Frequently Asked Questions on the Proposed Southern Harbor Eldercare Facility
Updated October, 2016

How did this project get started and where is it today?

In March, 2014, Mary White generously offered her guest home and property as a charitable gift to the community of North Haven for the purpose of serving the island’s elderly residents. She offered the property to North Haven Sustainable Housing (NHSH) to develop the project, and to North Haven Conservation Partners (NHCP) to manage the undeveloped point portion of the property and make it available for public use. At the time, Mary was unaware of the emerging island group, Southern Harbor Eldercare Services (SHES). She was encouraged when she learned that there was a growing interest in services for the elderly on North Haven. She made her gift with the intention of spurring the creation of a long-term care residence for the North Haven community. In January 2015, Mary donated her property in two parcels to NHSH and NHCP.

NHSH partnered with SHES (now a registered 501c3 organization) to launch a capital campaign (a $3.45 million dollar campaign) called “Caring for our Community” to build and fund the start up of an adult family care home—that’s the State of Maine’s term for a small residential care facility. The intention is to allow North Haven’s seniors who require long-term care or short-term rehabilitation to have a quality option closer to friends and family. This residence is intended to allow most residents to stay on island for the remainder of their lives.

The campaign has now raised more than $3 million dollars and construction by Bruce Laukka, Inc of Rockport, ME has commenced and is expected to be completed by fall of 2017. NHSH and SHES celebrated the kick-off of construction on October 8, 2016, and they announced the name of the future facility, “Southern Harbor House”.

What is the plan for the house and building?

The Southern Harbor House building is in excellent condition, but the home has only upstairs bedrooms and no handicapped access, so it couldn’t easily function as a residential care facility. Since 2014, NHSH and SHES have been working with architect John Tittmann, a summer resident who designed the island historical society archives building, to plan an expansion that fully utilizes the current house for living, kitchen, and dining areas, and also adds six ground level resident rooms, an expanded dining room area, a sunroom, and an accessible entrance. The plan includes two bedrooms that could be joined for use by a couple or siblings.

In planning the new facility, our goal has been to retain the welcoming and homey feeling of the current house, keeping the living room and sitting room, side porch, upstairs bedrooms (for staff who are working overnight), and fireplace intact. In the expanded portion of the house, residents will each have a bedroom with space for several items of personal furniture, a small bathroom, and windows with views of the meadow and creek or Southern Harbor. An expanded dining room and kitchen area will also create a gathering area to sit, visit, watch or assist with cooking, and observe the fields, road, and courtyard. We hope residents can retain the feeling of being at home, while also enjoying some independence, private rooms, and services. This unique and special site will also allow for gardens around the building and in the courtyard, lots of bird watching, and perhaps community gardens on the conserved lands.
Is there a need for this facility on North Haven and do we have the population to support it?

Demographic data suggests that like Maine (currently the state with the oldest median age in the nation), North Haven has an aging population, well above the national average. Census data indicates that 31% of the island population is currently over 60 years old and the median age on the island is nearly 44.5 years old, while the U.S. population is 37 years old and Maine is 43. Anecdotally, we know that North Haven typically has 2–5 residents (and more former residents) living in mainland long-term care facilities. We regularly have several neighbors on the island who need assistance with activities of daily living in their home and receive in-home support. Obviously, this number fluctuates, but some portion of island residents do require long-term care services as they age. Many residents have indicated that if a quality facility was available in the community, closer to friends and family, that would be the preferred option.

SHES conducted a telephone survey in March of 2015 to gather anonymous data from North Haven homes with at least one resident over 50 years of age about this project and long-term care issues. Overwhelmingly, respondents indicated that they would utilize a long-term care option on the island if they needed it for themselves or a family member. Of the 29 people who completed the survey, eight people indicated they would use such a facility now or in the very near future, and the same number suggested they would use it now or in the near future for a family member. And nearly every respondent (28 out of 29) indicated they would use the service at some point in the future for either their long-term care or home-care support, if they needed those services. Overall, 28 of 29 respondents expressed support for the project.

What other Maine islands offer long-term care options?

Three other Maine islands currently operate “adult family care” or private non-medical residences for their island elders. All of these facilities strive to serve the needs of residents, providing residential services and hospice as well. The three island facilities include:

- **Ivan Calderwood Homestead**, Vinalhaven, population 1150, with the facility serving 8 residents and a frequent waiting list for beds
- **Boardman Cottage**, Islesboro, population 560, serving 8 residents. It recently expanded from 6 beds to fill the island need
- **Island Commons**, Chebeague, population 340, serving 7 residents, currently full with a waiting list

What type of facility will this be and who can live there?

Southern Harbor House will be an **adult family care home**, a State of Maine licensing term for a small community long-term care facility. These long-term care residences provide care and assistance to community members who can no longer stay in their homes because they need help with some or many activities of daily living (meals, bathing, mobility transfers, etc.). SHES anticipates applying for a license for a six-bedroom facility, and anticipates opening its doors with staffing for a couple of residents. It will increase capacity and staff as the use of the facility grows to meet the island’s needs.

Some have raised concerns that since this facility is not a nursing home, it won’t meet the needs of island seniors as they age. However, we have learned from the other islands and other rural communities that most residents can have their needs met in this type of facility through the end of life, including hospice care. There are some individuals with greater medical needs (like those with severe memory disorders)
whose needs can’t be met in this type of facility. We recognize that some elders will need the level of skilled nursing that only a specialized nursing home provides. This project won’t guarantee that all long-term care residential needs can be met on island, yet it will be viable option for the majority who need this care and want to stay on the island.

Who will this facility benefit?

The facility is being built to meet the needs and wishes of the North Haven community. The primary goal is to allow community members to remain on the island, among their friends and neighbors. SHES and NHSH have consulted experts, who have experience in developing this type of facility, and a four to six bed model allows a business plan and staffing pattern that is sustainable for our community. With four to six residents, the atmosphere of the Adult Family Care Home will remain homelike. Our goal is to hire islanders to provide care, creating jobs that benefit the community.

We have been asked about admission policies. As the manager of the program, staff, and services at the facility, the responsibility for instituting such policies lies with SHES. While the primary purpose of the facility will be to serve year-round island residents, in consulting with other island facilities we have learned that there are many factors to be considered when establishing admissions criteria. We recognize that there will likely be extended island families and/or seasonal residents who might wish to take advantage of this facility.

Are there efforts being made to help seniors stay longer in their homes?

Some of the other island facilities have developed successful programming and staffing to offer services outside the facility to help seniors remain in their homes. SHES plans to offer similar programs on North Haven at Southern Harbor House, providing in-home support and respite care to improve the lives of our community’s residents as they age in their homes. There is some reimbursement available for home-care programs through the state for low-income seniors, and income would be generated for the facility through both private pay and state-supported home-care services. We intend to support our neighbors’ living in their own homes for as long as possible.

Who is working on this project?

The development and construction of the Southern Harbor House is a joint project of NHSH and SHES. NHSH currently owns the land and buildings, but both groups are working in partnership on the construction plan for the house. SHES has received its 501c3 status and is now working with the state to obtain the proper licensing for the facility and staff. Once construction is complete and the program is licensed by the state for operations, NHSH intends to transfer the land and buildings to SHES. SHES will then manage the program, staff, and services at the facility in perpetuity.

Following are the current board and staff members of these two groups:

**NHSH:** Charlie Pingree (President), Adam Alexander, Christina Vincent, Joan Amory, Phil Cronin, Joe Stone, William Trevaskis, Paul Francis, Jeff Crawford, Merton Howard, and Hannah Pingree (staff)

**SHES:** Kathi Lovell, Lindsey Beverage, Lisa Shields, Sue Ferra, Nancy Davisson, Dave Macy, and Doug Record
We are receiving assistance from other experts in the field of eldercare and housing in Maine and beyond on this project, including the **Genesis Community Loan Fund**, whose staff provides low-cost consulting services. Genesis has expertise in both housing and long-term care facility development and their assistance has been key to NHSH over the years. In addition, a new island summer resident, **Robert Jenkens**, is a national expert in the development and financing of small rural long-term care facilities (see his work on the “Green House Project”) and his guidance has been invaluable.

We have worked closely with the administrators of the three island long-term care facilities on Vinalhaven, Islesboro and Chebeague, to learn from their successes and challenges, and to understand their operation plans and budgets. And we have begun a positive conversation with the State of Maine Department of Health and Human Services about this project and its future licensing, and we have received encouraging feedback and support for our plan to keep island seniors in their community.

And we greatly appreciate the growing group of community members volunteering their time, their advice, their questions, their ideas and support to inform this project planning.

**What measures are being taken to increase the efficiency of the building and construction process?**

The building expansion plan at Southern Harbor House will be highly efficient and super-insulated, using modern green building standards and techniques that are achievable on an island, including foot-thick insulated walls and highly efficient modern windows. We will also utilize a heat pump system combined with solar to create a near net-zero bedroom wing for both heating and cooling. The older, existing house is in very good shape and will be mostly retained. We plan to increase the insulation in the house for efficiency to lower the long-term operating costs and increase the comfort for the residents.

Our plan is to construct a facility that is energy-efficient, residential in scale, built for longevity and constructed in the most affordable manner possible. The building will meet all applicable state codes for health and safety and will be handicapped-accessible. Now that construction has begun, we hope the process will take about one year to complete. If all goes well, SHES hopes to open “Southern Harbor House” in late 2017.

**How will residents pay for the care at this facility?**

Like most residential long-term care facilities in Maine, residents at Southern Harbor House will pay for their care in one of several ways including: MaineCare (also called Medicaid), individual health insurance, certain long-term care insurance, or their own private payments.

In long-term care, many individuals begin paying for their own care with their savings. A small number of residents may hold long-term care private insurance policies that will pay for much of their care for a period of time or indefinitely, based on their policy. Private pay residents are those who pay for the full cost of their care with their own funds. When they have exhausted those funds, they become MaineCare-eligible and MaineCare pays for their residence and care. Seniors are typically on Medicare for their regular health care needs but Medicare does not pay for long-term residential care needs for seniors. MaineCare does provide funding for eligible seniors living in long-term care residences.

While the percentage will vary, this facility is expected to have at least 50% of its residents paid for by MaineCare. On one hand, this is a good thing: the facility will plan to serve all who qualify based on their need for care, regardless of income. On the other hand, it means that—because of the current underfunding of the MaineCare system for long-term care—the MaineCare program will likely provide only a portion of the full costs of care for each resident. This means that the gap between what
MaineCare pays and what it costs to care for a resident adequately will need to be made up with fundraising, grants, endowment funds, or earned program income from other sources. It is important to note that the MaineCare underfund issue is not exclusively an island-based issue. Rural and remote eldercare facilities around the State face challenges with MaineCare reimbursement rates and continue to work with state agencies to address this issue. SHES board members have been involved in these state-wide conversations over the past few years.

What kind of long-term financial support will this facility require?

The operating budget and responsible future business planning for Southern Harbor House is central to this campaign and Southern Harbor House’s long-term success. Because we expect at least 50% or more of the residents will be paid for by MaineCare, and because MaineCare does not cover the full cost of quality care, we know that some fundraising will be needed to make up the difference and keep the quality of the facility and the staffing. One important goal of this campaign is to launch North Haven’s eldercare facility on the best possible financial footing, assuring its success for the future, and reducing the scope of the future annual fundraising to a limited amount.

There has been some good news on the funding picture for Southern Harbor House. First, the Maine State Legislature passed a law implementing a 15% increase in reimbursement for long-term care payments for MaineCare residents living in facilities on offshore islands, recognizing the cost of quality care and facility operations is more expensive on a remote island. Second, the Pulpit Harbor Foundation voted recently to commit a grant of $25,000 a year for five years to the facility, once open and operating, with the intent of assisting with the effort to provide quality care to low-income island seniors.

In addition, our plan to create an apartment in the current garage building will yield close to $8000 per year in rental income. So, the combination of these income sources will provide nearly $50,000 a year in income for the facility to help sustain its operation, offsetting yearly fundraising. Other specific plans to support the long-term financial stability of the program, and reduce future fundraising costs include:

- Heat pumps and renewable energy to lower overall utility costs
- Low-maintenance building materials and systems, for reduced maintenance expenses, and a planned reserve that will be established in the capital campaign
- Other earned income streams for SHES—including community-based home care services, and a regular fundraising drive with can and bottle collection
- Raise the seed funding for an operating endowment through this campaign with $200,000, to generate at least $10,000 a year in income, and then, over time, we aim to increase the endowment through bequests and planned giving with an eye toward long-term financial stability with little fundraising
- Significant use of community volunteers to support a trained, paid staff

How many jobs will be created? And can North Haven find and train the staff?

Southern Harbor House will likely offer six to seven full and part-time jobs for the community and our hope is that island residents can be recruited and trained for these jobs. SHES is actively working on a staffing plan with the goal of recruiting on-island community members to train for the full-time and part-time positions required at the facility. Potential staff will need to take a 50-hour training course in order to achieve a Personal Support Specialist certificate. Several island residents already hold this certification and work in this field. Some staff will also need to be trained in medication management. The facility will
require some RN oversight but the hope is that a contract with an on-island nurse practitioner on a part-time basis can fulfill this need. SHES will be seeking quality, caring staff that enjoy working with elders and can be available for year-round employment.

**What are the next steps for this project and what is the campaign goal?**

The total goal for the development of the facility, including all development costs, is $3,450,000. To date, more than $3 million dollars has been raised toward this goal.

The overall project development budget for Southern Harbor House includes a construction estimate for the expansion and renovation of yellow house, as well as the estimated costs of adding one rental apartment to the current garage building. Other development costs include a construction contingency, architect fees, landscaping, renewable energy, fundraising, pledge financing, and program development and licensing. Included in the capital campaign goal is also a $250,000 operating reserve (which has been fully funded by one generous owner) as well as $250,000 to seed an operating endowment ($50,000 for the conservation land to NHCP and $200,000 to SHES), both funds are to help insure that the facility launches its operations on firm financial footing with quality staff, care and financial stability.

The endowment funds raised and any remaining contingency funds will be transferred to the Maine Community Foundation for long-term management to benefit the operations of the facility. The Maine Community Foundation offers a demonstrated, reliable, and experienced management option for limited fees. The endowment fund itself will be “owned” by SHES. The Maine Community Foundation will manage those funds with an eye toward fiscal responsibility and fund growth, and interest from the endowment will be used to support the facility operations over time.

**How can I help with this project – now or in the future?**

The launch of Southern Harbor House is a significant undertaking for the community of North Haven. It is our hope, for the sake of future residents and for the community that this beautiful facility will be deeply integrated into North Haven. We anticipate community events, interactions with students and island organizations, and many regular visitors and volunteers at the facility—for events, visits, and support for the facility—whether it be baking or gardening, maintenance, etc.

In order for this project to succeed, we’ll need your help. To those who have answered a survey, supported our initial fundraising efforts, or donated time and advice, thank you. You can help us spread the word to neighbors and friends about the project. You can share your thoughts and advice on our plan. And of course, with the fundraising need, we need all the financial support we can get. Our goal is a home that allows more of our friends, neighbors, and family to stay on this island for their entire lives. We know this is a significant undertaking, but we are confident that with the support of the community, we can make this exciting project a reality. Join us!

**How can I support this project financially?**

As with any community capital project of this size, this campaign requires many friends and supporters. To make Southern Harbor House a reality, we need financial gifts of all sizes. North Haven Sustainable Housing has been a registered and active 501(c)(3) non-profit organization since 2005 and is acting as the fiscal agent for this project in its development phase. Donations to North Haven Sustainable Housing are tax deductible, and donations and pledges of support can be sent to: North Haven Sustainable Housing, PO Box 373 North Haven, ME 04853
Online donations and monthly or regular credit card gifts can be made at: http://www.nhshousing.org but we do ask donors to consider limiting online donations to $1,000, due to the fees associated with these transactions.

Once Southern Harbor House is licensed and ready for operations, SHES will raise funds to support the facility’s operating donations. NHSH will transfer all raised start-up operating funds to SHES and will transfer the raised endowment funds to the Maine Community Foundation for management to benefit the facilities operations. The funds raised toward the NHCP conservation easement endowment (up to $50,000) will be transferred directly to NHCP for their management.

**Pledges and Five-Year Pledge Period:** There will be a five-year pledge period for gifts made to this campaign starting in 2015, as many donors find it helpful to give over time. Pledge forms are available on our website.

**Gifts of securities:** We welcome your gift of securities and we’d be happy to share our brokerage information. Please contact us for this information, so we can be sure to properly account for your security donation.

**Planned Giving:** We welcome individuals and families who might consider the care of North Haven’s elderly in their estate and we welcome this type of support designated for future operations or endowment support.

**Campaign or donation questions:** Visit our website at: http://www.nhshousing.org Any questions or suggestions contact Hannah Pingree, Campaign Director at hannah@pingree.com or 207-867-0966, or Lindsey Beverage, SHES President, at bevown@msn.com or at 207-867-4715.