



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

ORLENE HAWKS
DIRECTOR

October 16, 2020

Marcia Curtiss
Leisure Living Mgt of Buchanan, LLC
Suite 115
21800 Haggerty
Northville, MI 48167

RE: License #: AL110065097
Investigation #: 2020A0578058
Buchanan Meadows Living Center #1

Dear Mrs. Curtiss:

Attached is the Special Investigation Report for the above referenced facility. Due to the violations identified in the report, a written corrective action plan is required. The corrective action plan is due 15 days from the date of this letter and must include the following:

- How compliance with each rule will be achieved.
- Who is directly responsible for implementing the corrective action for each violation.
- Specific time frames for each violation as to when the correction will be completed or implemented.
- How continuing compliance will be maintained once compliance is achieved.
- The signature of the responsible party and a date.

If you desire technical assistance in addressing these issues, please feel free to contact me. In any event, the corrective action plan is due within 15 days. Failure to submit an acceptable corrective action plan will result in disciplinary action.

Please review the enclosed documentation for accuracy and contact me with any questions. In the event that I am not available and you need to speak to someone immediately, please contact the local office at (616) 356-0183.

Sincerely,

A handwritten signature in black ink, appearing to read "Eli DeLeon". The signature is fluid and cursive, with a long horizontal stroke at the end.

Eli DeLeon, Licensing Consultant
Bureau of Community and Health Systems
322 E. Stockbridge Ave
Kalamazoo, MI 49001
(269) 251-4091

enclosure

**MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
BUREAU OF COMMUNITY AND HEALTH SYSTEMS
SPECIAL INVESTIGATION REPORT**

I. IDENTIFYING INFORMATION

License #:	AL110065097
Investigation #:	2020A0578058
Complaint Receipt Date:	09/30/2020
Investigation Initiation Date:	09/30/2020
Report Due Date:	11/29/2020
Licensee Name:	Leisure Living Mgt of Buchanan, LLC
Licensee Address:	Suite 115 21800 Haggerty Northville, MI 48167
Licensee Telephone #:	(269) 695-6655
Administrator:	Kristin Baker
Licensee Designee:	Marcia Curtiss
Name of Facility:	Buchanan Meadows Living Center #1
Facility Address:	809 Carrol Buchanan, MI 49107
Facility Telephone #:	(269) 695-6655
Original Issuance Date:	11/20/1995
License Status:	REGULAR
Effective Date:	07/28/2020
Expiration Date:	07/27/2022
Capacity:	20
Program Type:	TRAUMATICALLY BRAIN INJURED ALZHEIMERS AGED

II. ALLEGATION(S)

	Violation Established?
This facility is charging residents a monthly "Covid Fee".	Yes

III. METHODOLOGY

09/30/2020	Special Investigation Intake 2020A0578059
09/30/2020	Special Investigation Initiated - Telephone -With the licensee, Ms. Marcia Curtiss.
09/30/2020	APS Referral Completed.
09/30/2020	Contact-Telephone -Interview with the administrator, Ms. Kristen Baker.
10/09/2020	Contact-Telephone -Interview with Complainant.
10/13/2020	Contact-Telephone -Interview with the administrator, Ms. Kristen Baker.
10/13/2020	Contact-Document Reviewed -"Covid Fee" Letter, dated 06/18/2020.
10/13/2020	Exit Conference -With the licensee designee, Ms. Marcia Curtiss.

ALLEGATION:

This facility is charging residents a monthly "Covid Fee".

INVESTIGATION:

On 09/30/2020, I received this complaint through the BCHS on-line complaint system. Complaint reported the facility had implemented a monthly "Covid Fee" for every resident. Complainant clarified they inquired about the "Covid Fee" and was told attorneys for this facility felt the additional fee followed state regulations.

On 10/09/2020, I reviewed the details of the allegations with Complainant. Complainant clarified the allegation was made due to similar facilities in the area receiving a cease and desist notice from the Department of the Attorney General related to charging a "Covid Fee." Complainant reported the administrator for this facility acknowledged that a "Covid Fee" was being charged of every resident. Complainant reported that a copy of an alleged letter that was sent to every resident and payee explaining the fee was requested from this facility but never provided to Complainant.

On 09/30/2020, I interviewed licensee designee Ms. Marcia Curtiss regarding the allegation. Ms. Curtiss acknowledged residents at this facility were currently being charged a "Covid fee" which was implemented on 07/01/2020. Ms. Curtis reported that letters explaining this fee were sent out to in the mail, signed and returned as an indication of agreement with this fee. Ms. Curtiss reported this was a decision of the parent company. Ms. Curtiss reported this fee was accrued monthly and continued until the end of the year. Ms. Curtiss reported the fee was 2.5% of the resident's monthly payment and estimated the average fee to be about \$90. Ms. Curtiss reported that she was unaware if all of the *Resident Care Agreements* were updated to reflect this change in fees.

On 09/30/2020, I interviewed administrator Kristin Baker regarding the allegations. Ms. Baker acknowledged that residents at this facility were currently being charged a "Covid Fee." Ms. Baker reported the cost of supplies such as gloves had gone up from \$40 to \$130 for latex gloves and from \$25 to \$89 for vinyl gloves since some of her staff are allergic to latex. Ms. Baker reported that food costs had increased as well and this additional fee was used to cover these costs.

Ms. Baker denied that each resident's *Resident Care Agreements* were updated with the change in fee and reported the signed letters were attached to the general fee policy provided to residents. Ms. Baker reported the "Covid Fee" was set at 2.5% of the monthly fee and could be paid monthly or in lump sum. Ms. Baker reported this fee for most residents was between \$112 and \$133 monthly until the end of the year. Ms. Baker reported that she currently had 34 residents between all of the licensed AFC properties and to her knowledge all of the letters agreeing to this fee were returned. Copies of this signed letter for each resident was requested.

On 10/13/2020, I completed an exit conference with the licensee designee Ms. Marcia Curtiss. Ms. Curtiss was informed that collecting a "Covid Fee" in addition to receiving CARES Act Provider Relief Funds may constitute Medicaid fraud.

On 10/13/2020, I reviewed the following letter provided by Ms. Kristin Baker, which was dated 06/18/2020 and included the following information:

"We are honored that you have chosen Buchanan Meadows as your home. Please know our team continues to follow safety protocols while working on transition plans to successfully adapt to the new normal. This includes significant

and appropriate personal protective equipment (PPE) and additional staff that has remained in place since the onset of COVID-19. With these new measures in place, we have been successful in decreasing the risk of the spread of the virus and remain vigilant to ensure your safety.

With this added operational support, PPE, and labor costs, we are mindful to strike the right balance of managing these increased costs while also insuring the highest level of service and amenities. In order to cover these rising and continuing operating costs, we are implementing a 2.5% service fee which will be based on your recurring monthly charges from July 1, 2020 through December 31, 2020. A summary of your fee is per the following:

Your July current rate \$4495

Your total COVID-19 service fee for will be \$ 667.02.

You may choose to pay this service fee in installments over the next 5 months, or pay it in a lump sum.

Please initial below next to your preferred method of payment. Also sign below, indicating your understanding of your choice to pay in either one lump sum or monthly over the course of the 6 month period, per the following:

___ Lump Sum Payment of \$667.02 ___ six (6) installment payments of \$111.17”

APPLICABLE RULE	
R 400.15301	Resident admission criteria; resident assessment plan; emergency admission; resident care agreement; physician's instructions; health care appraisal.
	<p>(6) At the time of a resident's admission, a licensee shall complete a written resident care agreement. A resident care agreement is the document which is established between the resident or the resident's designated representative, the responsible agency, if applicable, and the licensee and which specifies the responsibilities of each party. A resident care agreement shall include all of the following:</p> <p style="padding-left: 40px;">(b) A description of services to be provided and the fee for the service.</p> <p style="padding-left: 40px;">(c) A description of additional costs in addition to the basic fee that is charged.</p>

ANALYSIS:	During interviews, licensee designee Ms. Marcia Curtiss and administrator Kristin Baker acknowledged that residents of this facility were charged a "Covid Fee" due to rising expenses related to personal protective equipment and food cost. Ms. Baker acknowledged this additional fee for service and additional costs were not added to an updated <i>Resident Care Agreement</i> for each resident.
CONCLUSION:	VIOLATION ESTABLISHED

IV. RECOMMENDATION

Contingent upon receipt of an acceptable written plan of correction, it is recommended that this license continues on regular status.

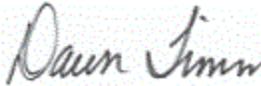


10/16/2020

Eli DeLeon
Licensing Consultant

Date

Approved By:



10/16/2020

Dawn N. Timm
Area Manager

Date