Continuous Care at Home for Senior Living Providers
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Aging in place and home care are the future of care for older adults across the world. The senior living industry is a vital component of the long-term care delivery system. According to the Centers for Disease Control (CDC), National Center for Health Statistics (NCHS), there are approximately 28,900 assisted living communities offering almost 1 million licensed beds in America today[1] which offer multiple levels of care, such as independent living, residential care, and skilled nursing care.

The traditional assisted living provider model includes defining characteristics including:
- **Housing facilities on site** so that all residents may be co-located;
- **Major capital expenditures by providers** to create and maintain such facilities;
- **Relocation of seniors** to facility property in order to receive services; and
- **Significant financial outlays** from seniors required often prior to the start of services.

While the traditional model of assisted living has been successful in the past, it is not the optimal solution for today's seniors. Older adults now demand to age in place and enhance their living with technology to support independence at home. Here are key societal and market changes increasing the demand for home care services:

1. **The growth of the aging population.** In 2019, for the first time in human history, there are more people over age 65 than under age 5. The number of people over age 65 will dramatically increase over the rest of the century, while the number of children under age 5 will remain constant. Till 2030, 10,000 older adults a day join Medicare[2].
2. **Preference for "aging in place."** Nine out of ten seniors want to remain in their existing homes for as long as possible but forty percent of those 65 and older need daily assistance[3]. For many of these seniors, leaving their longstanding homestead represents not only a loss of independence but also a loss of identity and freedom.
3. **Decrease in family caregiving support and health impact on informal caregivers.** Due to societal changes, most older adults live an average of 280 miles from their adult children and many adult children are employed making it challenging for them to provide the care that might be needed to help ensure aging in place[3]. Additionally, informal caregivers, often spouses or adult children, need support with almost 20% being in fair to poor health themselves affecting their ability to care for their loved one and 70% report symptoms of depression[4].
4. **Declining occupancy rates in senior housing.** According to the National Investment Center for Seniors Housing and Care (NIC), the occupancy rate for seniors housing slipped to 87.8%, the lowest rate since 2011, and inventory growth outpaced net demand[5]. Some of the supply-demand imbalances in senior housing are the result of a potential overestimation of the need for new senior housing facilities over home care.
5. **Home care reduces burden on the health care system and families.** Home care can help maintain the health of an older adult and has been shown to reduce both

hospitalizations and physician visits[3]. Additionally, home care services reduce financial burden compared to institutionalized care[3]. Home care also helps family members by reducing missed workdays and allowing them to focus on their work, not to mention the mental health burden removed from families through supportive home care[3].

6. **Desire for innovation in services to seniors.** Estimates suggest that about $1 billion will be invested this year in "aging-in-place" technologies, including artificial intelligence and home monitoring, that enable seniors to remain in their own home despite experiencing changes in daily living[6].

How might a senior living provider continue to grow and adapt in light of these industry trends? The answer lies in forging innovative solutions that include capitalizing on strengths while also adapting to evolving market conditions. Continuing care at home is one of the most promising ways senior living providers can accomplish these objectives.

What is Continuing Care at Home?

Continuing care at home (CCAH) is a hybrid of traditional senior living services with home care services. This innovative care delivery model brings the best of services typically found in two separate industries under a single umbrella organization.

Why Home Care for Senior Living Providers?

The rise of home care impacts the senior living industry insofar as potential new residents are diverted from facilities because they hire home care providers to receive home-based care. The top 16 franchised home care providers produced $7 billion in revenue in 2017 of which an estimated $2.5 - $3 billion occurred on a senior living campus. CCAH services not only offer an alternative to home care but also bring the competitive advantage of facilitating the transition to facility care when it is appropriate and positions the community towards senior services.

When expanding into the home care market, senior living facilities offer a complementary but different service to potential clients. A model of continuing care at home aligns with the growing social preferences of aging in place by permitting new clients to engage the senior living provider's services without relocating to a facility. At the same time, new clients who are receiving home care services establish an ongoing relationship with the senior living provider so that if and when facility-based care becomes necessary, relocation to the facility is an easy and expedited decision. Integration of home care and senior living services make it possible for caregivers to seamlessly follow the client from the home to the facility, enabling a smooth care transition. Administrative office functions can also be efficiently transferred when the home care client becomes a resident.

Senior living providers are accustomed to the major capital expenditures required to build new facilities when they desire to serve more people. In a welcome shift, an entrance into home care

allows senior living providers to expand services without incurring substantial financial outlays. Moreover, home care does not involve the same level of ongoing expenditures found in fixed, facility-based operating costs; home care costs are more manageable because the largest expense, labor, varies in direct proportion to customer demand for service.

With respect to labor, senior living facilities already employ registered nurses and certified nursing assistants to deliver care to their residents. Because a comparable workforce is required to administer a home care agency, senior living facilities can utilize many of their existing people and human resource processes to expand staffing into the realm of home care.

By reducing the diversion of potential residents who might never engage with senior living providers because they contracted home care, the funnel of new potential customers increases with the offering of continuing care at home.

<u>What are the defining features of CCAH?</u>

Continuing care at home is a unique and emerging business model. Here are some of the defining features of CCAH:

- **Offered by a senior living facility but delivered in-home.** CCAH is distinct from home care because it is offered by senior living providers that have established care facilities, but it is also different from senior living services because customers do not move on-site to initiate services.
- **Operationally separate but complementary businesses.** The in-home care service may be established as an independent legal entity, separate from the senior living business, or the two lines of business may be organized as different divisions under a single entity. This allows a flexible approach for providers to complement their business model, the nimbleness needed in changing market demands.
- **Marketing across both senior living and home care offerings.** Because CCAH is a hybrid model, organizations can market as both a senior living provider and as a home care provider.
- **Proper technology support systems.** Robust staffing and billing software are vital to the successful delivery of in-home care services. With the advancement of artificial intelligence, electronic health care records and interoperability in home care, the opportunity to utilize these systems to monitor and document home care supports communication and coordination, critical to support aging in place[7]. CCAH supports the infusion of these resources into the home care market.
- **Large and geographically dispersed workforce.** Because home care offers 1:1 care wherever clients live, the size of the CCAH provider's workforce grows exponentially with the increases in the number of clients served. Direct care aides may be deployed in the facility setting or in the geographically dispersed homes of clients.

Strong Human Resources functions are paramount to the ongoing viability of the CCAH provider.

- **Workforce growth and opportunity.** Home care is a growing workforce industry particularly for women and minorities. The flexible and caring nature of the work where human relationships form, home care can be a rewarding career choice[3]. With discussions in health care on clinician burnout and burden, home care is viewed as a rewarding career and acts as a strong recruitment tool for any organization[8].

- **Enhanced coordination with family caregivers and others involved in care of the client.** CCAH providers delivering in-home care services may not be the exclusive care provider for a client, since family members and friends often assume informal caregiving roles to support their loved ones. As a result, CCAH providers are more likely to coordinate the provision of services with others in the client's life.

- **Accommodation of various payer requirements.** CCAH providers must be able to bill to and receive payment from health insurance companies, long-term care insurance companies, private pay and other third-party payers such as government programs or worker's compensation insurance companies.

- **Regulatory compliance.** Inasmuch as regulations differ, state law typically assigns regulatory oversight responsibility for senior living and in-home care to different agencies. CCAH providers must carefully study and abide by the in-home care requirements applicable to them, adding an additional level of regulatory complexity to the business.

How to Start CCAH

Senior living providers have an unprecedented opportunity to establish a CCAH service and enter the home care market with the support and guidance of an experienced franchisor. The Home Care Advocacy Network (HCAN), led by executives from both senior living and home care industries, was created to guide and support senior living providers as they enter the home care market to deliver CCAH. There is no other franchisor with such an offering tailored to senior living providers ready to take on the market changes currently at work.

The HCAN offers a white label franchise for senior living providers to introduce home care to their business, which permits senior living providers to dovetail all home care marketing with their existing senior living marketing efforts. Alternatively, the HCAN also permits senior living providers to be licensed to operate as an independently owned and operated franchise of X brand.

The Home Care Advocacy Network brings extensive knowledge and expertise of both senior living and home care industries to its franchise offering. In developing the HCAN system for white label branding, there were 3 major considerations.

1. **White Label Branding Model.**
    We have built our brand and offering around what is most important to you, YOUR name and YOUR brand.

     a. If your community is currently called "Heritage Communities" you can be <u>Heritage In-Home Services – supported by The Home Care Advocacy Network.</u> Your name, your brand.

     b. Built to be competitive with local in-home services providers in all aspects of your business from recruiting, sales and marketing and finance and operations.

2. **Provide a True In-Home Services Business Structure.**

     a. Have caregivers check in and out of work shifts both on and off campus, with their payroll record tied to a billing record.

     b. On-demand access to the client's care plan for family members and ease of interactions with the home services team.

     c. Home care operator business training that is evergreen and that exists outside of the silo of the senior living community. Training focuses on the successful running of the business from sales and marketing to operations and finance.

     d. Continuous support for the successful operating of the in-home services business by the corporate team at Home Care Advocacy Network.

     e. A complementary but separate model that collaborates, shares leads, shares clients and provides a recruiting pipeline for your community.

3. **Ensure Your Brand's Success by Capturing Relationships NOW Instead of Letting Someone Else Capture Them.**

     a. In-home services clients will ONLY be served by someone else, other competitors, unless you step forward and create your own ability to serve families and seniors who are investigating aging in place options

     b. Build your own in-home services clientele to control your own future

     c. Your organization already does GOOD, with HCAN you are empowered to do MORE GOOD!

An in-home services business offers you many opportunities to serve, grow your own clientele and to compete locally for client and caregiver relationships, but it's not easy. Core services and support provided through HCAN should not be underestimated:

1. Business start-up leadership

2. Core technology systems appropriate for the in-home services business including artificial intelligence monitoring, interoperability, digital office and document management

3. Consistent training and development opportunities for your in-home services leaders

4. Organization consulting to help appropriately staff your office

5. Finance and operations support to ensure your long-term success

6. Consulting and support to ensure a successful adoption of home care with a focused strategy on innovative care delivery beyond a traditional long-term care delivery structure.

<u>Ignoring the Aging in Place Opportunity Doesn't Change Reality</u>

A senior living organization's biggest competition is the "home" and the relative freedoms and security the senior's home offers to the senior and their loved ones. HCAN gives you every opportunity to capitalize on strong local market presence, the ability to recruit and retain caregivers, successfully provide creative on-site care while creating your own market share for aging in place services off campus and helps lead you to overall financial and operational success.

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<u>Dr. Joy Doll</u>

Creighton alumna Joy Doll is at the helm of innovative clinical care at Creighton as the executive director of the Center for Interprofessional Practice, Education and Research. Creighton is one of the first in the nation to provide interprofessional education—a team-based approach to care drawing upon the shared knowledge of health care professionals to deliver better patient care.
West Virginia-native Doll served in AmeriCorps VISTA before coming to Creighton to build interprofessional health outreach and address health needs with communities in Omaha, rural Nebraska and several countries.
In recognition of her contributions to occupational therapy and developing the interprofessional landscape, Doll will receive the American Occupational Therapy Association Interprofessional Collaboration Award in Salt Lake City on April 21.

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