



COMMUNITY PRESERVATION PROJECT APPLICATION COVER SHEET

I: Project Information

Project Title: Life Safety Upgrade for Overlook at Northampton Skilled Nursing Facility

Project Summary:

Masonic Health System, Inc., a non-profit elder care system, recently purchased the Overlook at Northampton (formerly Hampshire Care), a 120-bed skilled nursing facility for low-income elders. The payer mix is 80% Medicare/Medicaid (Mass Health). The remaining 20% is billed at 80% of the subsidized rate. The project entails an upgrade to life-safety systems, including fire alarm systems, air filtration and circulation, Wander-guard system, emergency lighting, emergency generators and the Nurse Call system.

Estimated start date: 9/1/09 Estimated completion date: 1/1/10

CPA Program Area (check all that apply):

- Open Space Historic Preservation
 Community Housing Recreation

II: Applicant/Developer Information

Contact Person and or/primary applicant: George Senerth

Organization (if applicable): Masonic Health System, Inc.

Mailing Address: 88 Masonic Home Rd., Charlton, MA 01507

Daytime phone #: 508-434-2262

Fax #: 508-248-3936

E-mail address: gsenerth@mhs-mass.org

III: Budget Summary

Total budget for project: \$457,300

CPA funding request: \$250,000

CPA request as percentage of total budget: 55%

Applicant's Signature:

George Senerth

Date Submitted:

Project Narrative:

Hampshire Care of Northampton, now known as The Overlook at Northampton, is a 55,000 square foot single story building that was built in the early 1970's and is used as skilled nursing facility consisting of 120 beds. Exterior walls consist of cement, block and brick with no insulation. There are three wings, East, West and South that house residents and consist of 40 beds per wing.

The resident payer mix is 80% government subsidized (Medicare and Medicaid), and 20% private pay. Private pay is billed at 80% of Medicare reimbursement. This application is a request for funding for repair and replacement of life safety systems in the existing structure. The request comes under the Community Preservation Criteria of Low Income Housing for the elderly and disabled.

Who we are:

The Overlook at Northampton was recently purchased by Masonic Health System, Inc. from Hampshire Council of Governments, which had operated a skilled nursing facility on the grounds since 1914. Hampshire Care has a long history of caring for low-income, vulnerable elders and disabled persons, a history upon which Masonic Health System intends to build and expand.

Masonic Health System of Massachusetts (MHS) is a not-for-profit senior care provider which has been providing health care in Massachusetts since 1911. The mission of MHS is:

**To empower individuals to realize their potential
in the communities where they live and work.**

In addition to the purchase of Hampshire Care, MHS consists of:

The Overlook Life Care Community in Charlton

219 independent living units; 42 intermediate care units; 27 sub-acute short term rehabilitation units; 112 traditional long term care units; Fitness & Wellness Center; Adult Day Care; Child Day Care; Outpatient Rehab Center and a beautiful Performing Arts Center.

Overlook Visiting Nurse Association & Hospice Services (OVNA)

Covering approximately 70% of the state with an average daily census of 2000, OVNA provides short-term certified home health care, hospice care, and private duty home care services. OVNA also provides private case management services.

MHS has as part of its strategic plan commitment to the national trends toward culture change in elder care, which emphasize independence, choice and the empowerment of both residents and direct care staff. These trends incorporate these basic values:

- Enabling residents to direct their care and activities

- Creating living environments that are more like homes than institutions
- Fostering close relationships between residents, family members, staff and communities
- Empowering staff to respond to resident's needs and desires
- Promoting collaborative decision making
- Practicing continuous quality improvement (*Quality Matters*; January 18, 2007, Vol. 22)

MHS is committed to the continuation of high quality skilled elder care at the former Hampshire Care site. MHS, under the guidance of Jude Rabig, RN, PhD, a nationally recognized expert in person-centered care will also be exploring the feasibility of an ambitious plan for the Northampton Campus: the Small House model. The Small House moves away from the traditional skilled nursing model. The Small House is a home for 10 elders; clusters of the homes are licensed as a nursing home and comply in construction and operation with the applicable federal, state, and local codes for long term care. They are designed using the smaller scale of a residential home and provide a living room, dining area, open kitchen, laundry area, porch, and easily accessible, inviting outdoor space. The bottom line is that this model shifts control away from the traditional facility hierarchy to the elder and direct care worker. It is the expectation of MHS that the Small House concept will revolutionize long term care.

This plan is for the future, however, and may not occur within the life span of our current residents. **Priority must be given to the safety and welfare of our residents and staff.** During the week of July 20 of this year, once the purchase and sales agreement had been signed, the MHS Vice President for Environmental Services, George Senerth, and representatives from McGill Engineering and Reno Engineering conducted a needs assessment of the physical plant at the facility. It is a matter of public record that the Council of Government for Hampshire Care had planned internal improvements to the facility prior to sale; however, these improvements did not come about under previous ownership due to financial constraints.

Budget:

The following is a list of recommendations made as a result of the assessment process:

- Fire Alarm System is more than 30 years old and in poor repair. Replacement parts are not available, and the entire system must be replaced. Estimated cost is \$80,000. A Fire Department inspection report is attached.
- Emergency Generator transfer switch must be replaced. Estimated Cost \$6,000.
- The Air Handling Unit and Fan Recoil Units in patient rooms provide heating and cooling to interior offices and all corridors. They also supply conditioned makeup air to all resident rooms. The heating and cooling coils have failed and have been valved off. The unit is drawing air from the corridor to try to supply air to the residents' rooms. This system is also more than 30 years old. Replacement parts are not available. Replacement cost is estimated at \$90,000.

- There are 16 bathroom exhaust fans on the roof of the facility which have been cannibalized over the years. Of these 16, two are currently in working order. Again, due to the age of the system, replacement parts are not available. Replacement cost is estimated at \$48,000.
- Nurse call system is more than 30 years old and faulty. Replacement parts are not available. System must be replaced. Estimated cost is \$65,000.
- Emergency lighting must be installed on exterior egress doors. Estimated cost is \$4,500.
- Access road to the facility is in disrepair and will be a danger during the coming winter for approach by ambulance and fire vehicles. Road must be patched and re-paved. Estimated cost is \$80,000. (NB, a feasibility study done in March of 2007 for the Hampshire Care Council of Governments by the Berkshire Design Group, Inc. estimates the cost of road redesign and replacement at \$158,000).
- The 10,000 gallon double wall oil tank has a tank level/leak system that is in alarm and needs to be restored to full service. Maintenance has been turning the system on and off manually to record the tank level. Estimated cost \$3,800.
- Water tower level maintenance valve is faulty and wastes 400+ gallons of water/day. Repair estimate \$10,000.
- Install smoke resistant weather stripping on 30 doors to comply with fire codes. Estimate \$1,000.
- Remove roller latches on resident doors and replace with compliant door latches and patch doors. Estimate \$1,500.
- Install automatic door openers on both interior and exterior entrance doors to the facility to comply with ADA regulations. Estimate \$7,500.
- Remove old nursing dormitory from premises. Building is unstable and a fire hazard. Estimated cost \$60,000.

Total Estimate for life safety upgrade:

The highest priority items (which also represent the highest cost) in the upgrade project are the fire alarm system, air handling system and road repair. The request for Community Preservation funding of \$250,000 would be used for these three vital improvements to the facility, listed in order of priority.

Sustainability:

MHS is committed to the long-term provision of the highest quality elder care at this site, and also to the provision of that care to low income, Medicare/Medicaid residents. The purchase of the Overlook at Northampton by MHS was extremely well received and highly supported by the Hampshire Care Council of Governors and the general community, as evidenced by the attached newspaper articles and editorials.

According to the Massachusetts Department of Public Health, the populations of Massachusetts citizens over 65 will more than double in the next 5 – 10 years. Reliable, compassionate long term care will remain a priority, and most likely demand will

increase. At MHS, as in the rest of the country, financial and regulatory systems create barriers to substantial improvement in care.

Medicare and Medicaid reimbursement currently do not take quality of life measurements into account, and instead may actually increase as residents become more debilitated. Current and proposed cuts in reimbursement are tightening the purse strings for many long-term care facilities, as innovation takes a back seat to the costs of staying solvent. MHS has been able to avoid many of these consequences thanks to a substantial endowment and a diversification of services, but is subject to the same pitfalls, resulting in the request for funding.

The project will be considered successful once all life safety issues and problems assessed have been resolved. MHS will continue to maintain and support the physical plant of the Overlook at Northampton, including the upkeep required to keep these issues from recurring.

Timeline:

Due to the nature of some of the repair projects, the timeline for beginning repairs is immediate. Repair work for the boiler system will begin in September, as will work to bring doorways and access up to code. All systems must be functioning at some level before the winter months. Therefore, the project must be at least partially complete by Jan. 1, 2010. Funding from the Community Preservation Committee would enable repair/replacement of the road, circulation system and fire alarm system.

Attachments

- A. Overlook at Northampton Articles of Organization.
- B. Overlook at Northampton IRS Determination Letter.
- C. Overlook at Northampton Fire Inspection Report.
- D. Aerial view of Overlook at Northampton.
- E. Exterior view of Overlook at Northampton, showing road damage.
- F. Second exterior view of Overlook at Northampton showing road damage.
- G. View of ice build-up on exterior drive.
- H. View of old nursing dormitory on property.
- I. Hampshire Gazette article dated March 25, 2009.
- J. Hampshire Gazette editorial dated March 26, 2009.
- K. Letter of support from William R. Barnett.
- L. Interview with Northampton Fire Chief Brian P. Duggan.

The Commonwealth of Massachusetts

William Francis Galvin

Secretary of the Commonwealth

One Ashburton Place, Boston, Massachusetts 02108-1512

ARTICLES OF ORGANIZATION

(General Laws, Chapter 180)

Examiner

Name
Approved

ARTICLE I

The exact name of the corporation is:
Overlook Health Center at Northampton, Inc.

ARTICLE II

The purpose of the corporation is to engage in the following activities:

To provide, operate, manage and/or arrange for the provision of skilled nursing and rest home facilities for elderly Freemasons of every race, color and religion, and their widows and family members, as well as members of the community at large, and to provide, operate, manage and/or arrange for the provision for such persons of facilities and services specially designed to meet their physical, social and psychological needs, and to promote their health, security, happiness and usefulness in longer living; and to engage generally in any activity which may be lawfully carried on by a charitable corporation which is organized under the laws of The Commonwealth of Massachusetts and exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

C
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R.A.

P.C.

Note: If the space provided under any article or item on this form is insufficient, additions shall be set forth on one side only of separate 8 1/2 x 11 sheets of paper with a left margin of at least 1 inch. Additions to more than one article may be made on a single sheet so long as each article requiring each addition is clearly indicated.

ARTICLE III

A corporation may have one or more classes of members. If it does, the designation of such classes, the manner of election or appointments, the duration of membership and the qualification and rights, including voting rights, of the members of each class, may be set forth in the by-laws of the corporation or may be set forth below:

Not applicable.

ARTICLE IV

****Other lawful provisions, if any, for the conduct and regulation of the business and affairs of the corporation, for its voluntary dissolution, or for limiting, defining, or regulating the powers of the corporation, or of its directors or members, or of any class of members, are as follows:**

[see attached page IV(A)]

ARTICLE V

The by-laws of the corporation have been duly adopted and the initial directors, president, treasurer and clerk or other presiding, financial or recording officers, whose names are set out on the following page, have been duly elected.

****If there are no provisions, state "None".**

Note: The preceding four (4) articles are considered to be permanent and may only be changed by filing appropriate Articles of Amendment.

ARTICLE IV(A)

4.1 The Corporation shall have the following powers in furtherance of its corporate purposes:

- 4.1.1 To have perpetual succession in its corporate name;
- 4.1.2 To sue and be sued;
- 4.1.3 To have a corporate seal which it may alter at pleasure;
- 4.1.4 To elect or appoint directors, officers, employees, investment advisors, and other agents, fix their compensation and define their duties and obligations, and indemnify such corporate personnel;
- 4.1.5 To purchase, receive, take by grant, gift, devise, bequest or otherwise, lease or otherwise acquire, own, hold, improve, employ, use and otherwise deal in and with real or personal property, or any interest therein, wherever situated, in an unlimited amount;
- 4.1.6 To solicit and receive contributions from any and all sources and receive and hold, in trust or otherwise, funds received by gift or bequest;
- 4.1.7 To sell, convey, lease, exchange, transfer or otherwise dispose of, or mortgage, pledge, encumber or create a security interest in, all or any of its property, or any interest therein, wherever situated;
- 4.1.8 To purchase, take, receive, subscribe for, or otherwise acquire, own, hold, vote, employ, sell, lend, lease, exchange, transfer, or otherwise dispose of, mortgage, pledge, use and otherwise deal in and with, bonds and other obligations, shares, or other securities or interests issued by others, whether engaged in similar or different business, governmental, or other activities;
- 4.1.9 To make contracts, give guarantees and incur liabilities, borrow money at such rates of interest as the corporation may determine, issue its notes, bonds and other obligations, and secure any of its obligations by mortgage, pledge or encumbrance of, or security interest in, all or any of its property or any interest therein, wherever situated;

