FACTS REGARDING ISLAND NURSING HOME

INH Board of Directors

1. When the Board first started to consider reopening INH, the first decision we made was that we would not reopen the facility unless we had an iron-clad guarantee of two things. First, that we would have enough resources to pay our expenses; and second, that we had adequate staff to care for the residents. Closing the facility in October 2021 was a painful experience for the residents and for the staff, and we were not going to repeat that experience.
2. We hired a consulting firm in late 2021 to help us reorganize INH. We were told that we could purchase the contracts of Philippine nurses to staff INH.  We subsequently learned that our federal government froze the importation of nurses from foreign countries because of the covid pandemic.  Besides that, there were many health care facilities in Maine which had already contracted with nurses from foreign countries.  There was at least a 15 month waiting list before we could apply for contract nurses.
3. So we decided that it was not feasible to reopen as a nursing facility because we could not hire sufficient staff.
4. Our license to operate a nursing facility expired on February 28, 2023.
5. In September 2022, we sold $2 million of our bed rights which netted INH $700,000. We would have lost the value of these bed rights in October 2022 if we had not sold them.
6. We applied for a conditional license to operate a residential care (Rescare) facility and were granted that license.  The license expires on January 11, 2024.  Requirements for reopening include having sufficient revenue, having a full staff, passing numerous inspections, e.g. fire safety.  These requirements need to be met before January 11, 2024 to obtain a full non-conditional license.
7. We drafted a budget for 32 Rescare beds. The budget was $2,172,000. The cost per bed was $196 per resident per day.  However, the State Medicaid rate for reimbursement, also known as Maine Care, was only $110 per patient per day.  This left us with a deficit approaching $500,000.
8. In November 2022, we initiated a fund drive to raise $1.5 million to cover three years of potential deficits.  We have raised $232,501.50 towards that goal. The scuttle-butt around the communities was that people were reluctant to contribute because there was no guarantee that there would be a revenue stream to cover deficit after three years. This feedback was the reason why we did not hire a fund raiser. We did not think that such an effort would be successful because of the feedback we were receiving from potential contributors. We have concluded that it is not possible to reopen INH as a Rescare facility because we do not have the resources to pay our expenses. Because we will lose our license next month, the board has voted to sell the remaining bed rights. We have been working hard to find alternative uses for the facility. We came to the conclusion that if we tried to establish a program with the State it would not be successful because the State would not reimburse the cost of the program.  More about our efforts later.
9. Joanna Bentley, Leon Weed, and Skip Greenlaw, three INH board members, traveled to Augusta during the 2023 Legislative session to testify in favor of more funding for nursing homes on three occasions.  Several letters were also written and mailed to Governor Mills. The House Chairman of the Appropriations and Financial Affairs Committee finally told Skip that the reason why the Maine Legislature was not going to appropriate additional funds for nursing homes was that there were too many expensive nursing contracts which were paid to the contract nurses. The Maine Legislature apparently appropriated $180 million to nursing facilities and hospitals during the covid pandemic to cover nursing costs. We feel that it is very clear that the State of Maine wants to transition from nursing/rescare to in-home health care. The problem is that they cannot hire enough people to provide adequate home health care. While this may work for people who are ill and live in multi-family homes, there are still many people who live alone and who need 24 hour care in a nursing/rescare facility.
10. A sobering statistic is that 30 nursing homes and rescare facilities have closed since 2014. We are not aware that any of these facilities have reopened. We contacted the owners of two nursing homes/rescare facilities to inquire whether they would partner with us or consider buying INH. Neither owner had any interest in partnering or buying INH.
11. On July 16, 2023, we invited former employees to a staff picnic at INH. There were over 200 invitations sent out to former employees. The purpose of the meeting was to determine how much interest there was for former employees to return to work at INH. 21 former employees attended the picnic. 16 employees responded to the survey, and only 3 were willing to work full time.  We would need at least 28 staff to reopen, plus extras to cover absences and turnover.
12. Discussions were held with the directors of a university nursing program to develop a collaborative training experience for upcoming students. Although the university program was promising and could have yielded some employment after a few years, there was no guarantee that such a venture would produce sufficient employees to staff the facility.
13. When we initiated the fund drive, we promised that we would return your contribution if we were not able to reopen the facility as a rescare facility. We will honor that commitment. Donors will shortly receive a letter asking 1. if you wish to have your contribution returned;  2.  if you would be willing to leave your contribution with INH for future endeavors, to replace the #1 boiler at an estimated cost of $25,000, and for other unforeseen expenses; or 3. whether you wish us to forward your contribution to Healthy Island Project or Community Compass, two 501(c)(3) organizations in our area which provide services to the elderly.  Please fill in the postcard which you will receive with the letter and return it to INH. Thank you again for your contribution.

Above is a summary of the reasons why we have decided that it is not feasible to reopen INH as a nursing home or rescare facility.  We are pleased to answer any questions you might have regarding this information.  This has not been an easy decision, and we are all disappointed that we were not able to find some solution that would allow us to continue using INH as a nursing home or rescare facility.

We would like to entertain any suggestions you might have for alternative uses of INH.  We will share with you also some ideas which we have been considering.