

**MINUTES OF THE
ASBURY ATLANTIC, INC.
MEETING OF THE BOARD OF DIRECTORS**

May 17, 2023

Asbury Atlantic, Inc. is a not-for-profit, tax-exempt corporation. Our charitable purpose is to create services for older adults that enhance the value of the entire span of life. The Asbury organization provides housing, healthcare, and other services to residents of its continuing care retirement communities, with a sense of financial security through our benevolent care program. Our charitable purpose and faith-based heritage guide our decisions and direction as we serve our residents and future generations of seniors. Asbury also reaches out to individuals and other organizations serving older adults in the communities in which its communities exist.

MEETING ATTENDEES

Board of Directors, attending		
Jeffrey Ernico, Chair	Barbara Harbison	Efonda Sproles
Richard Shuman		
Board of Directors, absent		
Staff		
Todd Andrews, President Community Living Division	Terra Bennett, Minutes	
Andrew Jeanneret, CFO	Kim Ehrenfried, Comptroller	
Doug Leidig, CEO	Stephanie Lee, VP of Clinical Support & Programming	

Note: the meeting was held via teleconference.

ITEM: CALL TO ORDER

The meeting of the Board of Directors of Asbury Atlantic, Inc. (“Atlantic”) was called to order by Mr. Jeffrey Ernico at approximately 4:15 p.m. Mr. Andrews offered a prayer.

Mr. Ernico then referred to the agenda and consent resolution contained in the Board packet for May 17, 2023, Asbury Atlantic, Inc. Board of Directors meeting (“Board Packet”) and asked for a motion to approve.

The following motions were made, duly seconded, and approved.

IT IS HEREBY RESOLVED that the following be, and they are hereby, adopted, ratified, and/or approved as applicable:

1. Set Agenda. The agenda for the May 17, 2023, Board of Directors meeting as it

appears in the Board Packet for the May 17, 2023, Board of Directors meeting.

2. Approval of Minutes. *The minutes for the February 8, 2023, Meeting of the Board of Directors as it appears in the Board Packet, on BoardEffect, for May 17, 2023, Board of Directors Meeting (“Board Packet”).*
3. Approval of Land Sale at Bethany Village.

ITEM: Q1 FINANCIAL REVIEW

Ms. Ehrenfried discussed the audited 2022 Financials for Asbury Atlantic and shared that the preliminary Operating Ratio was 94.5% and the final was 94.9%, a favorable variance to budget of approximately \$440k.

Ms. Ehrenfried then presented the first-quarter financial results noting that the Operating Ratio (OR) is 100.3% compared to a budget of 99.9% (unfavorable by \$165,000 to the OR budget) due primarily to revenue/census shortfalls at AMV offset by expense savings across the other 3 communities. She also highlighted the following:

- Received \$254,000 from government funding through March and expect \$90,000 for SH in April and \$1.3M in May for BV and SH
- Favorability in salary/benefits, partially impacted by an unfavorable variance in contract labor, food, medical supplies, and repairs and maintenance and unfavorable in utilities, leases, and telephone due to renting a generator at AMV and hot water units at BV.

The Directors discussed the equipment rentals and finalizing the insurance claims for the expenses incurred from the building damage during winter.

ITEM: OPERATIONS REVIEW

Mr. Andrews began the operations review by sharing the following ratings:

- AMV – 5 stars
- AS – 5 Stars
- BV – 5 Stars
- SH – 3 Stars

Then, Mr. Andrews discussed quality measures, sharing that three communities returned to five stars. Mr. Andrews expects SH to return to four stars after the second quarter. He noted that the clinical team focuses on short and long-term stay measures. Our numbers are mostly on par with the state average in all communities for short-term stays. AMV and BV rank at five stars for quality measures, AS is at four stars, and SH is at two stars. We hired two additional nurses to help with restorative care at SH to improve their measures. We are doing well with the long-term stay numbers and continuously seek areas we can improve. The clinical team reviews the numbers weekly and addresses concerns during care team meetings.

The Board discussed the use of psychotropic medications and why the state would like to reduce

the use of these medications.

Mr. Andrews also provided the following updates about the Strategic Blueprint:

Goal 1: Operation Margin Achieved – The target is a 99.9% Operating Ratio, and the actual is 100.3%.

Goal 2: Employee Turnover Rate Reduced – Reduced by 8% and currently at 37.1%, the lowest level of open positions since 2018.

- Mr. Andrews referenced the associate survey and how he shares the results during the quarterly community meetings. He explained that action plans are developed based on the comments and how these activities are critical for associate retention.

Goal 3: Cognitive Brain Health Program/Well-being - Achieved the goal of adding a second Brain Health Coach to AMV

- Mr. Andrews discussed the Brain Health Program and noted that 99% of enrolled residents @ AMV improved their brain health score after one year. The small group residents whose scores decreased had typically not followed the recommendations of the Brain Health coach and since have enrolled again to better engage with the program. The Rock Steady program participant numbers have doubled since program inception.
- EngAge Well and Kinnections Brain Health are being implemented in all communities, and both programs are progressing as per schedule. In addition, Brain Health Coaches will be hired in all communities by the end of the summer.

Following the strategy update, Mr. Andrews shared the following information about Integrated Services:

- Edge Therapy is currently looking for a salesperson to help drive external revenue and is in the final stages of outpatient services.
- Because of the positive customer service experience, the pharmacy continues to add participants and serves over 400 at the AMV campus. The pharmacy is exploring adding personal care homes as new customers.
- The SpiriTrust transaction continues to be challenging and has a new transition date of June 1, 2023.
- Lab services have all accreditations for COVID testing, respiratory, and urinary tract infections and seeks opportunities for optimizing revenue.

ITEM: MASTER PLANNING

Mr. Andrews reviewed the various bond capital projects on each campus. Then, he discussed the modernization of the art hallway at the Rosborough Center at AMV as an example of responding to resident requests and upgrades visible to all.

ITEM: EDUCATION: QA ENHANCEMENT – MOCK SURVEY PROCESS

Ms. Lee discussed mock surveys using ABAQIS, a complete quality management system that will support managing Quality Assurance and Performance Improvement (QAPI) and analyzing each community's activity. She shared how the mock survey process enables communities to

address any concerns before their actual survey and noted that outcomes include increased star ratings, transparency, and establishing a learning environment. In addition, a structured approach for QAPI, resident/family satisfaction, and communication improve. Ms. Lee also shared the mock survey schedule for the rest of the year.

ITEM: OPEN DISCUSSION

Mr. Andrews discussed changing the next meeting to a virtual meeting on July 26, 2023, from 4:15 p.m. – 5:45 p.m. and the Directors were to confirm with Mr. Andrews if they could accommodate the change.

ITEM: ADJOURNMENT

The meeting was adjourned at approximately 5:51 p.m.



Todd Andrews, President Community Living Division

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