



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

ORLENE HAWKS
DIRECTOR

October 4, 2022

Carolyn Bruning
Northeast Michigan CMH Authority
400 Johnson Street
Alpena, MI 49707

RE: License #: AS040095845
Investigation #: 2022A0360037
Princeton Home

Dear Ms. Bruning:

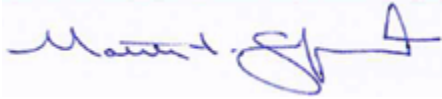
Attached is the Special Investigation Report for the above referenced facility. Due to the violations identified in the report, a written corrective action plan is required. The corrective action plan is due 15 days from the date of this letter and must include the following:

- 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 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 (866) 865-0006.

Sincerely,

A handwritten signature in blue ink, appearing to read "Matthew Soderquist", with a stylized flourish at the end.

Matthew Soderquist, Licensing Consultant
Bureau of Community and Health Systems
Ste 3
931 S Otsego Ave
Gaylord, MI 49735
(989) 370-8320

enclosure

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

I. IDENTIFYING INFORMATION

License #:	AS040095845
Investigation #:	2022A0360037
Complaint Receipt Date:	08/05/2022
Investigation Initiation Date:	08/05/2022
Report Due Date:	10/04/2022
Licensee Name:	Northeast Michigan CMH Authority
Licensee Address:	400 Johnson Street Alpena, MI 49707
Licensee Telephone #:	(198) 935-8760
Administrator:	Nicole Kaiser
Licensee Designee:	Carolyn Bruning
Name of Facility:	Princeton Home
Facility Address:	215 Princeton Alpena, MI 49707
Facility Telephone #:	(989) 356-9318
Original Issuance Date:	06/26/2001
License Status:	REGULAR
Effective Date:	03/06/2022
Expiration Date:	03/05/2024
Capacity:	6
Program Type:	DEVELOPMENTALLY DISABLED

II. ALLEGATION(S)

	Violation Established?
Resident funds are not accounted for properly.	Yes
Additional Findings	Yes

III. METHODOLOGY

08/05/2022	Special Investigation Intake 2022A0360037
08/05/2022	Special Investigation Initiated - Telephone Ruth Hewitt, NECMH ORR
08/09/2022	Inspection Completed On-site Ruth Hewitt NEMCMH ORR, administrator Nicole Kaiser
09/28/2022	Contact - Telephone call made Former home manager Sarah Wells
09/29/2022	Contact - Telephone call made Guardian 1-A
09/30/2022	Contact - Telephone call made Guardian 1-B
09/30/2022	Contact - Telephone call made Guardian 1-C
09/30/2022	Contact - Telephone call made Guardian 1-D
10/04/2022	Exit Conference With licensee designee Carolyn Bruning

ALLEGATION: Resident funds are not accounted for properly.

INVESTIGATION: On 8/05/2022 I was assigned a complaint from the LARA online complaint system.

On 8/05/2022 I contacted Ruth Hewitt, rights officer with Northeast Community Mental Health. Ms. Hewitt stated it was reported to her that there were several residents with missing funds. She stated she will be meeting with the administrator on 8/09/2022.

On 8/09/2022 I conducted an onsite inspection at the home with recipient rights officer Ruth Hewitt. The home administrator Nicole Kaiser stated home manager Sarah Wells was hired in February 2022 and was terminated on May 23rd, 2022. She stated in June she came into the office to reconcile all of the resident funds and discovered that the resident funds were not accounted for properly with several missing receipts and combined funds. She stated she contacted the former home manager Sarah Wells and she stated she would cash resident checks and combine the cash for all the residents rather than handle the money separately. Ms. Kaiser stated she was unsure if there were missing funds or if the receipts were not turned in for each resident. She stated Resident A was missing \$117.13, Resident B was missing \$143.01, Resident C was missing \$290.99, and Resident D was missing \$94.85. Ms. Kaiser provided me with resident funds forms for May, June and July 2022 for Resident's A, B, C and D. She stated she did find an unmarked envelope with \$340 in cash in the office. She stated on July 15th, 2022, the agency reimbursed all resident funds that were missing. Ms. Kaiser stated they have sent letters to all the guardians explaining that there were missing funds and that they have been replenished. Ms. Hewitt stated she has made a referral to the Alpena County Sheriff's Office. We then reconciled the cash and receipts with the resident fund forms for July 2022. Resident A, B, and D's cash and receipts reconciled with the amount shown on their resident funds form. Resident C's resident funds form for July 2022 showed she should have had \$605.42. She had \$610.67 in cash and also a receipt from McDonald's for \$4.65 putting her over what was documented by \$9.90. Resident' A, B, C, and D were all observed at the home however were unable to be interviewed because they are non-verbal and have profound intellectual disabilities.

On 9/28/2022 I contacted former home supervisor Sarah Wells. Ms. Wells stated when she received resident fund checks, she would cash the checks and pool all of the money together rather than keep each resident's funds separate. She stated she would account for them separately but kept all the cash together. She denied taking any of the missing resident funds. She stated if there was not enough cash in the unmarked envelope to reconcile each resident's account there were probably missing receipts. She stated Resident C received more money than the other residents and she was regularly over \$200 in her resident funds account.

On 9/29/2022 I contacted Resident A's guardian, Guardian 1-A. Guardian 1-A stated she was appointed Resident A's guardian in May so she is pretty new as her guardian. She stated she was unsure if she received notice from NEMCMH of the missing funds. She stated she would contact her secretary and call back on Monday 10/03/2022.

On 9/30/2022 I contacted Resident B's guardian, Guardian 1-B. Guardian 1-B stated she was contacted by NEMCMH via a letter and informed of the missing resident funds and that they were replenished. She stated she has no concerns at this time.

On 9/30/2022 I contacted Resident C's guardian, Guardian 1-C. Guardian 1-C stated NEMCMH has kept her informed of the missing resident funds and that they were replenished by the agency. She stated Resident C receives more money than most residents on a monthly basis, so she is regularly over \$200 in her resident funds account.

On 9/30/2022 I contacted Resident D's guardian, Guardian 1-D. Guardian 1-D stated NEMCMH made him aware of the missing resident funds and they were replenished. He stated he has no concerns at this time.

APPLICABLE RULE	
R 400.14315	Handling of resident funds and valuables.
	(10) A licensee, administrator, direct care staff, other employees, volunteers under the direction of the licensee, and members of their families shall not accept, take, or borrow money or valuables from a resident, even with the consent of the resident.
ANALYSIS:	<p>The complaint alleged resident funds were not properly accounted for.</p> <p>The administrator Nicole Kaiser stated Resident A was missing \$117.13, Resident B was missing \$143.01, Resident C was missing \$290.99, and Resident D was missing \$94.85 of their resident funds. The funds were discovered missing after the former home manager, Sarah Wells, was terminated in May 2022. Ms. Kaiser stated all of the resident funds have been replenished by the agency and all guardians have been notified.</p> <p>Guardians 1-B, 1-C and 1-D all stated they were notified of the missing funds and that they were replenished by NEMCMH.</p> <p>There is a preponderance of evidence that resident funds were missing and unaccounted for.</p>
CONCLUSION:	VIOLATION ESTABLISHED

ADDITIONAL FINDINGS:

INVESTIGATION: While at the facility on 08/09/2022 the home administrator Nicole Kaiser provided me with Resident B and C's resident funds form for July 2022 which documented Resident B had \$265.62 and Resident D had \$605.42 in resident funds. Ms. Kaiser was provided consultation that resident funds of more \$200 is not allowable.

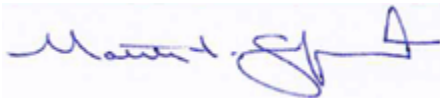
On 9/30/2022 I contacted Resident C's guardian, Guardian 1-C. Guardian 1-C stated NEMCMH has kept her informed of the missing resident funds and that they were replenished by the agency. She stated Resident C receives more money than most residents on a monthly basis, so she is regularly over \$200 in her resident funds account.

APPLICABLE RULE	
R 400.14315	Handling of resident funds and valuables.
	(6) Except for bank accounts, a licensee shall not accept resident funds of more than \$200.00 for any resident of the home after receiving payment of charges owed.
ANALYSIS:	Resident B and C had more than \$200 of resident funds.
CONCLUSION:	VIOLATION ESTABLISHED

On 10/04/2022 I conducted an exit conference with the licensee designee Carolyn Bruning. Ms. Bruning concurred with the findings of the investigation and stated she would submit a corrective action plan for approval.

IV. RECOMMENDATION

Upon receipt of an acceptable corrective action plan, I recommend no change in the status of the license.

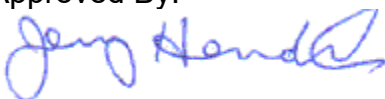


10/04/2022

Matthew Soderquist
Licensing Consultant

Date

Approved By:



10/04/2022

Jerry Hendrick

Date

Area Manager