,558	\$ 492,000	\$ 522,200	\$ 30,200	\$ 524,300
Payroll Taxes	22,657	24,000	1,343	30,900	32,400	1,500	32,400
Employee Pension	16,417	17,500	1,083	21,700	23,300	1,600	23,600
Staff Travel	9,668	10,500	832	16,000	17,000	1,000	17,500
Professional Development	1,545	1,500	(45)	2,000	2,000	-	2,000
Board/Committee	9,818	14,000	4,182	15,500	21,000	5,500	22,000
Insurance/Taxes	4,270	4,600	330	6,000	6,500	500	6,500
Telephone	6,509	7,800	1,291	9,800	11,500	1,700	10,000
Copier	12,006	13,600	1,594	17,400	19,400	2,000	18,200
Postage	10,787	9,800	(987)	15,300	13,000	(2,300)	15,000
Computer Expense	1,949	1,900	(49)	2,500	2,500	-	2,500
Printing	181	200	19	8,000	8,000	-	9,000
Supplies/Sub./Memberships	3,177	3,800	623	5,600	6,500	900	7,100
Conferences/Seminars	115,380	124,600	9,220	197,100	214,400	17,300	209,400
Legal Counsel	17,162	16,700	(462)	49,700	22,200	(27,500)	23,400
Audit	4,200	4,300	100	4,200	4,300	100	4,300
Bank Expense/Misc.	1,654	1,500	(154)	2,100	2,000	(100)	2,100
Data Base	5,190	5,200	10	9,200	9,000	(200)	9,000
Member Services	2,772	3,000	228	13,400	26,500	13,100	15,600
Nursing Home Week	4,222	4,300	78	45,000	45,000	-	45,000
Depreciation	10,701	11,500	799	14,600	15,500	900	13,000
Office Building	15,108	14,300	(808)	20,000	19,000	(1,000)	20,000
Strategic Development	-	-	-	-	-	-	15,000
Total Operating Expenses	\$ 641,415	\$ 683,200	\$ 41,785	\$ 998,000	\$ 1,043,200	\$ 45,200	\$ 1,046,900
Net Revenue/Expenses	\$ 48,174	\$ 29,500	\$ 18,674	\$ (6,400)	\$ 600	\$ (7,000)	\$ 1,600
Gain(Loss) Investments-Mkt. Value	33,515	-	33,515	33,500	-	33,500	-
Net Income (Loss)	\$ 81,689	\$ 29,500	\$ 52,189	\$ 27,100	\$ 600	\$ 26,500	\$ 1,600
Capital Improvements	\$ 2,797	\$ 2,797	\$ -	\$ 8,000	\$8,000	\$0	\$ 8,000

WAHSA Leadership



2003-2004 Executive Committee

* Denotes AAHSA Delegate

President
Steve Jaberg
Cedar Community
West Bend

Immediate Past President
Fran Anderson
Meriter Health Center
Madison

**AAHSA Delegate Liaison
& President Elect**
Tim Steller*
North Central HC Facilities
Wausau

V.P. of Operations
Craig Ubbelohde
Lutheran Homes of Oshkosh
Oshkosh

V.P. of Member Services
Miriam Ownby
Markesan Resident Home
Markesan

V.P. of Public Policy
David Rothmann
Brewster Village
Appleton

Secretary
Mike Basch*
Sheboygan Retirement Home
Sheboygan

Treasurer
Roger Goepfert*
New Glarus Home
New Glarus

Senior Advisor
David Keller
Luther Manor
Wauwatosa

2003-2004 Board of Directors Directors at Large

Larry Alens
Onalaska Care Center
Onalaska

Mike Basch*
Sheboygan Retirement Home
Sheboygan

Mike Christensen
Grace Lutheran Foundation
Eau Claire

Roger Goepfert*
New Glarus Home
New Glarus

Steve Jaberg
Cedar Community
West Bend

Ralph Luedtke
Lasata Care Center
Cedarburg

Miriam Ownby
Markesan Resident Home
Markesan

Fran Petrick
Ridgewood Care Center
Racine

Wanda Plachecki
Pine View Care Center
Black River Falls

The Rev. Daniel Risch
Lincoln Lutheran of Racine
Racine

Greg Roberts
Dunn Co. Health Care Center
Menomonie

David Rothmann
Brewster Village
Appleton

Dennis Sampson
Tudor Oaks Ret. Community
Hales Corners

Steve Seybold*
Homme Home
Wittenberg

Tim Steller*
North Central HC Facilities
Wausau

2003-2004 Board of Directors Regional Directors

Region I
Lynn Binnie*
Fairhaven Corporation
Whitewater

Region II
Bill Bender
St. Mary's Care Center
Madison

Region III
Clark Nordberg*
Bethel Home and Services
Viroqua

Region IV
Gary Taxdahl
Golden Age Manor
Amery

Region V
Jim Fett*
St. Paul Elder Services
Kaukauna

Region VI
Craig Ubbelohde
Lutheran Homes of Oshkosh
Oshkosh

2003-2004 Immediate Past President

Fran Anderson
Meriter Health Center
Madison

WAHSA Staff

John Sauer
Executive Director

Brian Schoeneck
Director of Financial Services

Janice Mashak
Director of Member Services

Yvonne Mick
Executive Secretary

Tom Ramsey
Director of Government Relations

Jan Zimmerman
Project Assistant