

**In this Industry Update you will discover:**

1. "2020 Election has Impending Effects on Senior Living Industry: Argentum"  
- **MCKNIGHT'S SENIOR LIVING NEWS, 1/15/2021; pg. 1**
2. "Senior Living Operators Protected from Liability for COVID-19 'Covered Countermeasures,' HHS Says"  
- **MCKNIGHT'S SENIOR LIVING NEWS, 1/15/2021; pg. 3**
3. "Senior Living Faces Ongoing Challenges with COVID-19 Vaccine Rollout"  
- **MCKNIGHT'S SENIOR LIVING NEWS, 1/15/2021; pg. 4**
4. "Genie Out of the Bottle: How Brookdale, LCS, Maxwell Group Are Harnessing Tech"  
- **SENIOR HOUSING NEWS, 1/14/2021; pg. 6**

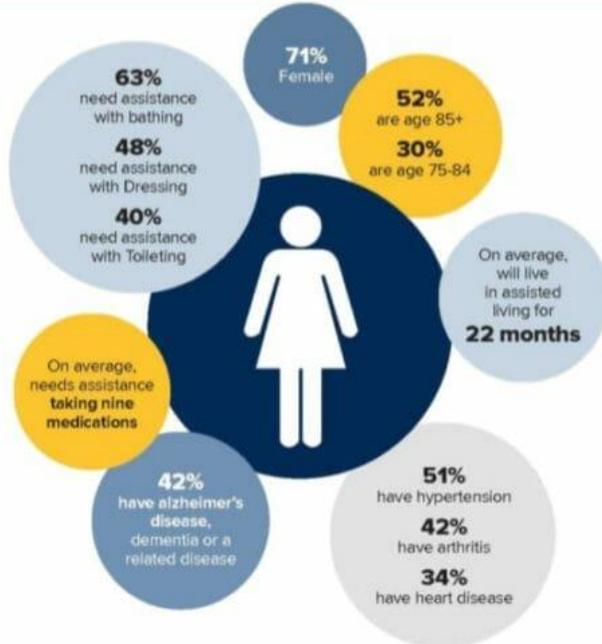


2020 Election has Impending Effects on Senior Living Industry: Argentum

Written by: Kimberly Bonvissuto

1/15/2021

The seniors who are cared for...



A new administration and Congress could bring new scrutiny, legislation and regulation to an industry already daunted by COVID-19 challenges, according to speakers Thursday at an Argentum webinar on the changing political landscape.

Personal protective equipment and staff expenses related to the pandemic are expected to cost the senior living industry close to \$15 billion, panelists noted. At the same time, occupancy declines and losses due to drastic reductions in resident move-ins are expected to total \$15 billion.

Paul Williams, Argentum's vice president of government relations, described those losses as long-term, compounding and unsustainable.

To date, assisted living providers have received relatively little federal relief. Although \$175 billion has been allocated to the Provider Relief Fund, assisted living communities have received only \$3 billion (1.7%), compared with the \$145 billion (83%) allocated to hospitals, nursing homes and other healthcare providers.

In a January survey of Argentum member providers, speakers said, almost 75% of respondents said that expenses have increased significantly during the pandemic, 50% reported receiving relief for less than 1% of losses they have incurred to date, and 50% reported that community closures are imminent unless they receive additional financial relief.

### **Political change**

With the new administration, overall healthcare priorities are expected to be the Affordable Care Act, COVID-19 and the vaccination rollout. Maggie Elehwany, Argentum senior vice president of public affairs, said it will be important to the association to focus on educating new members of Congress and members of the administration about the fragile population served by the senior living industry.

Although the Democrats will maintain a slim majority in the Senate, bipartisan support will be key to moving agendas forward, she said.

"We have a political sea of change occurring in Washington," Elehwany said. "The challenges of the senior living industry remain more daunting than ever in the history of the industry."

Elehwany said that Argentum and the senior living industry will be focused on key leaders of top Senate committees, including the Senate Finance Committee; the Health, Education, Labor and Pension Committee; the Special Committee on Aging; and the Appropriations Committee.

### **Impactful legislation**

Another COVID relief bill, possibly as early as March, tops the list of anticipated legislation affecting senior living, webinar speakers said. Elehwany said that providers should expect additional dollars from the Provider Relief Fund, as well as funding for vaccine distribution.

But the industry also can expect additional oversight legislation, she said. The high percentage of COVID-19 deaths in long-term care settings means the industry can look for additional federal scrutiny, including long-term care reporting requirements on infection prevention and control, staffing, emergency preparedness and resident socialization.

The industry also can expect congressional investigations and presidential commissions tasked with identifying challenges related to COVID-19 and infectious disease in long-term care settings.

Elehwany said she also sees possible bipartisan support for long-term care tax relief, with credits for informal caregivers and tax benefits for long-term care insurance. Expanding Medicaid to include payment for long-term care needs also is on the table.

When it comes to unions and labor, Williams said that anticipated legislative priorities include paid sick leave, caregiver leave, minimum wage increases and pay equity. Much of the labor agenda also likely will be in the form of regulatory changes, he added.

Just as important as what to expect is what not to expect, speakers said. COVID-related liability or tort reform are not expected at the federal level. Instead, state reform efforts will become even more important.

“What’s been unfortunate, through the pandemic, is that attorneys are lining up and already filed causes of action against people not only in long-term care and the senior living industry, but all healthcare professions,” Williams said.

### Join the fight

Argentum has launched a new program, [Argentum Advocates](#), to share critical policy issues and opportunities for advocacy to affect the future of the senior living industry.

Benefits of the program, Argentum said, include targeted advocacy assistance, briefings on federal legislative and regulatory information, tailored action alerts, assistance contacting lawmakers, scheduling meetings with congressional delegations, and opportunities to attend Capitol Hill forums focused on the needs of senior living.

The opt-in program is open to all. Anyone interested can [sign up here](#).



## Senior Living Operators Protected from Liability for COVID-19 'Covered Countermeasures,' HHS Says

Written by: Kimberly Bonvissuto

1/15/2021

A federal [advisory opinion](#) on immunity protections for healthcare professionals related to COVID-19 covered countermeasures had an assist from a senior living industry association.

Argentum led the effort to obtain the advisory opinion, issued Jan. 8 by the Department of Health and Human Services, relating to the Public Readiness and Emergency Preparedness, or PREP, Act. The opinion reinforces that healthcare providers have liability protections when prioritizing distribution of countermeasures — including COVID-19 vaccines — especially if done in accordance with public health guidelines.

“The advisory opinion provides that prioritization or purposeful allocation of a covered countermeasure, such as a therapeutic or vaccine, can fall under the PREP Act’s liability protections, particularly if done in accordance with a public health authority’s directive,” an Argentum spokesperson said.

Covered countermeasures include any Food and Drug Administration or Occupational Safety and Health Administration-approved or authorized product, including COVID-19 vaccines, according to the opinion.

Senior living communities, nursing homes and other healthcare facilities have faced lawsuits related to using or not using covered countermeasures against COVID-19, including personal protective equipment and COVID-19 vaccinations. Long-term care operators have said they are following Centers for Disease Control and Prevention [recommendations](#) on COVID-19 vaccine priority groups, as well as public health guidelines on infection control and prevention.

At the beginning of the pandemic, HHS Secretary Alex Azar issued a declaration under the PREP Act, which originally was signed into law in 2005, providing broad immunity protections to healthcare professionals providing covered countermeasures against the coronavirus.

The statute excludes those who engage in “willful misconduct,” meaning they still can face potential civil liability in addition to criminal prosecution.



## Senior Living Faces Ongoing Challenges with COVID-19 Vaccine Rollout

Written by: Kimberly Bonvissuto

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Although some sectors of long-term care are making progress on vaccinating residents, there are ongoing challenges to reach residents of assisted living and other residential care communities, as well as their staff members, according to a panel of experts discussing early lessons from the COVID-19 vaccine rollout at a Thursday webinar held by the Kaiser Family Foundation.

As of Wednesday, just over 1 million vaccine doses had been given in long-term care settings through the federal [Pharmacy Partnership for Long-Term Care](#), according to Tricia Neuman, KFF senior vice president. But that means that less than half of the 2 million residents of assisted living communities and nursing homes have been vaccinated.

Long-term care settings account for 6% of all COVID-19 cases nationally but 38% of deaths. Priya Chidambaram, a KFF senior policy analyst, said that new cases and deaths in long-term care facilities have been on the rise since September. Such settings reported their highest number of new cases in December, and new KFF data suggest that those numbers will surpass 2020's record highs, with new peaks in early 2021 in new cases and deaths.

“The patterns in cases and deaths do follow patterns we see nationwide,” Chidambaram said. “It lines up with research connecting community spread to spread of the virus in long-term care facilities.”

### Vaccination priorities

Mark Parkinson, president and CEO of the American Health Care Association / National Center for Assisted Living, called COVID-19 the “worst tragedy in the history of long-term care.” Despite working 24/7 to do everything to fight COVID-19, the industry is “losing,” he said.

But Parkinson said there is an incredible opportunity to change the narrative. Less than 1% of the population — 2 million to 3 million people — live in long-term care facilities, yet, as Chidambaram said, account for almost 40% of COVID-related deaths.

“If we could get our act together and figure out how to get all of these people vaccinated, in a very short period of time, we could cut the death rate dramatically,” Parkinson said. “If we can just figure out how to just vaccinate 2 to 3 million people — we know who they are and where they live — we can have an incredible impact on the death rate from COVID. This provides a way to put this behind us.”

The federal pharmacy program leading the vaccination effort in long-term care facilities, Parkinson said, is “going pretty well.” He said he anticipates that states will meet AHCA / NCAL’s challenge to have all second doses of vaccine administered in long-term care residents by March 1.

Rina Shah, group vice president for Walgreens pharmacy operations and services, said that the company has 240,000 employees working through the federal pharmacy partnership to deliver vaccines to 35,000 long-term care facilities. As of Wednesday, Walgreens administered over 500,000 vaccine doses through 6,000 clinics, with another 6,000 clinics scheduled next week. She said 95% of skilled nursing facility residents will have had their first dose of vaccine by Jan. 25.

### Assisted living waits

Nicole Howell, executive director of California-based Ombudsman Services of Contra Costa, Solano and Alameda Counties, which advocates for long-term care residents, said that although vaccination is going well in skilled nursing facilities, residents of assisted living and other residential care settings are “confused and concerned” by misinformation or a lack of information.

“They are at a breaking point,” Howell said. “We’ve been fighting a battle, and we’re exhausted. We’re told help is just the next mountain range, and that the pharmacy partnership has been activated, and yet it’s not getting to us fast enough.”

The increase in vaccination in the assisted living population is thanks to local public health departments and counties, Howell said. Those local health entities are seeing the strain of facility outbreaks on local hospitals, she said, and they are stepping up and taking vaccinations off the top of their allocations and diverting them to long-term care.

“For residents, we are at a place of real desperation and a real decision point as to how we treat those in long-term care,” Howell said, adding that local healthcare entities need to ensure that all long-term care residents have received their first doses by Valentine’s Day.

In assisted living communities and residential care homes, Shah said, barriers to immunization often are the administrative portion of the process and the uneven activation of different parts of the vaccination program in states.

Howell said the problem is bigger than one organization can take on. She advocated for partnerships with county public health departments and long-term care pharmacies that largely have been “cut out of the process.”

### Staff hesitancy

Parkinson estimated that the staff vaccination rate after the first clinics was only approximately 50%, with some buildings reporting staff vaccination rates as low as 20%. He blamed misinformation and the lingering effect of the Tuskegee experiments as reasons for the low numbers.

“We’ve really got to redouble our effort to get uptake of staff better,” Parkinson said.

Matt Yarnell, president of SEIU Healthcare Pennsylvania and national chair of SEIU’s Nursing Home Council, said that close to 1,300 caregivers have lost their lives to COVID-19. Much work needs to be done to build trust in the workforce, he added.

But mandating COVID-19 vaccination as a [condition of employment](#) is a “bad move,” Yarnell said.

“Take a step back and do the hard work and communication work to really meet people where they are,” he said.

Some providers are concerned that vaccination mandates will create larger staffing shortages in an industry that already has chronic staffing problems, Parkinson noted.

“The reality is, it’s hard to find people to work in these buildings,” he said, adding that he advocates for the “carrot” rather than the “stick” approach. “I’ve been encouraging providers to offer incentives and rewards and bonuses to people who get the vaccine as opposed to punishments if they don’t. But one way or another, we have to get this rate much higher than it is now.”

## SENIOR HOUSING NEWS

### Genie Out of the Bottle: How Brookdale, LCS, Maxwell Group Are Harnessing Tech

Written by: Chuck Sudo

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When the dust settles on 2020, it will be remembered as the year when circumstances finally forced senior living providers to [embrace technology](#) in ways they were reluctant to in the past.

“The tech genie has been loosed from the bottle and it’s not going to go back in,” LCS Senior Vice President and Chief Information Officer Frank Vedder told Senior Housing News. The Des Moines, Iowa-based LCS Family of Companies includes Life Care Services, one of the largest providers in the nation.

And LCS is not the only large provider that is leveraging technology in new ways. Tech supported operational transformations at Brookdale Senior Living (NYSE: BKD) in 2020, and providers now have to assimilate these innovations into their operations while staying “nimble” and focusing on what matters most, CEO Cindy Baier told SHN. Brentwood, Tennessee-based Brookdale operates about 763 communities nationally.

Data backs up the rise of tech in senior living: Covid-19 led to an [explosion of tech spending](#) last year, according to the results of a [survey](#) conducted by SHN and global health technology firm Philips. And a majority of respondents – 87% – indicated that their tech budgets would expand in 2021.

Telehealth and telemedicine services were in demand. Video platforms allowed residents to keep in touch with staff, family members and each other. Sales teams [pivoted](#) to online tours and social media engagement to propel lead generation. And some providers are looking to use technology as a tool to overhaul operations and culture.

But not every promising technology actually delivered during the pandemic, Vedder noted. And not every organization has the financial resources to invest more heavily in technology in 2021, observed Maxwell Group Chief Information Officer Aniello Salierno. Based in Charlotte, North Carolina, the company manages communities in seven states, under the Senior Living Communities brand.

Still, Salierno agrees that the pandemic has overcome resistance to new technology, and providers will have to find ways to smartly invest in effective solutions even as they recover from the financial blows dealt by Covid-19.

Here are further thoughts from Vedder, Baier and Salierno on how their companies harnessed tech in 2020, and what the coming year might bring:

#### **Frank Vedder, Senior Vice President and Chief Information Officer, LCS**

There are several areas where we're making some pretty significant investments. One key area is we are looking to implement a world-class human capital management (HCM) system. The battle for talent is going to be key. And where we have implemented our HCM system, it's enabled our communities to respond with flexibility in pay and vacation schedules to address the ever-changing conditions that they're facing. So implementing a world-class, HCM system is a key priority. We are also implementing enterprise customer relationship management (CRM) and sales platforms, to help future residents consider the platform or our offerings in a very safe way. That's a way that we're helping potential residents make engaged and informed decisions.

Some of the other things that we're looking at really are closely tied to things like information security – we're seeing a large number of threats and attacks across all of the industry. We're highly focused on making sure we're putting all the technology in place to help keep our employees, residents and business ready.

Within the [Eversafe360° platform](#), one of our early priorities is telemedicine – helping to make sure we can deliver high quality health care in a safe environment. It's our response to how we envision our future, and it does have several technology components. It includes telemedicine, advanced UV cleaning, IT solutions for emotional well being, air quality improvements. It really covers the gamut in terms of how we're going to apply different types of technology as part of the [platform].

Our online sales and marketing platform is an area where I feel LCS has done a fantastic job. We were very early enabling things like virtual visits, allowing people to engage with us in a way that they prefer. Our sales and marketing technology allows us to respond in person, in voice, in text – any way that a potential resident or their family wants to learn about our senior living offerings.

Overall, it really is about responding in the way that the customer wants, cued by their interests that drive activity. It's engaging with them in a way that they choose.

There have been a lot of challenges in the last 12 months. Around the June timeframe, there were lots of comments about automating things like contract tracing, so that we can help make sure if someone did have

coronavirus, we could very quickly in an automated way, know who potentially needed to be contacted or be quarantined. I don't feel like that overall technology approach really delivered on the promise, and I think it was too little, too late.

A couple other things that I've seen in spots across the industry overall was where we're trying to very quickly implement things like resident engagement with private TV channels. A lot of times, there was a lack of compatibility in those and they didn't necessarily meet the promise. [There were also issues with] smart home and in-home device integration. That [was more due to] a lack of support and training, than the technology itself.

Our [tech] budget was submitted to, and approved by, the board, and it did include a 5% increase in technology spending, to help make sure that we not only keep pace, but continue to provide positive differentiation and what else LCS offers.

We're also looking to improve our information security. We're becoming a more data-driven company, industries like ours are very data rich and we've seen this industry hit with attacks. As we continue to seek out better ways to understand our residents' needs, we need to protect that information.

We use data in a variety of ways. A lot of that comes together in a platform that we offer our communities. What that does is it provides a very wide point of view that allows our communities to compare their own performance, their own activity, and their own feedback against not only the LCS communities, but what we gather from the industry, as well.

One of the key services that LCS corporate offers to the communities is broad-based data aggregation so that they can look at their metrics, whether it be a type of [care level] or region, and help make sure that they understand where the opportunities exist to improve. That covers all sorts of facets: sales activities; clinical results; resident engagement scores; financial performance. We put together a pretty good dashboard that helps the community see their own performance and all of those areas compared to industry norms.

### **Aniello Salierno, Chief Information Officer, The Maxwell Group**

Our priorities are twofold. We plan to continue to better utilize and champion technology that provides our team members better efficiencies and to provide the resident members we serve better engagement.

Filtering out the hardships introduced by Covid-19 as well as the undue negative publicity for our industry, it did help accelerate some companies to pay closer attention to the needs of the residents we serve. For example, we are currently collaborating with Microsoft and Lenovo on telehealth options for our members in care services. We are also collaborating with Facebook on more enhanced member engagement experiences with socially distanced family and friends.

Aside from collaborating with companies, one of the many highlights of my year has been collaborating with resident members and their desire to better utilize technology. Specifically, we implemented a home grown member portal with access to dining menus and reservations, work order requests, social events, etc. During this implementation, I learned that this initiative inspired a 100-year old independent living member to get her first smartphone and iPad. I've since used this resident and story to inspire team members and other resident members that may be reluctant or scared to embrace technology.

We have always focused on being as forward-thinking with technology as reasonably possible. Decisions and investments we made in several technology partnerships years ago allowed us to be very nimble with our response to the pandemic versus many of our peers. From our continued enhancements with our use of electronic health records (EHR), to our network infrastructure optimized for remote work, to our mass communication capabilities, to our highly adopted use of Microsoft 365.

Each of these investments (and many more) allowed us as a company to better focus on protecting our team members and resident members from the pandemic. For example, our team members immediately had the ability and experience to leverage Microsoft Teams to collaborate not only on regional calls, but also for socially distanced local stand-up meetings for care staff. Our mass communication capabilities allowed us to have no lapse in effective communication to team members, resident members, and their families about the constant changes due to Covid-19. The technologies we had in place allowed us to also quickly enable electronic Covid-19 checklist screening as well as electronic online access for families to schedule visits for those living in care services.

We have learned from past failed initiatives. Thoroughly vetting the need, costs, and establishing a team that will assist in successful adoption has been key. Using this simple but often overlooked formula has saved us from significant fails this year.

In general, our technology budget has remained flat for 2021. We have and continue to reevaluate and renegotiate certain solutions which allow us opportunities to pivot and invest in new solutions where warranted. The pandemic has certainly harmed our company and industry by increasing expenses and negatively impacting our occupancy goals. Every department will need to stay hyper-focused on their impact on the overall financial health of the company.

Yes, the pandemic has certainly forced even staunch resistors to entertain and explore solutions. While wide and fully integrated adoptions still have challenges, the last year has allowed many to give telehealth the attention and try it deserves. I feel that even the least sophisticated or feature-rich solution can provide significant efficiencies for seniors and health professionals.

### **Cindy Baier, President and CEO, Brookdale Senior Living**

It's a given that the use of technology became so much more important in 2020 as Brookdale transformed its business model.

We used technology to connect with families and with other associates. We increased our use of telemedicine for our residents. Within sales, we quickly developed new ways of engaging prospects such as virtual tours and were thrilled that new residents moved in even though they had never physically seen the inside of the community.

Early on, we developed and posted videos about every three days to inform seniors, families, prospects, and associates about what actions could be taken to help prevent the spread of Covid-19. We have continued a regular cadence of informational and motivational videos. We developed toolkits that demonstrated the expertise of Brookdale in effective infectious disease controls and made these available to others in the industry because we care about protecting nation's seniors; every community needs to take steps to help protect, and families need to take steps (if seniors live at home), so education was important. We maintained transparency with residents and families on Covid-19 cases within their specific communities. Facebook noticed and identified some of what Brookdale did as best practices, and also selected Brookdale to be featured as an exemplary leader of social media for Covid-19 response.

As with many other companies, we all became Zoom experts – our regional leaders adapted quickly, able to “visit” the communities they lead effectively and efficiently without having to travel. Corporate associates have been able to continue their work in support of our communities while working from home where possible.

We were an early adopter of the routine use of pulse oximeters to check the oxygen levels of residents when we learned that a lower oxygen level is a symptom of Covid-19. Brookdale's clinical infection control experts also

identified a lotion-like skin protectant that has ingredients which make a hostile surface to the coronavirus as an additional safeguard. This skin protectant was provided to all of Brookdale's memory care communities, where some residents have a hard time social distancing.

Many of these innovations have become part of Brookdale's operations and will continue as business improvements. I expect we'll see more use of telemedicine and increased partnerships with other health organizations. I also see a shift in the number of people who will work from home or in a hybrid model rather than maintaining a full-time work space in a central office.

In general, I see companies becoming much more nimble, and really focusing on what matters most.