

# 2012 ANNUAL REPORT AFRH ADVISORY COUNCIL



**January 1, 2012 – December 31, 2012**

## Congressional Requirement

(As mandated by the National Defense Authorization Act for FY 2012):

“Not less often than annually, the Advisory Council shall submit to the Secretary of Defense a report summarizing its activities and recommendations with respect to the Retirement Home as the Advisory Council considers appropriate.”



## The AFRH Advisory Council

**Establishing Authority:** 24 USC, Title 10 – the AFRH Act of 1991, as amended

**Council Mission:** The Advisory Council shall serve the interests of both facilities of the Retirement Home. The Chair and members of the Advisory Council shall provide advisory guidance/recommendations regarding any facet of the administration of the Home.

**2012 Advisory Council Meetings:** During calendar year 2012, the Advisory Council (former Board) held two advisory meetings: one in Gulfport, MS, on April 19, 2012 and one in Washington, DC, on November 15, 2012.

### 2012 Advisory Council Membership:

- One member who is an **expert in nursing** home or retirement home administration and financing:
  - ❖ **Nancy Quest**, Chief State Veterans Home Clinical and Survey Oversight VHACO Office of Geriatrics and Extended Care (114)
- One member who is an **expert in gerontology**:
  - ❖ **Dr. Raya E. Kheirbek**, Medical Director, Comprehensive Nursing Rehabilitation Services, Department of Veterans Affairs Medical Center
- One member who is an **expert in financial management**:
  - ❖ **Colonel Randall White**, USAF, Chief Budget Operations Integration Division, SAF/FMBOI, AF Pentagon, CHAIR
- Two **representatives of the Department of Veterans Affairs**, one to be designated from each of the regional offices nearest in proximity to the facilities of the Retirement Home:
  - ❖ **Mr. Brian Hawkins**, Director, VA Medical Hospital – Washington DC
  - ❖ **Mr. Thomas Wisnieski**, Director, VA Medical Hospital – Gulfport, MS
- The Chairpersons of the **Resident Advisory Committees**:
  - ❖ **Mr. William Parker**, Chair, Resident Advisory Committee – Gulfport
  - ❖ **Mr. Joseph Wachter**, Chair, Resident Advisory Committee – Washington
- One enlisted representative of the **Services' Retiree Advisory Council**:
  - ❖ **Mr. John Radke**, Chief Army Retirement Services, HQDA
- The **senior noncommissioned officer** of one of the Armed Forces:
  - ❖ **Sergeant Major of the Army Raymond F. Chandler, III**
  - ❖ **Master Chief Petty Officer of the Navy Rick D. West**
  - ❖ **Master Chief Petty Officer of the Air Force James A. Roy**
  - ❖ **Sergeant Major of the Marine Corps Michael P. Barrett**
  - ❖ **Master Chief Petty Officer of the Coast Guard Michael P. Leavitt**
- Two senior representatives of **military medical treatment facilities**, one to be designated from each of the military hospitals nearest in proximity to the facilities of the Retirement Home:
  - ❖ **Colonel Charles Callahan**, Chief of Staff, Walter Reed National Military Medical Center – Washington, DC
  - ❖ **Colonel David Garrison, MD**, Commander, Keesler AFB Health Care System – Gulfport, MS
- One senior **Judge Advocate** from one of the Armed Forces:
  - ❖ **Colonel Tom Helget**, USAF, Staff Judge Advocate for Air Force District of Washington
- One senior representative of one of the **Chief Personnel Officers** of the Armed Forces:
  - ❖ *Currently Vacant – efforts underway to fill this position*
- Such other members as the Secretary of Defense may designate:
- The **Administrator of each facility** of the Retirement Home shall be a non-voting member of the Advisory Council:
  - ❖ *Mr. Charles Dickerson, Administrator, AFRH-Gulfport*
  - ❖ *Mr. David Watkins, Administrator, AFRH-Washington*

Additional Members:

**Brigadier General Bryan Gamble**, Deputy Director, TRICARE Management Activity  
Senior Medical Advisor to the AFRH

**Ms. Margaret Class**, Office of the Assistant Secretary of Defense (Health Affairs) and the TRICARE Management Activity, Program Analysis, Clinical Quality

**CAPT Cheryl Ann Borden**, MSN, RN, CCRN, CCNS, TMA Liaison to AFRH, U.S. Public Health Service, Executive Officer, TRICARE Management Activity

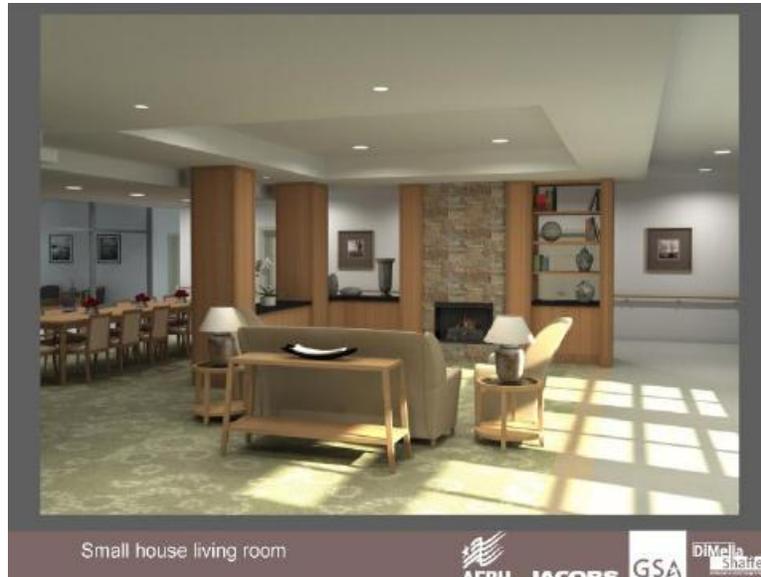
## **AFRH GUIDING PRINCIPLES**

### **VISION:**

A retirement community committed to excellence, fostering independence, vitality and wellness for veterans, making it a vibrant place in which to live, work and thrive.

### **MISSION:**

To fulfill our Nation's Promise to its Veterans by providing a premier retirement community with exceptional Residential care and extensive support services.



### **GUIDING PRINCIPLES:**

**Person-centered:** “**PERSON-CENTERED CARE**” is defined as the careful manner in which Resident needs are considered while developing responsive plans of care and delivering meaningful services.

**Accountability:** We expect our workforce to achieve what we promise to Residents, staff and service partners. To ensure success, we measure progress and provide feedback to our customers.

**Integrity:** We will strongly uphold the mission of AFRH. We are honest and ethical and deliver on our commitments. We recognize that good ethical decisions require individual responsibility enriched by collaborative efforts.

**Workforce Growth:** We strive to hire and retain the most qualified people. We maximize their success through training and development as well as maintaining and promoting open communication.

**Honor Heritage:** We honor the rich history of the US Armed Forces—from our Veterans to our victories. As such, our facility reflects that military heritage with memorabilia and tributes.

**Inspire Excellence:** We continuously work to improve each process, service and its delivery, while striving for excellence in all we do. We expect excellence and reward it.

**One Vision / One Mission / One Organization:** Success depends on our devotion to an unwavering Vision and Mission. Working together in different locations, under various managers and leaders, we maintain a distinct focus to serve our Residents. We collaborate and respond in a unified and single voice.

**AFRH 2012 RESIDENT DEMOGRAPHICS (as of September 30, 2012)**

BY GENDER

Male	900	(90%)
Female	105	(10%)

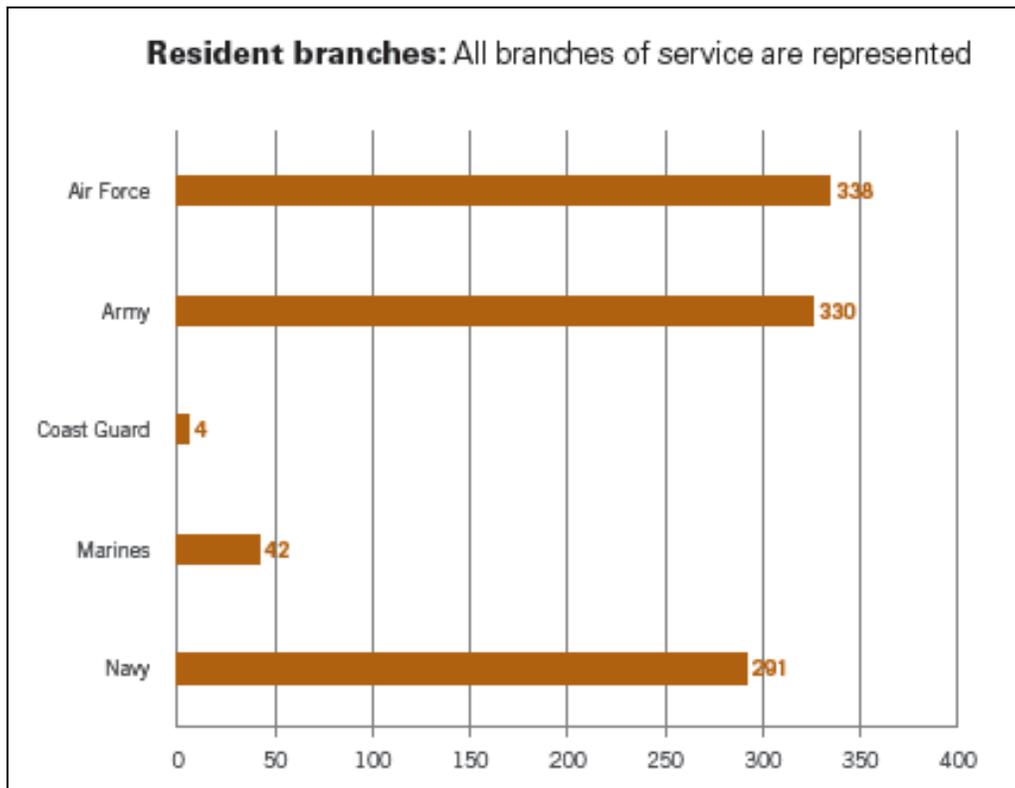
BY WAR THEATER\*

World War II	340	25%
Korean War	448	34%
Vietnam	523	39%
Grenada	10	1%
Panama	13	1%
Gulf War	5	<1%

BY ELIGIBILITY

Retiree	780	(72%)
Service-connected Disability	158	(15%)
War Theater	90	(8%)
Female (served before 1948)	53	(5%)

*\*Some served in more than 1 war  
(Some qualify under several criteria)*



**MAJOR AREAS OF INTEREST  
With ADVISORY COUNCIL  
OBSERVATIONS AND RECOMMENDATIONS**

**COMPLIANCE WITH GOVERNMENT REGULATIONS**

24 USC, Title 10 and DoD Instruction 1000.28 dated February 1, 2010

***Council Observations:***

- All NDAA 2002, 2005, 2008 and 2012 legislative requirements have been satisfied, as well as the requirements of DoD Instruction 1000.28.
- Per the direction to inspect no less than every 3 years, the DoD Inspector General (IG) inspected AFRH in 2012. The report is still pending.

**AFRH CHIEF OPERATING OFFICER (COO)**

***Council Observations:***

- The AFRH COO understands his responsibilities, completes them impeccably and meets legislative requirements.
- The AFRH leadership provides accurate and timely information, when requested, concerning the Home – achievements, goals, and challenges.
- The AFRH Staff is eager and willing to brief and work with Advisory Council members, as needed.

***Council Recommendations:***

- The AFRH COO has been extremely cooperative and helpful in assisting the Council in performing our responsibilities. We currently have no recommendations and wish to express our appreciation for the working relationship between the COO and Council.
- Of note is the increased personal involvement of the COO with Community partnerships in both Gulfport and Washington. These partnerships are a vibrant addition to the atmosphere at both Homes.

**POLICY**

The AFRH uses a two-tier policy issuance system. Agency-level guidance is issued as AFRH Agency Directives or Notices. Each facility of the Home is responsible for implementing Agency-level policy and for developing and issuing facility-level Standard Operating Procedures (SOPs) at their individual Home.

***Council Observations:***

- Throughout this year the AFRH overhauled many of its regulations. The AFRH revised 11 Notices, 18 Directives, and 3 Fact Sheets.
- Correspondingly, the facilities also revised their SOPs.
- The AFRH reorganized Corporate oversight by creating positions for a Senior Medical Advisor, a Performance Improvement Integrator, a Facilities Manager, and an Agency Ombudsman.

***Council Recommendations:***

- The development of Corporate oversight in both regulatory guidance and the appointment of functional managers should result in the facilities functioning in comparable ways. In the coming year the Council would like to hear progress resulting from these changes.
- Having single points of contact in functional areas at Corporate will provide closer and more meaningful relationships with the AFRH partners and the Advisory Council members. Regular outreach efforts should be made by these functional managers to experts in their areas for advice and assistance.

### **INSPECTIONS (CARF, DoD and Others)**

The National Defense Authorization Act for 2008 (PL 110-181) requires the AFRH to secure and maintain accreditation by a nationally recognized civilian entity for every aspect of each facility of the Home (including medical and dental care, pharmacy, independent living, assisted living, and nursing care). AFRH currently maintains a national accreditation with the Continuing Accreditation of Rehabilitation facilities/Continuing Care Accreditation Commission (CARF/CCAC). In 2011 regulatory changes (PL 112-81) made to Section 418, Inspections, 24 USC 10, requires the DOD IG to assess AFRH every 3 years.

The changes include additional inspections that the Chief Operating Officer may request by a nationally recognized civilian accrediting organization. AFRH is considering a healthcare review for the off years between DoD IG and CARF. Reports on additional inspections must be submitted to the Under Secretary of Defense for Personnel and Readiness, the Senior Medical Advisor, and the Advisory Council.

The AFRH Inspector General is the principal advisor to the Chief Operating Officer on all matters relating to the detection and prevention of fraud, waste and mismanagement.

### **Continuing Accreditation of Rehabilitation facilities/Continuing Care Accreditation Commission (CARF/CCAC)**

The AFRH-Washington operation was first inspected by CARF/CCAC in August 2008 and received accreditation for the Washington facility for 5 years. Most recently, the Washington facility successfully was reviewed again by CARF/CCAC in late September 2011. The AFRH-Washington facility had a successful review and had no major findings. CARF accreditation is valid through 2016. The AFRH has developed a tracking matrix (submitted to DoD in January 2012) to monitor the adoption and implementation of CARF recommendations. The Quality Improvement Plan (QIP) tracks all progress. Throughout 2012, AFRH has implemented about 84% of CARF's recommendations.

AFRH-Gulfport underwent their first CARF/CCAC review in October of 2011. CARF reported that AFRH-Gulfport had no major findings and validated its accreditation through 2016.

CARF recommended that AFRH develop a formal policy for the Council's participation. An Agency directive was created. CARF recommendations specifically for the Advisory Council included:

- Policy that addresses loans
- Stock ownership
- Other matters of financial interests
- Annual personal self-assessment of individual members
- Annual written and signed conflict of interest statement
- Written and signed Code of Ethics
- Annual review of policy and directive

#### **Council Observations:**

- The Council recognizes that its members need to sign the Council's Code of Ethics form, review AFRH policies annually, and perform and submit an annual self-assessment.

#### **Council Recommendations:**

- Some Council members send replacements to the meetings, so there is frequently a lack of continuity. When the Services send representatives, for consistency purposes, they should send the same person each time.
- The Council Chair will start email conversations with Council members and forward RAC meeting minutes when received.

### **DoD INSPECTOR GENERAL**

The DoD IG inspected both AFRH-G and AFRH-W in 2012. In the November meeting of the Advisory Council, the Administrators of each facility reported on the out briefings they had received from the inspectors. The report will not be finalized for a few months and will be transmitted to AFRH in 2013. Preliminary results from the two inspections at both Gulfport and Washington included:

- Credentialing needs more attention
- Modify 24-hour physician coverage language
- AFRH IT needs to be more actively engaged with the Interior Business Center staff to exercise greater control
- Security training and documentation are good and the security force is professional
- Noted major improvements at the Agency level were observed since the last DoD IG inspection in 2009
- Outreach to Residents and community was very good. Examples were Town Halls, Resident Surveys, Friends of the Home
- Metrics in Performance Improvement (PI) need to grow
- Some disconnects between Agency and facility policies were noted
- Minor complaints from Residents. About ¾ of the concerns could be easily clarified with communication and education of the residents.
- Inspectors found that employees are content and proud to serve the Veterans.

#### ***Council Observations:***

- The leadership of the AFRH is conscientious in working with the DoD IG in identifying, satisfying and correcting deficiencies in a timely manner.
- In 2012 a smooth transition to a new AFRH IG occurred when a conflict of interest was identified in the dual appointment of the CIO/IG. DoD IG looked at this conflict of interest, as did the USA Force Management Manpower team. How the functions are assigned will be discussed at next the Advisory Council in April 2013.

#### ***Council Recommendations:***

- The AFRH should respond to the findings that the DoD IG reports and discuss them with the Advisory Council.
- The Council agreed that the AFRH was subject to too many inspections and was not able to implement the recommendations from one year to the next before the next inspection comes. The change in the US Code has modified that schedule.
- The Council understands that the next inspections will be DoD IG in 2015 and a CARF inspection in 2016. In the meantime, AFRH should look for another outside accrediting organization in the off-years 2013 and 2014.

### **APPOINTMENT OF SENIOR MEDICAL ADVISOR**

The NDAA of FY 2012 mandated the designation of a Senior Medical Advisor (SMA) to the AFRH by the Secretary of Defense. The Deputy Director of the Tricare Management Activity will now serve as the Senior Medical Advisor for the AFRH. The Medical Advisor provides advice to the Secretary of Defense, the Under Secretary of Defense for Personnel and Readiness USD(P&R), the Chief Operating Officer, and the Advisory Council regarding the direction and oversight of medical administrative matters at each AFRH facility and provision of medical care, preventive mental health, and dental care services at each AFRH facility. Periodically the SMA will visit each AFRH facility to review medical facilities, operations, records, and reports as well as the quality of care provided to residents. Additionally, the SMA will review inspections/audits to ensure that appropriate follow-up has been done regarding issues and recommendations raised by such inspections and audits. A report on the findings and recommendations developed as a result of each review will be provided.

In 2012 visits to both Gulfport and Washington were conducted. The Washington facility site visit was 13 August 2012 with Brigadier General Gamble and Ms. Margaret Class. The Gulfport facility Site visit was 10 August and 15 August 2012 with Brig Gen Gamble, CAPT Borden, and Ms. Class.

The Report is in the edit process ensuring that input from each reviewer is incorporated and accurate. Draft recommendations are developed and under review. The written report and recommendations will be shared with AFRH leadership, the Advisory Council, the DoD IG Team, and Under Secretary of Defense (P&R). After that, together we will establish a plan for ongoing reviews to meet the SMA's responsibilities and duties in a manner that is of value to AFRH leadership, staff, and residents.

***Council Observations:***

- The implementation of the Senior Medical Advisor's role to AFRH will help in identifying, satisfying and correcting any issues with medical care at the facilities.
- The Council is looking forward to the results of the initial visits to the facilities.

***Council Recommendations:***

- The AFRH and the SMA work closely together and include the Advisory Council in these discussions.

**ADOPTING PERSON-CENTERED CARE AT THE AFRH**

**Implementation of Person-centered Care (PCC) Philosophy at AFRH**

Since 2011, the AFRH has been working towards a "Person-centered Care" (PCC) model. The key to truly achieving PCC is to listen to the Resident population and individualize service delivery (within AFRH's capabilities and resources), vice trying to fit the Resident's needs into pre-existing programs and services.

Following the initiation of PCC in 2011, AFRH began expansion of its staff capabilities to deliver better and more expanded PCC to the Residents. A Dining Study was undertaken to understand better how to provide a PCC dining experience. Gulfport began to experiment with its dining options in spring 2012. Washington will implement its new PCC dining when the new Scott Building is opened in 2013.

***Council Observations:***

- AFRH Staff members "listen" to Residents and actively seek ways to better communicate with them.
- Staff members truly operate under the Person-centered Care philosophy and are considered valued members of the management team.

***Council Recommendations:***

- The Council appreciates receiving the RAC minutes and will distribute them to all Council members ahead of meetings.
- In addition to RAC participation with the Council, Council members want Residents to talk directly with them before or after our annual meetings. The Residents may appreciate the opportunity to discuss issues with the Council and it would also be beneficial to the Council to understand some of the issues first-hand.

**STRATEGIC PLANNING**

After one year of implementation of the AFRH 2011-2015 Strategic Plan, the managers stepped back and took a good look at how Person-centered Care (PCC) at how AFRH was doing. Great strides were being made and noticed by stakeholders and inspectors. Five goal areas, Resident Centered Care, Staff Centered focus, stewardship, and nurturing and soliciting support from external stakeholders, are set forth in AFRH's business plans, both

corporate and facility-level. Actions supporting those objectives appear in individual performance plans.

Two goal areas were not making as much progress as the others. So in the summer of 2012, the AFRH held two strategic planning offsites with participation from Corporate and facilities. The focus was on digging deeper into actions needed for Staff-Centered and External Stakeholder goals.

The Agency Performance Improvement Integrator (PII) position was created in 2012 to facilitate Agency oversight into the multiplicity of performance processes involved in achieving AFRH strategic goals. Its purpose is to ensure the standardization of processes.

***Council Observations:***

- The AFRH is making visible progress through its Strategic Plan, Business Plans and Programs and Projects.
- The focus on PCC and careful stewardship shows a long term commitment to ensuring eligible veterans of the future will receive similar care and services.

***Council Recommendations:***

- The AFRH has a great strategic planning process. Recommend the AFRH maintain this process and keep it updated as new ideas and possibilities arise.
- The Council would benefit from updates to the AFRH Strategic Plan at each meeting.

**BUDGET/FINANCIAL SOLVENCY**

**AFRH Trust Fund Balance**

Prior to 2002, the AFRH was on the brink of insolvency. Many models briefed to senior management at DOD, the Office of Management and Budget (OMB), and Congress forecasted that the Home would face closure in the 2005/2007 timeframe. Through innovative approaches such as the adoption of the AFRH "One Model Plan," necessary staff reductions, and much hard work by the AFRH leadership not only turned this dismal projection model around, but actually went on to show a net growth of \$92 million in the AFRH Trust Fund (from \$94M in FY 02 to an all-time high of \$186 million in FY 10). In 2011 the AFRH expended funds associated with the Scott Project demolition and construction, an investment in its future generations of Residents. The greatest risk to the Trust Fund occurs in the Transition Period: 2010 – 2013. During the 2012 timeframe the AFRH maintained operations in Gulfport and actively reduced its footprint in Washington.

***Council Observations:***

- The Advisory Council notes that negative growth will occur in the transition years as the Agency expends the Scott Project, yet positive growth is expected to continue after 2013.
- The AFRH COO has certified that the AFRH Trust Fund is solvent. Current projections support the Trust Fund remaining solvent until at least 2022.

***Council Recommendations:***

- Given that 2013 is the last of the transition years, AFRH should continue to update the Council on Trust Fund balances and projections at each meeting.

**FY 14 Budget Request**

At the November meeting, the AFRH discussed the FY 14 Budget Request to Office of Management and Budget for \$64.3 million (\$63.3 million in O&M and \$1 million in Capital Improvements). Projected is a net decrease of 5% below the FY13 Budget.

The FY13 budget was \$67.7 million (\$65.7 million for O&M and \$2 million for Capital), similar to the FY12 budget. The FY 12 budget request was for \$82.3 million (\$65.7 million

for O&M and \$16.6 million for Capital which includes an appropriation (\$14.6 million) for earthquake damage in Washington).

### **Budget Testimony**

The AFRH COO presented AFRH's Budget Testimony to DoD on March 28, 2012.

### **AFRH Financial Audit**

As required by legislation, the AFRH has sought and obtained a successful financial audit from Brown and Company, CPA, PLLC, an independent accounting firm. The AFRH received an "Unqualified" (clean) audit for the past 8 years including FY 11 and FY12. Brown and Company did not report any material weaknesses. The 2012 audit is AFRH's 8<sup>th</sup> consecutive unqualified audit. Agency management, in partnership with the Bureau of Public Debt (BPD), was accountable for the integrity of the AFRH's financial information. All financial statements and data have been prepared from the AFRH accounting records in conformity with General Accepted Accounting Principles (GAAP).

#### ***Council Observations:***

- For an Agency to receive an unqualified audit is considered outstanding, to receive eight consecutive audits is truly exemplary.

#### ***Council Recommendations:***

- None.

### **Statement of Assurance**

The AFRH COO has certified that the AFRH is in full compliance with all applicable requirements in accordance with the Federal Managers' Financial Integrity Act (FMFIA), PL 97-255 Section 2, and OMB Circular A-123 – Management's Responsibility for Internal Control (IC).

#### ***Council Observations:***

- AFRH managers, along with our partners at the Bureau of Public Debt and the National Finance Center (NFC), actively participate in the IC program/process.

#### ***Council Recommendations:***

- None.

### **Minimizing Risk/Increase Financial Stability**

The AFRH Management Team is committed to minimizing risk and increasing financial stability through a variety of strategies: reducing our footprint and associated infrastructure, shoring up our facilities, growing our staff, rightsizing our population, seeking energy efficiencies and fine-tuning contracts through the transition years (while also reducing the scope and requirements of new ones starting in 2013). Examples: the dining contract decreased by \$2 million, healthcare produced savings of \$1.2 million, and facility operations costs decreased by \$1 million – for a total of more than \$6 million in savings in FY 11 alone. And, it is expected these savings to continue in 2013 with the opening of the Scott Building in Washington.

A major thrust has been to bring AFRH's buildings to meet high energy efficiencies. AFRH-Gulfport received LEED Gold this year. The new Scott is designed also to be LEED Gold. (LEED=Leadership in Environmental and Energy Design)

In 2012 the AFRH legal staff obtained permission for the AFRH to accept donations. Work with DFAS to show availability for donations on its website for AFRH is underway.

#### ***Council Observations:***

- The Council sees evidence that the AFRH continues to keep its solvency perspective with a solid plan.

- The projected decrease in the Trust Fund balance in Fiscal Year 2012 is a concern, but the addition of the Scott Building and its efficiencies will help manage costs.
- The Council is pleased to see the cooperation between DFAS and the AFRH on donations has progressed this far.

**Council Recommendations:**

- Suggest DoD and AFRH work together to explore additional options, with potentially higher returns, for investing the AFRH Trust Fund (currently the Home is limited on its investment strategies, as per legislation).
- A plan should be created to determine what to do with the “excess” property at the Washington Home and then a deliberate implementation plan should be created to bring that to fruition as quickly and effectively as possible.

**ORGANIZATIONAL STRUCTURE**

**One Model:**

Both facilities use the same organizational model.



**AFRH Staff Highlights:**

OPM EMPLOYEE VIEWPOINT SURVEY.

- Completed in August, 2012.
- Measures – Results-oriented performance culture. Talent management. Job satisfaction. Leadership/knowledge management.
- Response rate: 62% (includes Washington, Gulfport, and COO/CRO staff)  
AFRH employees scored above the Federal average in all areas except job satisfaction. A 72% response indicated that working at the AFRH is very good. Job satisfaction was our highest index. The national average is 74%. Talent management, Job Satisfaction, and Results Oriented Performance Culture scores all increased compared to last year. OPM's 2012 results are not yet published.

AFRH HIRING PROCESS:

- Applicants for key positions are screened by a managerial panel.
- The top 3 to 5 ranked applicants are selected to be interviewed by the panel. Applicants who are interviewed are scored.
- Best qualified (highest scores) are recommended to Selecting Official who is the second line supervisor.

RECENT SELECTIONS:

- AFRH Corporate Facility Manager
- AFRH Corporate Performance Improvement Integrator
- Gulfport Administrator

COO/CRO MANPOWER SURVEY: The results of this survey were announced in November. Staffing recommendations will cause changes in CRO staffing.

***Council Observations:***

- Changes in PCC are reflected in job satisfaction.

***Council Recommendations:***

- Changes recommended for the CRO staffing should be presented at the next Advisory Council meeting in April 2013.

**INTERNAL CONTROLS/PROCESS IMPROVEMENT**

The AFRH restructured its Internal Controls/Process Improvement (PI) Programs in 2011. In 2012, the annual self-assessment Internal Control survey was revamped to be easier to read and understand.

***Council Observations:***

- The internal controls and process improvement programs look to be very effective.

***Council Recommendations:***

- None

**MODERNIZATION**

(Construction, Master Planning)

**AFRH-Gulfport**

The new facility is still ramping up to full Resident capacity. The energy efficient (LEED Gold) building has already shown to yield far-reaching economies, efficiencies, and gains.

**Scott Project**

The Scott Project's purpose is to create better living conditions for our Residents, promote Aging-In-Place, and bring AFRH Resident facilities in line with existing rules and regulations (e.g. the Americans with Disabilities Act, fire codes, and other building regulations). This Project is currently within funding and on schedule. The Washington Residents are expected to occupy the new facility in the second quarter of 2013.

### **AFRH Master Plan**

During 2012, the AFRH evaluated the 77 acres (already approved by the National Planning Commission) in Washington for development for its sale or lease value. Moving forward, one key assumption is that management will be successful in selling or leasing excess acreage on the facility at AFRH-W. This action will provide a much-needed, substantial boost to the Agency's long-term fiscal solvency.

### **Capital Improvement Plans (AFRH-Washington and AFRH-Gulfport)**

As a Federal Agency, management recognizes that capital improvements are an investment in the future of the AFRH facilities. While management has created a Long Range Financial Plan to evolve and remain solvent, it must continually integrate its Person-centered Care philosophy and modify plans for each facility to realize this new vision. The AFRH updated its 10-year CIPs for both facilities in FY12. These Plans include a compilation of various development projects with detailed descriptions, dependencies, compliance requirements, and costs. An additional purpose for these Plans is to align the Long Range Financial Plan with the Agency's new capital improvement needs.

### **Environmental Initiatives**

Under Federal mandates (Executive Orders 13423 and 13514) the AFRH completed its second comprehensive evaluation of energy usage and greenhouse emissions.

The 'Campaign to Conserve', an Agency-wide green initiative, was launched in the spring 2012. AFRH-G achieved LEED Gold certification and progress was made for LEED Gold for the new Scott Building.

### **Natural Disasters**

When the 5.8 magnitude earthquake shook AFRH-W in August 2011, several historic buildings were severely damaged. This meant that dining and other activities that had been relocated to Sherman now had to find a home in the Sheridan dormitory. Dining settled into the former Fitness Center with meals being transported from the kitchen in the LaGarde Building, home of Healthcare Services. Residents fondly named the new dining area "Jerry's Diner" after the Fitness Center Director, Jerry Carter, who had to reposition all the fitness equipment throughout the Sheridan.

Congress provided \$14.6 million to support AFRH's efforts in revitalization and restoring the facility to its previous condition. The Sherman building completed in 1857 sustained the most damage. Since it is a monumental piece of our footprint, we are grateful for funding to restore the Sherman and all of the other historical buildings that were affected. Corporate staff were to move back into their offices in early 2013.

In the summer of 2012, Hurricane Isaac enabled our Residents and staff to witness the strength of the new building. Hurricane Isaac blew through AFRH-Gulfport nearly seven years to the day after Hurricane Katrina destroyed the previous AFRH-G facility. The building is designed for up to a Category 5 hurricane. Emergency exercises and hurricane procedures helped the Gulfport community be prepared. In the end, Isaac gave the Gulfport staff and Residents a great opportunity to test disaster preparedness. It also gave the new building a chance to showcase its abilities to withstand the effects of a major storm.

### **Council Observations:**

- Through determination and effort and in corporation with DoD and the Congress, AFRH managers were able to secure funding for the earthquake damage.
- The AFRH was prepared to handle the emergency situation in Gulfport and had performed emergency exercises earlier in the year.

***Council Recommendations:***

- The AFRH has had more than their share of emergency situations over the last few years and have handled them very well. No recommendations.

**MILITARY HERITAGE**

Military camaraderie and military heritage are two areas that set the AFRH apart from other retirement communities. During 2012, AFRH-Gulfport expanded their Hall of Honors and added military memorabilia. AFRH-Washington's Hall of Honors will be located in the newly constructed Scott Building. Throughout 2012, work proceeded on gathering items for the Scott Hall of Heroes.

***Council Observations:***

- Donations from Walter Reed Hospital were transported to Gulfport and incorporated into that Home.

***Council Recommendations:***

- None.

**RESIDENT ISSUES**

**Resident Focus Groups**

The AFRH Resident Focus Groups have been ongoing at both facilities. This year planned focus groups were held to prepare the Washington Residents for the construction of the Scott, the transition efforts, and the eventual move into the new Scott. Numerous focus groups to solicit Resident input and preferences, provide guidance and information on recent decisions, and in some cases to dispel rumors. Focus Groups are now used as a standard form of AFRH information gathering and sharing for both Residents and employees.

**Aging in Place/Independent Living Plus**

The AFRH created a new way for Residents to Age in Place in comfortable and familiar surroundings. The Independent Living Plus (ILP) Pilot Program allows Residents to stay independent and the AFRH can avoid uprooting Residents to move to higher levels of care. Home healthcare aides provide extra care as needed – services are taken to the Resident, which is a prime example of implementation of Person-centered Care. In 2012, the ILP Pilot Program was initiated in Gulfport. At the end of FY12, ILP consisted of 89 Residents on both facilities. The ILP pilot program is an invaluable tool to assist our Residents in Aging-In-Place. The Aging-In-Place philosophy allows Residents to age gracefully without disrupting the lifestyle they have grown accustomed to.

**COMMUNITY PARTNERSHIPS**

The AFRH Strategic Goal 4 (Leverage External Stakeholders) focuses on harnessing, cultivating and focusing our external stakeholders to become increasingly active participants, engaged in AFRH activities. The AFRH has focused on amplifying engagement with the AFRH Advisory Council, embracing community partners, and expanding neighborhood presence. A long term partner has been GSA, the organization behind much of the construction and renovation.

AFRH-Gulfport partners with the following organizations/agencies:

- Cable One – Veteran's story series
- Keesler Leadership Training School – POW table ceremony
- Gulf Coast Coliseum – short-term evacuation agreement
- NAS Meridian – long-term evacuation agreement (pending)
- MS State University Horticultural Extension Service – Green Roof Study Project
- Stennis Space Center

- Mayor of Gulfport
- Navy Mobilization Processing Site CBC Gulfport
- Wounded Warrior Project Annual Bike Ride
- Cruisin the Coast Antique Car Show
- Various organizations and vendors participate in our annual Health Fair
- AARP – annual tax assistance, driving course
- Air Force NCOs
- Navy Seabees
- Local Dermatology – free screenings
- North Florida Hog Association

AFRH-W has engaged the homeowners in the Petworth Neighborhood outside its gates to join ranks to use the facilities and provide support to the Residents. On the property is the President Lincoln’s Cottage managed by the National Trust. Joint programs and activities have expanded in the past year.

- Friends of the Home volunteer in LaGarde for Bingo
- Annual Antique Auto Show
- Joint Friends and AFRH-W Tree Lighting
- 4th of July Community Day (July 2012)
- Volunteer Community Appreciation Picnic
- AFRH and President Lincoln’s Cottage co-hosted 150th Anniversary of Lincoln’s first summer at the Cottage

***Council Observations:***

- The expansion of engagement with external stakeholders is very visible and a highly encouraging.

***Council Recommendations:***

- More engagement with members of the Advisory Council should be pursued. Council members should be invited and encouraged to spend time at AFRH beyond the scheduled meetings, whether at events or just visiting with residents.

**COMMITMENT AND CHALLENGES  
PREPARING FOR FUTURE GENERATIONS**

***Council Observations:***

- Now that the two facilities have been “right-sized”, it may be beneficial for the Home to think of expansion – i.e., to serve eligible members who currently reside in the mid-west or west coast.
- The Council realizes the limitations currently for investments available for the AFRH Trust Fund monies.

***Council Recommendations:***

- The Council believes expansion possibilities should be studied as soon as possible.
- The Council recommends exploring other investment venues for the AFRH Trust Fund.