

Medicare becomes Law



Article 4

Westminster Village North
Indianapolis, Indiana

The ongoing transformation of a Life Plan community

Not-for-profit Life Plan communities (the term LeadingAge advocates for continuing care retirement communities) are at a critical crossroads. While the aging of America's population has created significant opportunities, the marketplace has become significantly more competitive, particularly through the emergence of aggressive for-profit senior care companies, as changes in payment models and insurance reimbursement threaten the financial stability of many communities. Fortunately, the situation is far from hopeless. In fact, there may never be a better opportunity for not-for-profit communities to secure a solid future and withstand even well-financed competitors. The keys are in understanding the changing needs and expectations of the marketplace, creating a long-term vision, and investing in the future.

Westminster Village North in Indianapolis is a shining example of a not-for-profit Life Plan community that recognized changes and took a strategic approach to ensure its continued viability. Today, the community is prospering, and it continues to remain focused on the future, making it a model for other not-for-profits that wish to do more than simply survive.



Historic aerial photo of Westminster Village North.

In this series of articles, we'll examine the changes in our marketplace and the steps Westminster Village North took to become one of its market's most desirable and successful communities.



Independent Living courtyard hosts events and informal get-togethers fostering relationships and a sense of community.

MEDICARE



HEALTH INSURANCE

Healthcare Changes are Transforming Senior Living

Two historic moments have had particularly far-reaching effects on today's senior living industry.

The first took place on July 30, 1965, as President Lyndon B. Johnson signed House Resolution 6675 in Harry Truman's hometown of Independence, Missouri. HR 6675 enacted Medicare, and Johnson issued the first card to the former president. The second occurred 45 years later, on January 1, 2011, when the first Baby Boomers celebrated their 65th birthdays -- a sign that the lifestyles of the nation's single biggest generation were about to change.

Both Medicare and vast numbers of prospective new residents are in the minds of organizations that operate senior housing facilities. For not-for-profit Life Plan communities, both create challenges. Although Medicare payments to communities are limited, the program's effects on the healthcare industry affect communities. Plus, the presence of so many seniors is spurring massive investments by aggressive for-profit competitors.

Westminster Village North, located in the northeast corner of Indianapolis, has provided senior housing since 1971. The Life Plan Community's board and management have main-

tained high occupancy levels by making strategic changes. Shelley Rauch, MBA, HFA, Westminster Village North's Executive Director since 1997, has overseen many of those changes. "When I started, the campus had a great reputation for the services they provided," Rauch recalls. "But the age of the physical plant was starting to show. Reputation and quality outcomes were good things in the market, but that wasn't going to be enough as people started to talk about what other generations were going to be looking for."



On July 30, 1965, President Lyndon B. Johnson signed the Medicare Bill into law.

Medicare's influences

Although Medicare doesn't specifically pay for senior housing, the program's practices have a significant effect upon design considerations and finances -- and can even create marketing opportunities.

According to the American Health Care Association, more than three of every four residents of skilled nursing care facilities depend upon either Medicare or Medicaid for at least part of their care -- and MedPAC told Congress in 2013

that skilled nursing facilities have average operating margins of just 1.9 percent.

Medicare's Part A coverage limits skilled nursing payments to just 100 days of care per episode, following a minimum three-day hospital stay. Add to that pressure from Medicare to reduce hospital readmissions -- U.S. News reports that roughly 20 percent of Medicare patients are readmitted within 30 days of discharge -- and you'll understand why many hospitals are seeking high-quality skilled care partners. Life Plan Communities are often an obvious choice (provided they have sufficient quality ratings).



Renovated resident room, built in 1975 for semi-private skilled care, providing private accommodations for short-term rehabilitation care.

Challenge ... or opportunity?

Those partnerships may also provide a source of future residents. Westminster Village North has seen an uptick of residents who became familiar with the community during a post-hospital stay in either its long-term care area or rehabilitation wing. “If those short stays are good experiences, people leave with positive impressions,” says K2M Design’s® architect Jerry Cripps. “When they’re ready to consider a move to a senior community, it’s one of the first places they’ll consider.”

Just as important, if a community fails to establish those relationships with hospitals or doesn’t approach short stays as chances to sample its advantages, it’s likely to lose business to a competitor who seizes that opportunity.

The dawn of person-centered care

Senior living design traditionally focused on efficiency, recalls K2M Design’s architect Dan Ware. “The design process usually began with trying to find more efficient ways to operate,” he explains. “How could they minimize staff? How could they reduce patient care areas? How do you feed

everyone at the same time? But then somebody realized that it really wasn’t about how well facilities operated. It was about what residents wanted.”

“If waking up at 9:00 a.m. and skipping breakfast in favor of an early lunch is how you’ve spent your retirement years, you should be able to do that,” says Cripps. “You shouldn’t be forced to get up at 6:00 a.m. because that’s when a facility serves breakfast.” Instead of making people change their lifestyles just because they need assistance with daily tasks, communities are beginning to work around those lifestyles. Many are allowing new levels of personal décor in resident apartments. Others are allowing residents to have pets and providing spaces where families can be comfortable during visits.

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- Dan Ware, RA, Senior Project Manager

“Person-centered care is a cultural shift that involves encouraging individuals’ identity and autonomy,” Cripps says. “That shift has to occur on three levels. First, the leadership has to genuinely embrace the concept. Second, the staff has to buy in and understand exactly how it changes care. Finally, the facility itself has to accommodate the changes.” One example of a change within the facility is a shift from centralized dining to multiple, smaller venues with distinct atmospheres, such as the Bistro café at Westminster Village North and the “pubs” cropping up at other facilities.

Newer facilities are being designed around neighborhoods. “If you built a 100-bed facility 20 years ago, that usually meant several wings with one central nursing station and one giant dining room,” adds Cripps. “With person-centered care, you’re breaking that down into distinct neighborhoods of between 12 to 24 residents with separate dining areas and unique designs and color schemes. It fosters more personal relationships between residents and staff while strengthening the sense of community.”



The Before and After photographs of this Lounge area reflect the changes in what residents want in their new home.



Lighting, material selections, and color help to identify neighborhoods in renovated facilities.

Designing for dementia

Life Plan Communities have led the way in serving some of the most challenging residents: those facing cognitive impairment caused by Alzheimer’s and other dementia-related conditions. A 2003 National Institute on Aging study determined that environmental approaches were just as important as medication and behavioral strategies in delivering effective dementia care. “The primary purpose is creating that home-like environment and protecting people’s dignity and privacy,” says Cripps. “We’re seeing a move from shared rooms and common bathing areas to private rooms.”

Typically, residents with dementia experience decreases in vision and ability to distinguish between surfaces. That makes lighting choices particularly important, Cripps advises. “We think a lot more about how spaces are lit than we did 20 years ago. The availability of LED lighting in different color ranges and the ability to dim it offers possibilities. For example, many residents with dementia face ‘sundowning’ issues in which their internal clocks get out of kilter. You can use lighting levels and cues that change throughout the day to help maintain their circadian rhythms. We’re also bringing a lot more natural light into facilities.”

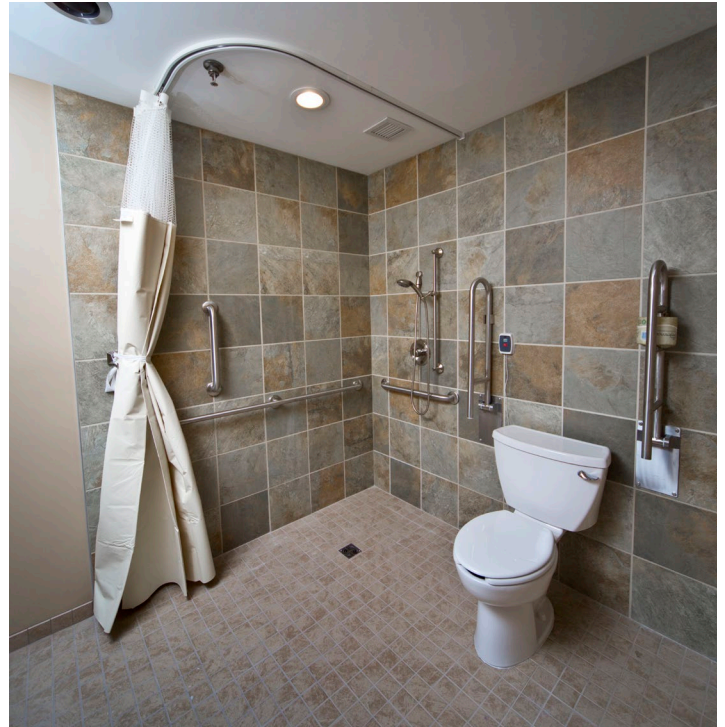
Orientation is another important consideration, because residents with dementia tend to wander. Effective designs provide safety and navigation, with familiar waypoints and few obstacles. Flooring choices are critical, he adds. “Flooring with too much contrast may look like something the resident has to step over. And if there’s too much of a pattern, the resident may think something is on the floor and bend over to pick it up, increasing the risk of a fall.”

Accommodating obesity

Traditional assisted living and skilled nursing approaches may not be adequate for obese residents. “Historically, the building code says that when you mount a toilet into a corner, the center line has to be 18 inches off the wall, and you need to mount grab bars on the wall,” explains Cripps. “But if you need two people to lift an obese patient, one of them can’t fit in that space. The industry is seeing CNAs with back injuries because there’s no easy way to lift. In some facilities, we’ve moved the toilet farther from the wall and installed grab bars that fold out of the way, so there’s enough room for people to get on either side of the resident. Subtle changes like that mean a lot to caregivers.”

Other design changes driven by obesity include larger beds, doors as wide as 42 inches to accommodate wider wheelchairs, and ceiling-mounted patient lifts. “Traditional lifts usually end up on the side of hallways when they’re not being used.”

When renovating the health center at Westminster Village North, Cripps included an approach that makes bathing assistance easier. “We created what’s called a Euro bathroom, in which the entire bathroom is essentially a shower facility with a floor drain,” he explains. “That way, you don’t have any curbs or obstacles when assisting a resident. It’s easier than trying to bathe a resident in a standard recessed shower.”



The Euro bathroom eliminates curbs and obstacles for safe bathing.

Life Plan Communities may lack control over the impacts Medicare and other federal policies have on their day-to-day operations. On the other hand, by taking steps today to address the changing health care environment and emerging needs of older Americans will position them to be more competitive as they remain focused on their mission. Today’s smart strategies are the best way to head off tomorrow’s uncertainties.



Addressing End-of-Life Care

Most senior living facilities focus on keeping residents healthy and active, but some Life Plan Communities have started to embrace the reality that those residents’ lives will end. “We’ve seen some communities that expand their continuum of care to include facilities devoted to palliative care,” says K2M Design’s Jerry Cripps.

An intriguing concept that’s popular in Europe is beginning to catch on in the U.S. “Some facilities have mentioned adding a snoezelen room, which is a sensory room with special lighting, bubble tanks, and mood music that gives residents who are nearing the end of life a quiet, private place to relax, reflect, and meditate.”



Assisted living one-bedroom apartment unit, currently under construction.

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