



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

MARLON I. BROWN, DPA
DIRECTOR

August 5, 2024

Joanne Donaldson
North Haven AFC, Inc.
13505 State HWY M28
Newberry, MI 49868

RE: License #: AS480339035
Investigation #: 2024A0873022
North Haven AFC

Dear Ms. Donaldson:

Attached is the Special Investigation Report for the above referenced facility. Due to the severity of the violations, disciplinary action against your license is recommended. You will be notified in writing of the department's action and your options for resolution of this matter.

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) 356-0100.

Sincerely,

A handwritten signature in black ink, appearing to be "Garrett Peters", with a stylized loop and a long horizontal stroke.

Garrett Peters, Licensing Consultant
Bureau of Community and Health Systems
Unit 13, 7th Floor
250 Ottawa, N.W.
Grand Rapids, MI 49503
(906) 250-9318

enclosure

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

I. IDENTIFYING INFORMATION

| | |
|---------------------------------------|--|
| License #: | AS480339035 |
| Investigation #: | 2024A0873022 |
| Complaint Receipt Date: | 06/24/2024 |
| Investigation Initiation Date: | 06/26/2024 |
| Report Due Date: | 08/23/2024 |
| Licensee Name: | North Haven AFC, Inc. |
| Licensee Address: | 13505 State HWY M28 Newberry, MI 49868 |
| Licensee Telephone #: | (906) 477-3646 |
| Administrator: | Joanne Donaldson |
| Licensee Designee: | Joanne Donaldson |
| Name of Facility: | North Haven AFC |
| Facility Address: | 13505 State Hwy M-28 Newberry, MI 49868 |
| Facility Telephone #: | (906) 477-3646 |
| Original Issuance Date: | 05/24/2013 |
| License Status: | REGULAR |
| Effective Date: | 09/02/2022 |
| Expiration Date: | 09/01/2024 |
| Capacity: | 6 |
| Program Type: | DEVELOPMENTALLY DISABLED MENTALLY ILL AGED |

II. ALLEGATION(S)

| | Violation Established? |
|---|---------------------------|
| Residents do not have access to their personal funds. | Yes |
| The facility lacked proper refrigeration of food items. | Yes |
| Additional Findings | Yes |

III. METHODOLOGY

| | |
|------------|---|
| 06/24/2024 | Special Investigation Intake 2024A0873022 |
| 06/26/2024 | Special Investigation Initiated – Letter Email from complainant #1 |
| 06/27/2024 | Contact - Telephone call made Interview with complainant #2 |
| 06/27/2024 | Contact - Telephone call made Interview with complainant #3 |
| 06/27/2024 | Contact - Telephone call made Interview with Resident A guardian |
| 07/09/2024 | APS Referral Referral from APS |
| 07/15/2024 | Contact - Telephone call made Interview with APS-Bellinger |
| 07/16/2024 | Contact - Telephone call made Interview with APS-Cheryl Crimin |
| 07/17/2024 | Contact - Telephone call made Interview with Representative #1-Cloverland Electric Cooperative |
| 07/17/2024 | Contact - Telephone call made Interview with Luce County Treasurer |
| 07/18/2024 | Inspection Completed On-site |

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|------------|---|
| 07/23/2024 | Contact - Telephone call made Interview with licensee designee |
| 07/23/2024 | Inspection Completed-BCAL Sub. Non-Compliance |
| 07/23/2024 | Contact - Telephone call made Interview with Guardian |
| 07/25/2024 | Inspection Completed On-site Interview with Ms. Donaldson |
| 07/25/2024 | Contact – Telephone call made Interview with Representative #1-Cloverland Electric Cooperative |

ALLEGATION:

Residents do not have access to their personal funds.

INVESTIGATION:

On 6/21/24, I received an email complaint from Complainant #1 that alleged Joanne Donaldson had given away hundreds of thousands of dollars to phone scammers over a period of several years. Because of this, several bills the licensee designee was responsible for have not been paid.

On 6/27/24, I interviewed Complainant #2 by telephone. Complainant #2 alleged Ms. Donaldson had given a significant amount of money to scammers over the phone. The home and vehicles are currently without insurance and Ms. Donaldson has in the past had to borrow money from family members to pay her bills. It is alleged that she has no sources of income to pay her bills she is currently delinquent on.

On 6/27/24, I interviewed Complainant #3 by telephone. Complainant #3 alleged that Ms. Donaldson has spent all her savings, including several thousands of dollars of resident entitled COVID economic stimulus checks and is borrowing money from family members and others in the community to pay her bills. There was no insurance on the vehicles and the home is behind several years on property taxes.

On 6/27/24, I interviewed Guardian A by telephone. Guardian A stated that he knows her personally and believes Ms. Donaldson has no money and has stolen residents' funds. Resident A is entitled to \$44 per month for spending but only sees about \$10 of it. Resident A received very little or none of the thousands of dollars of stimulus money entitled to him through the economic stimulus payments during the COVID pandemic. Guardian A personally researched and determine the home was due for foreclosure in March 2025 due to nonpayment of property taxes. In addition, he stated Ms. Donaldson owes thousands of dollars to grocery stores in the area

and has been passing bad checks in the community. Guardian A stated Ms. Donaldson is not able to properly care for residents due to her lack of fiscal responsibility.

On 7/15/24, I interviewed adult protective services (APS) specialist Jolene Bellinger by telephone. Ms. Donaldson had admitted to her that she has given away \$1,200 in the last month to scammers over the phone. The electricity at the home has been shut off for nonpayment as of 7/15/24. APS will not financially assist her since they had already provided \$1000 assistance for similar circumstances in August of 2023. Ms. Bellinger stated that Ms. Donaldson has been uncooperative with her investigation into the home's finances. Ms. Bellinger stated Ms. Donaldson's uncooperativeness dates back to 2021 when, at that time, she claimed to no be able to access the residents' monies because she had lost the combination to the safe. Ms. Bellinger confirmed there was an active investigation of which the findings are unknown at this time.

On 7/16/24, I interviewed APS specialist Cheryl Crimin by telephone. She stated the electricity was shut off at the home and provided a contact name and phone number at Cloverland Electric Cooperative.

On 7/17/24, I interviewed Cloverland Electric Cooperative Representative #1 by telephone. Representative #1 stated that the power to the home was off due to nonpayment. The licensee would have pay \$1875 to have the electricity turned back on. Representative #1 stated that the electric cooperative was not willing to enter into a payment arrangement with Ms. Donaldson due to the significance of poor payment history.

On 7/17/24, I interviewed Luce County Treasures Office Representative #2 by telephone. Representative #2 stated the home was in forfeiture and would be foreclosed on in March of 2025 due to nonpayment of property taxes. Ms. Donaldson owes \$4349.66 for property tax year 2022, \$5322.86 for property tax year 2023, and has yet to pay property tax in 2024. Representative #2 stated that due to nonpayment of the home's municipal water bill for the past several years, the delinquent water bill balances have been added to the tax amount owed.

On 7/17/24, I interviewed Pathways Community Mental Health (CMH) caseworker Casey Gehrett by telephone or in person at facility? Ms. Gehrett stated that she case follows three of the five residents of North Haven. Ms. Gehrett stated that she does not believe her residents are receiving the spending money they are entitled to. She also reported hearing that Ms. Donaldson was behind on several bills and was asking family and friends, including Ms. Gehrett, to borrow money to pay bills.

On 7/18/24, I interviewed Ms. Donaldson at the home. The power to the home was shut off and there were five-gallon buckets of water on the porch and individual gallons jugs of water in the home. Ms. Donaldson did not have a plan to have the power restored but was hoping someone in her family was going to financially assist

her. Ms. Donaldson told me that she was having trouble being reimbursed \$1500 for room and board for the residents from the State of Michigan and this is why she was not able to keep up on bills. Ms. Donaldson stated that it was not correct that she was behind on property taxes and that all she has to do is pay the back property taxes for 2024. Ms. Donaldson told me there was no insurance on the home and there was no insurance on the home's vehicle, but her husband's truck had insurance. Ms. Donaldson told me that she could not show me the resident's funds because they were locked in a safe in her room and she cannot open it due to a problem with the combination. Ms. Donaldson reported the police might have to come out to break open the safe.

On 7/23/24, I interviewed Ms. Gehrett by telephone. She believed the power to the home was turned back on but that she had heard that Resident C, who used a CPAP machine at night, was forced to spend the nights the home was without power in the garage with his CPAP machine hooked up to a generator.

On 7/23/24, I interviewed Guardian B by telephone. She believes the power to the home was restored the day after I visited. She is currently working on finding Resident B alternative placement.

On 7/23/24, I interviewed Ms. Donaldson by telephone. Ms. Donaldson stated her sister paid the electric bill in full, restoring electricity to the home. Ms. Donaldson told me that Resident C moved his bed and slept in the garage due to the power outage in order to use his CPAP machine. This garage was on a different electrical meter than the home and had electricity during the home's outage.

On 7/25/24, I interviewed Ms. Donaldson at the home. I inspected the garage Resident C used during the power outage. The garage was about 80 ft from the home and approximately 25 ft by 25 ft in width and length. It was outfitted with a service door and two two-car stalls with each having its own overhead door. The floor space was 50% utilized for storage of items related to an upcoming garage sale Ms. Donaldson planned. The floor was clean and provided a concrete surface that the mattress was laid upon according to Ms. Donaldson. The garage had no running water, bathing facility, or toilette. There was a mattress still visible in the garage, up against the wall. Resident B joined Resident C in the garage during the day where they socialized and watched television. Residents had access to flashlights during the night. I reviewed the home's emergency evacuation materials. Fire drills had not been performed since the previous renewal inspection dated 8/4/22. The assessment plan for Resident C did not indicate use of a CPAP machine. All five assessment plans had not been updated since the previous renewal inspection dated 8/4/22. The most updated assessment plans for the residents were dated as follows:

Resident A – 10/21/21, also, no signature from Guardian A
 Resident B – 11/10/21, also, no signature from Guardian B
 Resident C – 10/29/21
 Resident D – Missing signature page.
 Resident E – 10/29/21

Ms. Donaldson admitted that she did not update the assessments since she was not renewing her license. Ms. Donaldson still did not have access to the safe which contained the residents' funds. She claimed to have given residents money out of her own pocket. There was no plan in place to open the safe.

On 7/25/24, I interviewed Representative #1. The home's account with Cloverland Electrical Cooperative was listed as belonging to North Haven AFC. The garage was affiliated with Ms. Donaldson's personal account and the electricity was not shut off during the outage at North Haven but has an overdue balance of \$135.94.

| APPLICABLE RULE | |
|------------------------|--|
| R 400.1301 | Resident Assessment plan; |
| | (4) At the time of admission, and at least annually, a written assessment plan shall be completed with the resident or the resident's designated representative, the responsible agency, if applicable, and the licensee. A licensee shall maintain a copy of the resident's written assessment plan on file in the home. |

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| ANALYSIS: | None of the residents had updated assessment plans. Two of them were missing signatures from the residents' guardians and one of them was missing the signature page entirely. |
| CONCLUSION: | VIOLATION ESTABLISHED. |

| APPLICABLE RULE | |
|------------------------|---|
| R 400.14318 | Emergency preparedness; |
| | (5) A licensee shall practice emergency and evacuation procedures during daytime, evening, and sleeping hours at least once per quarter. A record of the practices shall be maintained and be available for department review. |
| ANALYSIS: | No fire drills had been performed since the previous renewal inspection dated 8/4/22. |
| CONCLUSION: | VIOLATION ESTABLISHED |

| APPLICABLE RULE | |
|------------------------|---|
| R 400.14315 | Handling of resident funds and valuables. |
| | (7) A resident shall have access to and use of personal funds that belong to him or her in reasonable amounts, including immediate access to not less than \$20.00 of his or her personal funds. A resident shall receive up to his or her full amount of personal funds at a time designated by the resident, but not more than 5 days after the request for the funds. Exceptions to this requirement shall be subject to the provisions of the resident's assessment plan and the plan of services. |
| ANALYSIS: | Complainant #3, Guardian A, and CMH caseworker all stated the licensee designee was not managing resident finances appropriately. The licensee designee was not able to provide for my review the resident funds forms and cash holdings. |
| CONCLUSION: | REPEAT VIOLATION ESTABLISHED Special Investigation Report (SIR) #2023A0873019 dated 10/2/23 Corrective Action Plan (CAP) dated 11/13/23. |

ALLEGATION:

The facility lacked proper refrigeration of food items.

INVESTIGATION:

On 7/18/24, I interviewed Resident B at the home. Resident B told me the food is bad, they had to throw away a lot of food from the freezer.

On 7/23/24, I interviewed Guardian B by telephone. Guardian B confirmed the statements of Resident B that the home had to throw away a lot of food due to spoilage during the power outage.

On 7/23/24, I interviewed Ms. Donaldson by telephone. Ms. Donaldson stated in order to keep food fresh they put blocks of ice in the freezers, but they did have to throw away some chicken and milk.

On 7/25/24, Ms. Donaldson stated the home had a working propane supply during the electrical outage and that she used the gas stove to provide meals to the residents during the outage. The meals did not vary from what the residents would normally eat and included hot cereal, hard boiled eggs, Spanish rice, etc.

| APPLICABLE RULE | |
|------------------------|--|
| R 400.14402 | Food service. |
| | (3) All perishable food shall be stored at temperatures that will protect against spoilage. All potentially hazardous food shall be kept at safe temperatures. This means that all cold foods are to be kept cold, 40 degrees Fahrenheit or below, and that all hot foods are to be kept hot, 140 degrees Fahrenheit or above, except during periods that are necessary for preparation and service. Refrigerators and freezers shall be equipped with approved thermometers. |
| ANALYSIS: | The facility's power loss resulted in the spoilage of food and questionable meals served. |
| CONCLUSION: | VIOLATION ESTABLISHED |

ADDITIONAL FINDINGS:

On 7/23/24, Ms. Donaldson stated she was not interested in renewing her license.

| APPLICABLE RULE | |
|------------------------|---|
| R 400.14201 | Qualifications of administrator, direct care staff, licensee, and members of household; provision of names of employee, volunteer, or member of household on parole or probation or convicted of felony; food service staff. |
| | (2) A licensee shall have the financial and administrative capability to operate a home to provide the level of care and program stipulated in the application. |
| ANALYSIS: | The licensee designee has a significant history of delinquency resulting in the facility's electricity shutoff by the electrical cooperative. The home's historical water delinquency has been added to the tax amount owed to the County. The home's delinquent taxes are now set for forfeiture due to nonpayment. The licensee designee admitted to not having insurance on her vehicle or the facility. The home suffered food spoilage and questionable food cooling and a resident that required electrical CPAP machine use at night slept a mattress placed on the concrete floor within the garage separate from the facility. In addition, neither resident assessment plans nor fire drills had been completed in several years. Ms. Donaldson lacks financial and administrative capability to operate an Adult Foster Care home. |
| CONCLUSION: | REPEAT VIOLATION ESTABLISHED Special Investigation Report (SIR) #2023A0873019 dated 10/2/23 - Corrective Action Plan (CAP) dated 11/13/2023 |

I attempted to contact Ms. Donaldson by telephone on 7/31/24, 8/1/24, and 8/2/24 to discuss the findings of this report. Ms. Donaldson called me back and left a voicemail after-hours during the weekend. I again attempted to call her back on the morning of 8/5/24 but was unsuccessful. Despite leaving messages for Ms. Donaldson I have been unable to speak with her and was not able to share the findings of my report with her to issuance.

IV. RECOMMENDATION

Due to the severity of the violations cited during this investigation, I recommend revocation of the license of this AFC adult small group home.

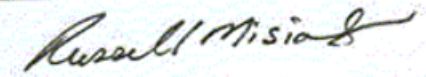


7/25/24

Garrett Peters
Licensing Consultant

Date

Approved By:



7/26/24

Russell B. Misiak
Area Manager

Date