Senior housing post-pandemic: 3 keys to recovery

SENIOR HOUSING NEWS

MatrixCare®
by **ResMed**

Senior housing post-pandemic: 3 keys to recovery

The COVID-19 pandemic has led to the biggest shifts senior housing has ever seen. Operators were, and will continue to be, tasked with doing more with less as they confront the ongoing challenges stemming from the crisis.

Yet providers that develop efficiencies as a result of the pandemic will be well positioned to recover and thrive in its wake — and technology is playing a large part in achieving those efficiencies.

This white paper will address some of the ways technology can help senior housing providers rise to the challenges facing them in three key areas:
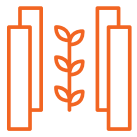
Occupancy   **Staffing**   **Managing Operations**

across the continuum of care

Senior housing recovery: where we are now

COVID-19 disrupted nearly every aspect of senior living, forcing providers to find new ways of operating while changing their plans and expectations for the future.

In fact, the pandemic has been "life altering," says Jeanne Gerstenkorn, senior vice president of health and wellness at Presbyterian Manors of Mid-America (PMMA), an operator of 16 life plan communities in Kansas and Missouri.

"It's just been a huge, huge change to how we conduct business every day," she says.

PMMA and other providers across the United States had to find new ways of safeguarding and nurturing the physical and psycho-social health of residents, keeping the virus at bay while trying to keep residents engaged and uplifted despite visitation restrictions cutting them off from physical contact with family and friends.

The visitation restrictions meant operators also had to alter how they market and sell to prospective residents, and adjust their expectations about the pace of move-ins. While operators watched their occupancy dwindle, the pandemic exacerbated existing labor challenges in the sector.

Against this backdrop, technology — from telehealth to video engagement platforms to connected health devices and more — has been more vital to senior living providers than ever. Many providers had already been interested in these technologies, and COVID-19 propelled unprecedented and unexpectedly rapid adoption.

"When the pandemic hit, all these technologies that we've been talking about for a while became significantly more important," observes Kelly Keefe, vice president of community solutions strategy at MatrixCare.

Occupancy: creating a course correction

The pandemic's effect on occupancy has been dramatic, and senior living providers' ability to rebound from COVID-19 will rest on their ability to regain census, as the numbers show:

- At 80.7%, senior housing occupancy in Q4 2020 was the lowest ever recorded by the National Investment Center for Seniors Housing & Care (NIC)

- Assisted living stabilized occupancy fell to 79.2% in January 2021, according to NIC

"Clearly, occupancy has dropped, we're seeing that same trend," Gerstenkorn says.
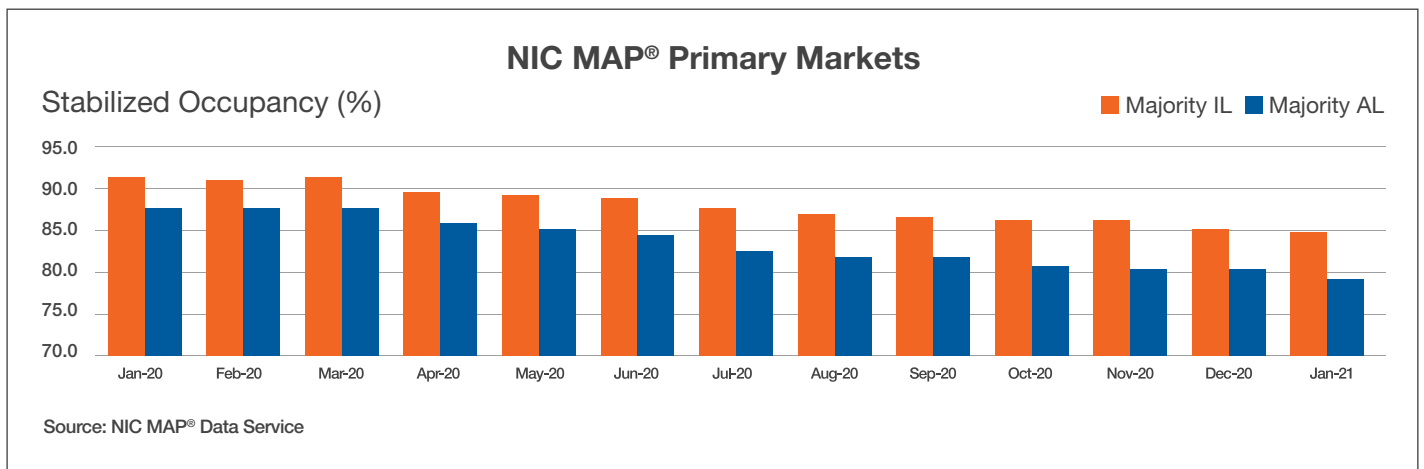
However, move-in trends have varied throughout the pandemic. PMMA experienced a sharp decline early in the pandemic, with especially dramatic reductions in health care referrals as hospitals stopped performing elective surgeries. The summer months brought an uptick in move-ins, as infection rates dropped around the country, but then occupancy took another hit during the wintertime surge.

Now, PMMA is experiencing another slight increase in move-ins, perhaps tied to the availability of COVID-19 vaccines, and the fact that some people simply can no longer defer surgeries such as hip replacement.

How tech can drive census

Going forward, senior living providers cannot simply count on the vaccine and the reopening of the health care system to rebuild occupancy. Providers will have to compete for new residents, and having the right technology in place will be a differentiator.

NIC MAP® Primary Markets

Stabilized Occupancy (%)   ■ Majority IL ■ Majority AL

| | Jan-20 | Feb-20 | Mar-20 | Apr-20 | May-20 | Jun-20 | Jul-20 | Aug-20 | Sep-20 | Oct-20 | Nov-20 | Dec-20 | Jan-21 |

Source: NIC MAP® Data Service

That's because having smooth and safe transitions of care has never been more important. With hospitals still burdened by COVID-19 care, they are motivated to send older adults to senior living communities that can prevent rehospitalizations, such as by reducing medication errors.

Furthermore, many older adults have been putting off surgeries and treatments and have experienced degradations in mobility and other issues, due to pandemic-related lockdowns and isolation. They are coming to senior living with higher acuity levels, meaning seamless, real-time communication across the care continuum with all their providers is crucial.

"MatrixCare does enable us to connect with those hospitals and get that exchange of information directly from the hospital," Gerstenkorn says. "If you're not having that direct flow of information from the hospital, you run that risk of potential medication errors, of data being lost."

Going forward, hospitals are likely to continue to have strong referral relationships with the senior living communities that performed best during this pandemic period. And having access to real-time resident information from other health care settings besides the hospital is also essential, Keefe stresses.

"Pulling that record in from any care setting, even an ambulatory office, is really big," she says. "That's something that we've understood the importance of for a long time."

Staffing: empowering new efficiencies

Prior to COVID-19, the senior living industry was already facing a caregiver shortage, and the pandemic created new pressures.

Staff that used to work in multiple locations sometimes were limited to just one building, to help prevent the virus from spreading. Workers had to take sick leave when they were exposed to COVID-19, fell ill, or had to care for loved ones. And although many workers rose heroically to the moment, some people understandably decided to leave their jobs to protect themselves and their loved ones.

As the pandemic dragged into the summer months, COVID fatigue set in, with workers' sense of purpose evaporating and turnover rising.

COVID is impacting employment trends

As COVID hit, at the beginning, employees felt purpose around protecting our seniors …

but over the summer this purpose more or less evaporated.

COVID is impacting employment trends

While turnover dropped as the economy crumbled, now the job market is hot for these same frontline staff…and turnover is increasing again, especially as happiness decreases on the job.

Courtesy of Activated Insights.
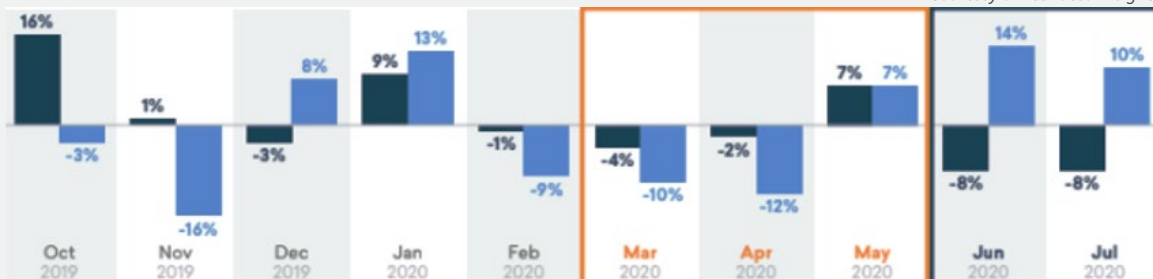
Senior Care Industry Benchmarks

- Month to month change in employee Trust index
- Change in employee turnover (annualized)

In March and April, turnover and engagement decreased. In May, both metrics increased.

In June and July, these metrics settled back into their normal pattern.

[1]Great Place to Work Institute's Trust Index measures employee engagement on a scale from 0 (lowest) to 100 (highest).
Source: 250, 553 senior care employees surveyed between April 2019 and August 2020.
Images and data courtesy of Activated Insights.

How tech can drive staffing efficiencies

Technology has helped create staffing efficiencies to allow senior living operators to do more with less. For example, Gerstenkorn appreciates that MatrixCare's electronic charting automatically tells nurses what tasks have to be accomplished during a shift, and uses a green-yellow-red color system to indicate when a task has not been completed within a given timeframe.

> **"Back in the day I carried a clipboard with a sheet of paper that I scribbled all over. Now, electronic charting is a nice way for me to know what I have to do."**
>
> **JEANNE GERSTENKORN**
> SENIOR VICE PRESIDENT OF HEALTH AND WELLNESS, PRESBYTERIAN MANORS OF MID-AMERICA (PMMA)

"Back in the day I carried a clipboard with a sheet of paper that I scribbled all over, "Gerstenkorn says. "Now, electronic charting is a nice way for me to know what I have to do, and at handoff, when Nancy Nurse comes in, a task will show red for her if it still has to be done."

This system is so easy to understand, that agency staff can pick up on it quickly — a key consideration that gives providers important staffing flexibility during the pandemic. For instance, PMMA had an instance in which workers from one community relocated to work temporarily at another community where staffing challenges had cropped up.

The ease of use reduces stress for caregivers. MatrixCare prides itself on its usability, Keefe says, with a dedicated usability and user experience department ensuring that software "goes to the next level."

"Our point-of-care solution is almost like a point-of-sale solution, where you can tap-tap-tap on the screen, whether wall-mounted or a kiosk on wheels or a phone or tablet," she says. "The idea is that you literally can pick it up and know what to do with it."

Managing operations across the care continuum

The COVID-19 pandemic has exacted a steep toll on every level of care, but the challenges have differed across the continuum. New clinical considerations and the lack of referral-based move-ins hit assisted living and skilled nursing hard; in independent living, residents were especially concerned about how to stay engaged with each other and loved ones.

Here, too, technology has offered solutions to pandemic-related problems, with telehealth creating access to care providers and digital platforms such as Zoom linking residents and their families.

For PMMA, the MatrixCare CareCommunity offering was one of the most useful tools across the continuum.

Part of CareCommunity is a personal health record that incorporates health data from a variety of sources, including a resident's wearable devices. Residents can give family members access to their CareCommunity portal, allowing the entire care team to have real-time access to key health metrics.

Continuum of care communities fare better

At 85.7% in Q42020, occupancy held up better at continuing care retirement communities (CCRCs) — also known as life plan communities — compared to the industry at large, NIC data show.

Q42020 occupancy across NIC's primary markets		
	CCRC	Non-CCRC
Independent Living	89.6%	80.9%
Assisted living	84.2%	77.8%
Memory care	84.2%	76.7%
Skilled nursing	78.5%	74.9%

"While the coronavirus pandemic has created uncertainty in the sector, the key drivers of fundamental credit quality that have benefited the sector in recent years should remain in place. We expect continued favorable demographic trends, healthy residential real estate markets and good access to the capital markets."

MARGARET JOHNSON, CFA
DIRECTOR — SECTOR LEAD, SENIOR LIVING
FITCH RATINGS

Source:
Fitch Ratings 2021 Outlook - U.S. Not-For-Profit Life Plan Communities

"The example I like to give is, let's say you have a person in independent living or assisted living in Florida, but the family is in Texas, and they're concerned about whether mom is about and moving around," Keefe says. "We can connect mom's FitBit to the tool very easily, and then you have visibility. All that is available, along with a video chatting tool to talk to providers or other folks."

The tool not only creates valuable access to information but offers convenience that supports a better lifestyle for residents and their families, Gerstenkorn observes.

"It's reassuring for families to see how mom and dad are doing with their health overall, as opposed to having to pick up the phone all the time and call nurses or mom and dad," she says. "Otherwise, residents sometimes get frustrated and say, yeah, I'm fine, stop asking me that question."

While the COVID-19 pandemic will not last forever, she believes this type of connectivity will be the norm moving forward across all levels of senior living.

> **"**It's been fascinating to see the shift toward technology, and how fast it occurred.**"**
>
> ———
>
> **KELLY KEEFE**
> V.P. OF COMMUNITY SOLUTIONS STRATEGY
> MATRIXCARE

A new way of doing business

Senior living providers have clearly relied on an array of technologies to help them weather the pandemic, and they are continuing to invest in technology and investigate emerging options to set themselves up for future success.

"It's been fascinating to see the shift toward technology, and how fast it occurred," Keefe says. "Going forward, I think we're going to see a lot more of that rapid adoption of new tech."

To maximize efficiencies, working with a partner like MatrixCare that can serve as a tech hub will become even more important for tech-forward senior living operators.

"We're not just an electronic health record. We have a revenue cycle management solution, a customer relationship management solution, we have solutions for meal and nutrition management, we have solutions for point of sale and analytics tools, and our CareCommunity tools," Keefe says. "If you're interested in something that we don't have as part of our main portfolio, we can help you find the right partner to maximize your investment."

But whatever choice providers make in their partners, it's clear that the pandemic has led to lasting changes in how providers operate, and they must invest smartly in tech to succeed in a post-pandemic landscape.

"It's a new way of doing business all the way down the line," Gerstenkorn says.

MatrixCare, a wholly owned subsidiary of ResMed, is an interoperability leader trusted by thousands of facility-based and home-based care organizations to improve provider efficiencies and promote a better quality of life for people in out-of-hospital care settings.

———

To learn more about how MatrixCare can help your organization implement its continuous improvement goals, contact us at:

866.469.3766 | **www.matrixcare.com** | **Twitter: @MatrixCare**

SENIOR HOUSING NEWS | MatrixCare® *by* ResMed