

# Funding the new wellness model in senior living

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that wellness inspires.*

International Council on Active Aging  
June 2022

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# ICAA Forum

## About the ICAA Forum

<https://www.icaa.cc/conferenceandevents/forums.htm>

The ICAA Forum brings together thought leaders from many organizations—both private and public—to form a think tank that develops strategies to turn the challenges facing senior living providers into opportunities.

Launched in 2005, the meetings forge connections among industry leaders while promoting understanding and cohesive action around the ultimate goal: health and quality of life as people age.

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## About International Council on Active Aging®

[www.icaa.cc](http://www.icaa.cc)

The International Council on Active Aging has led, connected and defined the active-aging industry since 2001. Founded in the belief that unifying the efforts of organizations focused on the health and well-being of older adults benefits both the people they reach and the organizations themselves, ICAA's vision is shared by over 10,000 organizations. ICAA's support of the active-aging industry includes industry research reports, program development, market development, education and research on healthy aging and wellness, strategy development, public relations campaigns and recognition programs.

ICAA Education, Inc., a sister company, develops and delivers courses to help active-aging professionals build needed skills and knowledge to impact older-adult wellness and the business bottom line.

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# Contents

## 4

### **Executive summary**

Wellness emerges as the new business model

## 6

### **The wellness imperative**

Culture and priority anchor the wellness value proposition

Wellness benefits residents, customers and staff members

## 8

### **The environment**

Policies and people impact the industry

## 10

### **Funding opportunities**

Revenue and savings increase wellness budgets

The opportunity cost

## 14

### **Measuring wellness outcomes**

Data opens the door to funding

Metrics and KPIs explain the value of wellness

## 16

### **Shift the culture**

Turn challenges into actions

Shift the staffing paradigm

## 18

### **The plan**

A new wellness model for a renewed industry

Planning worksheet

## 20

### **Details**

Panelists

Resources

Endnotes

# Executive summary

## Wellness emerges as the new business model

Economic and cultural forces are requiring senior living organizations to change, a repositioning already demanded by demographic pressures. A new model is required that blends together the value of the lifestyles and care options that are unique assets of senior living residences.

To develop the role of wellness in achieving the combination of services that hallmark senior living, thought leaders convened at the ICAA Forum June 2022, hosted by the International Council on Active Aging®. A benefit of the think tank was the presence of executives and managers from CCRC/life plan communities, independent living and assisted living properties, memory care and nursing locations, affordable housing and home care services. Because of the willingness to share perspectives and experiences, cross-cutting pathways emerged to link traditionally separate purposes, organizations and departments.

The consensus:

1. A culture of wellness, with options for care, is the business model that integrates all aspects of an individual's life and directs the purpose and operations of senior living.
2. Investing in wellness, which encompasses all departments and services, generates a return on health, well-being and satisfaction that results in cost savings, move-ins and new revenue opportunities.
3. The outcomes from a well-planned and well-implemented wellness culture unite staff members across functional areas to share ownership, ideas and budgets for the mutual goal of quality of life for residents and nonresidents.

### Wellness brings upstream benefits

During the ICAA Forum, wellness was understood as the elements in the dimensions model (physical, emotional, spiritual, intellectual, social, environmental and vocational). Whatever name or model a community follows, the wellness philosophy contains hospitality, culinary, lifestyle (traditionally engagement, fitness), housekeeping and administration.

The value of wellness across the organization impacts the bottom line.

- Wellness increases length of stay, stabilizing occupancy, increasing revenue
- Wellness increases resident independence, reducing staff time and staff effort
- Wellness encourages residents/visitors to plan, lead and guide activities, which frees staff time to build partnerships and collaborations
- Wellness reduces resident need for care, opening beds for hospital and physician short-term stay referrals
- Wellness focuses on prevention, which opens the door to partnership with Medicare Advantage programs and other prevention-focused programs
- Wellness creates the environment that brings private-pay nonresidents to programs, dining and health screenings
- Wellness improves the staff experience; happy, satisfied staff lead to happy, satisfied residents and clients

## A new model for senior living

### Year 2025: Senior living is based in the wellness lifestyle, with options for care

Wellness philosophy and actions deliver the brand promise,  
Uniting disciplines and departments to  
Support residents, staff and customers  
So all achieve quality of life while  
Organizations meet objectives and future-proof sustainability.

#### Outcomes and KPIs

The success of the wellness culture, and hence the rewards, can be measured through a combination of quantitative and qualitative data gathered by staff members and provided by residents and nonresident participants.

Forum colleagues noted that wellness outcomes are often collected by individual departments, but not shared. Collecting outcomes and identifying critical Key Performance Indicators (KPIs) can be fast-tracked by developing a process of information exchange.

Outcomes from wellness are most effective when comparing residents/nonresidents who engage to those who do not. For example, independent living (IL) residents who engaged in a wellness program had an average 2.7 years longer length of stay in IL compared to residents who did not engage, according to findings in the ICAA/ProMatura Wellness Benchmarks.<sup>1</sup>

Outcomes and KPIs that relate to business objectives include:

- Self-reported quality of life
- Self-reported health
- Length of stay
- Length of stay in independent living
- Resident satisfaction
- Wellness lifestyle a reason for move-in
- Employee satisfaction
- Clinical indicators
- Functional outcomes
- Program, initiative performance

To integrate wellness across an organization, three basic elements are needed:

1. A universal understanding of what “wellness” is. All the definitions and approaches to wellness are good—none is better than the other. These are different paths to the same goal: a purpose-filled and engaged life for individuals.
2. A wellness culture is in place and operational. A culture of wellness involves all leaders and staff members, in every role and department, along with the older adults they serve, in providing services and experiences that enable older adults to participate in life-affirming choices that include the dimensions of wellness.
3. Both clinical and nonclinical services and job roles are responsible for wellness culture and experiences. From hire to exit, every executive, staff member and resident recognizes that wellness delivers the mission; it is not a single department or staff member.

During the ICAA Forum, colleagues considered wellness culture the foundation for funding. There was general acceptance that operations cannot go back to 2018. Funding wellness initiatives, with the emphasis on preventive health and resident and employee experience, is the investment in the future.

# The wellness imperative

## Culture and priority anchor the wellness value proposition

For senior living operators, the pandemic was a significant event that moved the industry to an inflection point. Change has occurred, change was needed. In 2022, conversations about what could be done have ended. Now is the time to set a new direction, or return to the past.

Which of the adaptations to physical spacing, protocols, staffing and programs will remain, and which will end? What will be the driver that steers the organization into a sustainable future? Hosted by the International Council on Active Aging®, thought leaders from across the spectrum of senior living organizations joined together at the ICAA Forum June 2022 to examine the role that wellness plays in the evolution of senior living. Their goals were:

- Review the value of wellness and the funding environment
- Identify funding sources

- List outcomes measures for wellness that justify investment
- Consider approaches to overcome funding challenges

The philosophy of wellness was captured in the definition from ICAA: “Wellness is derived from our ability to understand, accept and act upon our capacity to lead a purpose-filled and engaged life. In doing so, we can embrace our potential (physical, emotional, spiritual, intellectual, social, environmental, vocational) to pursue and optimize life’s possibilities.”

Forum colleagues used the definition as the operational description because it integrates all aspects of an individual’s life and directs the purpose and operations of senior living.

**Key point: Wellness is not a single department or a person.** Wellness influences all areas: hospitality, culinary, outreach/marketing, engagement activities, fitness, ADL assistance, memory care, health care, partnerships.

Wellness benefits residents, customers and staff members		
Residents, customers	← Outcomes →	Staff, executives
Move-in due to wellness options	<b>Marketing meets goal</b>	Recruited due to job prospects
Longer LOS in independent living	<b>Longer length of stay</b>	Longer length of employment (retention)
Life satisfaction	<b>Satisfaction</b>	Job satisfaction
Regular participation	<b>Utilization</b>	Uses all tools and training
Frequent, active participant	<b>Engagement</b>	Frequent ideas, team support, attendance
Personal development	<b>Quality of life</b>	Professional development
Chronic disease managed; falls prevented	<b>Health</b>	Absences reduced; health markers improve

Wellness is a priority in senior living because it adapts to any population and provides a lifestyle that appeals to adult children, people 55+ and those with middle incomes. Looking to the future, 79% of respondents in senior living organizations—both not-for-profit and for-profit—believe the executives and senior leaders in their organizations give a high priority or essential priority to delivering a wellness lifestyle and culture in 2022 (ICAA).<sup>2</sup>

Wellness culture is so important that 61% of senior living respondents in the ICAA survey believed that by 2025, their community will be based in a wellness lifestyle, with options for care. While the place of work (independent living or assisted living/nursing) influenced this perception, it is a strong indicator of the direction the industry is going.

As one person stated, “Every interaction with the resident can be a wellness interaction if we build a culture that represents that. Everyone in the organization, from the CEO to the line staff, not only understands wellness, but supports it.”

Another colleague added, “Money does not always follow the people. Funding is important, but you can’t throw money at an issue and expect it’s going to change. Change needs to be in cultural transformation.”

Critical factors define a wellness community:

**Language.** Incorporate wellness into the organization’s vocabulary. Educate residents, staff members, family members, partners, investors and vendors on the purpose of wellness and why it benefits all who are guided by the philosophy. Explain the concepts of wellness in a way that can be received by the intended audience.

**Leadership.** Executives, board members and senior managers use the wellness philosophy and dimensions to operationalize the community’s mission and purpose into all processes and roles.

**Organizational structure.** Wellness is included in the operational budget since it is a priority within all service areas and not a department or person or amenity.

**Collaboration.** Team members interact with one another across departments and disciplines (bridges between silos).

## Wellness sustains the new senior living model



**Data and outcomes measurements.** Metrics define progress toward goals for all services and inform the Key Performance Indicators (KPIs) that measure achievement in reaching business objectives.

**Human resources.** Candidates understand and agree to promote the wellness culture before hire, and they are continually supported by their leaders and team members in implementing wellness.

**Staff culture and training.** Staff member engagement and satisfaction is a priority because wellness depends on relationships between residents, customers and staff members.

**Partnerships.** Every member of clinical and nonclinical teams interacts across departments to partner on wellness; outside partners increase options for services.

The benefits of wellness to an organization apply to staff members as well as residents when staff are equally prioritized.

A portion of older adults will require assistance or nursing because of disabilities and illness. Another portion will be accustomed to the elements of a wellness lifestyle and expect these when they explore senior living as an option. Need-driven or desire-driven, wellness connects the individual to the organization.

# The environment

## Policies and people impact the industry

Wellness infuses all the typical services and departments across senior living—and the financial structures that support them. To gain the broad view of the money flow into senior living services, four experts shared their experiences.

### **Increased length of stay is a strong value proposition.**

Because wellness covers so many areas, it would attract people, especially the younger-old, believes Beth Burnham Mace, chief economist and director of research and analytics at the National Investment Center for Seniors Housing & Care (NIC). In addition, “Wellness would be encouraged because you could increase quality of life, and that would translate into longer length of stay, and that translates into revenue and investment return. Anything that would increase length of stay would be favorable from a financial point of view.”

### **Wellness appeals to investors and potential residents.**

Sean Kelly, president & CEO of the Kendal Corporation, finds that “[wellness] resonates with investors because it resonates with the people who might make the choice to come and live with us or join our programs. The game is changing; the choice is an easy one because wellness is hyper-focused on health and well-being in ways that impact quality of life, health care outcomes and cost.”

### **Economics are challenging for many people.**

Between the people with low incomes who could receive support from Medicaid and the affluent who can afford to pay privately for senior living, there is the large group of middle-income households, points out Nora Super, executive director of the Milken Institute Center for the Future of Aging. “They don’t have retirement savings and a lot of people don’t have home equity anymore, especially people of color. I think a lot of people see wellness as a way to stay active and engaged, but it’s really going to be the price point.”

### **Value-based care rewards quality and prevention.**

The health care system is resistant to change, and there are many political barriers to governments funding prevention instead of illness. However, in the United States there is a trend toward value-based health care, which is designed to pay for quality rather than quantity.<sup>3</sup> On the US federal level, Super noted the administrator of CMS (Centers for Medicare and Medicaid Services) has stated there is a goal to move the 65+ population out of traditional Medicare and into value-based programs like Medicare Advantage, which often offer preventive services along with health care.<sup>4</sup>

### **Social determinants of health influence wellness.**

Recently more awareness has been focused on the social determinants of health, the economic and social factors that affect a wide range of health and quality-of-life risks and outcomes.<sup>5</sup> Medicare Advantage programs are focused on better delivering equitable health outcomes and whole-person health experiences through addressing the social needs of members, explains Nicole Lowery, director of population health strategy at Humana. “We are changing the conversation to clearly showcase the Return on Health that can be achieved as we partner with organizations to address social determinants of health and health-related social needs.”

Humana is driving efforts to support behavior change and access to resources. For example, when investing in housing, wrap-around services such as clinical care on site, and large community spaces for cooking demonstration and other events are planned, says Lowery. The goal is to be a neighborhood center for health plan members and nonmember and remove barriers to transportation or social connections.

### **Relationships matter, and staff members build them.**

Relationships are built by people on the front line, points out Kelly, and these have incredible value in fostering connections and engagement. One of Kendal’s health and well-being programs in partnership with Hebrew Senior Life supports staff members in engaging

in discussions with residents and customers to identify their issues, needs and what matters most to each person.

**Data make the argument for wellness.** Data in addition to anecdotes are needed to prove the value of nonmedical interventions. What did the different interventions do to affect change? Measures of quality of life, length of stay and ability to bring in new residents are examples.

**Operational competencies influence private equity investors.** Senior living is founded on real estate, but it also has a huge operational component, says Burnham Mace. Investors are looking for sustainable models, alignment of interests with the operator and long-term relationships. Most private equity groups are fiduciaries and they're representing a larger entity like a pension fund. They have a rate of return they are required to give their investors. Equity providers and lenders ask, does the operator maintain a steady occupancy, do they have track record, and how did they perform during COVID?

**Bondholders are interested in mission and demand.** Not-for-profits interact a lot with bondholders, says Kelly. "They want to look you in the eye to understand who you are, what you care about and what your character is, not just what your credit is." At the Enso Village community Kendal is building in partnership with the San Francisco Zen Center, investors recognized that the people who planned to live in the community understood the focus of real community and the health and well-being programs that would be developed principally in partnership with the people intending to live there.

Just as the pandemic is causing the senior living industry to shift, so has COVID caused investors, lenders, grant funders and donors to shift their expectations of the returns they can expect. How well these funding entities partner with senior living operators on an updated model may influence how money flows into wellness, delivered through every department and process.

### Follow the money chain



# Funding opportunities

## Key actions

- Place wellness in the operational budget as a core service. How will resident fees be reallocated?
- Each functional area and department allocates a portion of budget to wellness initiatives. How will departments partner for joint programs and cross-promotion?
- Reallocate dollars from clinical services to prevention activities delivered through nonclinical wellness.
- Develop mutually beneficial partnerships on a large scale to share investment and expand offerings.
- Provide staff members with the time and training to identify objectives, develop partnerships and measure outcomes. What plans, objectives and outcomes will contractors commit to?

## Revenue and savings increase wellness budgets

Colleagues at the ICAA Forum suggested ways to access funding, both from revenue sources and cost savings. Investors recalibrated their expectations due to the pandemic. Ask questions to discover what they want to know. Is it census or demand or alignment with their investment strategies? Alignment with their purpose or mission? How can cost savings be directed to fund wellness initiatives?

Setting expectations was especially important when demonstrating what funding could accomplish.

## Funding options

- Allocation from operational budget
- Private pay from residents and nonresidents coming to the community for dining, programs, etc.
- Fee-based services and programs
- Private equity investors

- Banks, lenders
- Government funding (local, state/province, federal)
- Waivers through government programs
- Reimbursement
- Partnerships
- Grant funders, donors

## Reallocate funds through cost savings

- Wellness aids staff retention, which saves recruitment dollars. Reallocate these dollars to wellness.
- Reduce the number or severity of falls, which will save money for care.
- Take advantage of the expertise and programs in the larger community available at no cost.
- Supplement staff and reduce costs by leveraging outside volunteers and residents.
- Connect with schools and colleges for student internships and community service projects that require nominal or no cost—human equity.
- In a care location, empty beds mean lost revenue. Reallocate dollars to marketing to create campaigns to fill beds.
- Carefully look at your expense sheets to make sure that what you are offering is what your residents want. Are you using your capital most efficiently?
- Evaluate the tools that support wellness. For example, if the bus is used 10 hours a week, is it needed? Or could it be shared with a fee-paying partner?

## Government funding potential

(The following suggestions reference funding in the United States. In Canada and other countries, health care for people 65 years and older is funded through different health care systems.)

- Adopt a value-based care model to reallocate dollars from the government and payors like Medicare Advantage to invest in wellness activities that promote prevention (health education, physical activity, nutritional education, social support), which saves money on health care.

- State entities like the housing authority may be able to support employee well-being and training with direct resources.
- Partner with state and county aging services and local and federal representatives to keep a pulse on all the inner workings of the government entities for funding options. Residents with the professional experience and connections can assist in building and maintaining these relationships.
- Explore waivers, funded by states, to reimburse for some services. The waivers may help pay for the wellness programming, home health or meals. The familiar PACE (Program of All-Inclusive Care for the Elderly) program is a waiver program. Some states may have one or more Home and Community-Based Services waivers for low-income people on Medicaid.<sup>6</sup> Conduct a careful examination of eligibility requirements.
- Some states allow unlicensed affordable assisted living that can be capitalized through a variety of loans and tax credits that pay for the operations and wellness programming.
- Memberships and programs for nonresidents have a large impact by increasing exposure within the community, driving up reputational equity. These are avenues for residents to refer friends or acquaintances who may sample community life via a membership.
- Add adult day services, leveraging current resources and expertise.

### **Make the case for wellness funding**

- Detail work performed and outcomes in reports (like itemizing an invoice). The goal is not to complain about workload, but to show influence and successes in areas that otherwise might be hidden. What actions contribute to wellness for residents, employees and nonresidents? What is the work performed to gain the result?
- Document results. For example, during negotiations with health insurers share the history of falls or pressure sores to demonstrate quality of care. Show the results when meeting with physicians to generate referrals within a value-based approach.
- Money is lost when acuity rises. Demonstrate how wellness is slowing decline and saving dollars spent on health care.
- Foundations specify their values and the results they are seeking in grant applications. Read these carefully and determine how wellness can meet the criteria and how results will be measured.

### **Expand into the larger community**

- Examine charging for programs and services that are currently free. Consider a monthly fee, or a package. What are services that can be offered in the larger community?
- About one-third (33%) of respondents to the recent ICAA State of the Wellness Industry Survey said nonresidents or nonmembers can access community facilities and the wellness activities for a fee. Dining/ café, lectures and art programs, fitness center and therapy were most often available.<sup>2</sup>

# Funding opportunities

- Concentrate on the social component of Environmental, Social And Governance (ESG) investment funds. Wellness and senior living are catalysts for social connections (decrease isolation) and social good. Just as social benefits may be cataloged for an annual report or grant application, identify these for investors.
- Document the social benefits offered through wellness initiatives when social benefit is needed to meet the requirement for not-for-profit status.
- Investors are interested in an organization's Diversity, Equity and Inclusion (DEI) initiatives. How is wellness supporting DEI efforts?
- Grant funders may be looking to expand their missions into new territory. How can a partnership expand the opportunities for both organizations?
- Donors are interested in the impact their investment will have on the population and how it will be measured. What outcomes will demonstrate the impact?

Investigating potential funding resources, especially those that are not historically within the wellness roles, takes effort and time. As colleagues at the Forum shared their experiences, it became apparent that spending time in the business office and with executives may improve the potential for wellness investment.

Perhaps an overriding issue is thinking in the short-term and looking for immediate results instead of playing a long game. As a colleague noted, "I hope there can be more foresight and less short-sightedness on the funding for wellness programs. You might not see that immediate return on investment, but in the long run you're going to see that turn around and find a lot of benefit."

## The opportunity cost

What would be the cost if we allowed our residents to become sicker? What if inaction helped them decline or advance an illness? How would that help the organization's business goals of maintaining occupancy, lowering health care costs and reducing the number and severity of falls?

What would be the cost if the promises on the marketing brochure of a happy, healthy life did not exist when the new resident (and family members) arrived because wellness funding was cut? How would lack of investment in wellness across all operational areas convince that person to stay?



# Measuring wellness outcomes

## Key actions

- Identify a goal and 2 or 3 objectives for every program, class and partnership. What will be accomplished?
- Determine the method(s) of tracking results.
- Did the activity meet the objectives?
- Develop a process for staff members in every department to share outcomes. After a falls prevention program, what were results in fitness assessments, health literacy, falls history, emotional well-being?
- Save outcomes in departments' plans, analyze periodically, and contribute key results to the organization's annual plan.

## Data opens the door to funding

“Data, data, data” are the words that resounded throughout the Forum. There was agreement that it is easier to measure clinical indicators such as blood pressure or disease status or wheelchair use than it is to measure wellness outcomes, such as feelings of well-being, engagement or absence of mobility issues.

But, is it really hard to measure, or is it that the measurements need to be identified? Or that staff members are not hired for or trained with the skills and tools to determine and track outcomes?

**Metrics** measure the results of a program or initiative. Metrics are used to evaluate if a project, program or initiative met goals, and identify which elements were successful. For example, for a 6-week falls prevention session, were attendance goals met, home hazards removed, balance activities learned and used? Did participants' fear of falling increase, decrease or stay the same?

**Key Performance Indicators (KPIs)** are small sets of measurements that show how well the organization is meeting the business objectives necessary to keep the organization going. An organization may have only 5-7

indicators that are key (critical). Occupancy (percent of available residential units leased, rented or sold) is a common senior living KPI because it indicates level of revenue (money coming in).

Metrics provide the detail to explain a KPI. For example, metrics of employee engagement, satisfaction and absenteeism can influence a KPI of employee turnover.

Be aware of **vanity metrics** that look impressive or make you feel good, but don't relate to meaningful outcomes.<sup>7</sup> For example, the number of likes on a social media post doesn't mean the person is taking action, or a “smile sheet” survey with leading questions does not show what parts of a program met the objective.

Quantitative measures (how many, how much, how often) fit neatly onto a spreadsheet, and qualitative measures are also important because they collect the qualities and feelings that are important to wellness and well-being.

When gathering metrics, be aware of the difference between “participation” or “attendance” and engagement. Attendance means a person shows up and checks the sign-in sheet. Program participants join the activity and follow along. A person who is engaged does more. They are actively engaged, frequent participants, speak with others, offer ideas, use new skills and encourage others.

Participation numbers are useful to show how well a program, activity or space is being utilized. Engagement, which means identifying the individuals who participate, is more likely to result in outcomes.

When selecting the metrics to track and measure, collaborate with colleagues in other departments who already have outcomes from their areas that apply to wellness. Go to senior managers to confirm the business objectives that guide decision-making. What is important for the whole organization? How does wellness support the mission of the organization? What is the connection between wellness and business objectives?

## Metrics and KPIs explain the value of wellness

<b>Key Performance Indicators</b> <i>Relate to operational objectives</i>	<b>Metrics</b> <i>Outcomes meet program or department goals</i>
Occupancy	Age at move-in
	Resident and customer referrals to potential customers*
	Wellness participants satisfaction with quality of life*
	Wellness one of primary reasons for move-in*
Length of stay*	Resident satisfaction (because of wellness participation)*
	Resident self-rated health (compare wellness participants to nonparticipants)*
	Participant satisfaction
	Family satisfaction
Employee turnover (retention and reason for leaving)	Employee engagement
	Employee satisfaction
	Employee referrals to potential staff
Clinical indicators and functional outcomes	Falls resulting in injury
	Falls correlation to prevention programs
	Falls correlated to daily activities, e.g., going to dinner or travel
	Transition to higher level of care
	Hospital admission/readmission rate
	Cognitive indicators meet program goals
	Gait and mobility assessment
	Activities of daily living assessment
	Functional goals identified and progress assessed
	Fitness assessment
Program, activity or initiative performance	Participant engagement
	Participation, attendance
	Program goal and objectives met
	Before and after outcomes
	Participant satisfaction rating

\* included in ICAA/ProMatura Wellness Benchmarks for Senior Living

# Shift the culture

## Key actions

- Establish regular, clear communication between senior leaders and staff members. What are the concerns about the work, and the stressors in their home lives?
- Redefine the competencies and tasks needed for wellness roles to include strategic thinking, ability to form partnerships and identify and measure outcomes. What competencies will justify an appropriate pay level?
- Reframe ageist attitudes that consciously and unconsciously direct staff actions. Emphasize what older adults can do. How will improved mental, physical and social wellness aid residents and reduce staff workloads?
- Integrate the human resources function, including outside recruitment companies, into the wellness culture and staff requirements. What wellness-oriented characteristics are needed?

## Turn challenges into actions

Is wellness viewed as an investment or a cost? Positioning wellness as the culture requires a big shift in attitudes (is ageism ingrained as “care”), business strategies, governance and leadership.<sup>8,9</sup> A pep talk won't do it.

Many of the challenges to allocating funding and other resources (priority, staffing) to wellness are based in organizational structures and traditions. You are the expert on the value and funding opportunities related to wellness. Keep pushing. Following are actions to take:

- Clearly (and repeatedly!) explain wellness in the language directors, executives and senior managers understand. Show how investing in wellness attracts new residents/clients, saves dollars and positions for the future.

- Insist that wellness culture is a core of the business model, not an add-on amenity or department.
- Hire wellness staff members with the ability to develop a truly integrated wellness program. Integrating nonclinical with clinical settings can drive revenue through partnerships with nursing staff and therapists. Dollars can be reallocated to nonclinical wellness programs.
- Contact associations and educators who train and develop executive directors to urge them to move wellness into the operations curriculum instead of placing it as a separate amenity.
- Culture begins with the CEO and leadership. Encourage their professional development in using wellness to guide the culture.
- Immediately begin tracking outcomes to justify investment.
- Marketers may be selling care or dining rather than the lifestyle, health and well-being that results from engaging in wellness-oriented activities. What is the product you are selling? Can all staff members name and advertise it?
- Expand the purpose of the wellness function and reframe the role of staff members to include competencies in promoting culture across all areas of the organization.

## Shift the staffing paradigm

Issues surrounding staff members surfaced throughout the discussions at the ICAA Forum, both in terms of shortages and the impacts on residents and other staff members. When ICAA Forum colleagues talked about “staff,” they included all roles: nursing assistants and kitchen workers, fitness and engagement directors and department heads. Any person with day-to-day contact with residents and nonresidents was included in the front line, even though organizations usually limit that term.

It was suggested that if the organization prioritized the wellness and satisfaction of each staff member in the same way wellness is prioritized for residents, many

goals for recruitment and retention would be reached. Plus, it would be a better place to work and live. (This point of view was likewise emphasized during the ICAA Forum 2021, The future is an employee-first workplace.) Opportunities to improve staff retention and capacity were identified.

### **Improve bottom-up communication**

- Improve communication between executives—especially those in a corporate office who are separated from the day-to-day work—and staff members. What is a day like for workers? Are all the tasks needed? Could the processes be improved?
- Expand executive and senior leader understanding of how the social determinants of health impact staff members. Staff have child care and transportation challenges, are faced with illness and high rent.<sup>10</sup> What changes in policies or structures would help retention?
- Learn about cultural differences and generational differences to improve communication between supervisors and staff members, residents and staff members, and among staff members.
- Discover if staff members believe DEI (Diversity, Equity, Inclusion) initiatives are in place and functioning at the same level senior leaders may believe they operate.

### **Hire and train wellness attitudes and competencies**

- Educate human resources staff members on the concepts of wellness and the characteristics that describe a candidate who can promote the wellness culture.
- Hire “wellness” staff for competency to manage the wellness function, collaborate with directors and peers or outreach into the community.
- Provide professional development for current staff members on setting the goal and objectives for each purposeful activity, collecting and tracking outcomes and reporting.
- Develop a career ladder and professional development opportunities for frontline staff members, supervisors

and executive directors. Professional development and career growth is one of the primary reasons why people choose a job.<sup>11,12</sup>

- Educate staff members in wellness roles on the business objectives and work of others so they are aware of how decisions are made and where their work fits within the operations of the community.
- Reframe a resident services position as a health and wellness navigator who will identify each resident’s ongoing interests and needs and plan with them for integrated person-centered wellness combining health care with nutrition, physical activity, cognitive activity and social interactions. How will integration shift dollars?

Individual action on the part of staff members is also required. Staff members have to step up and step out of their comfort zones to bring strategic thinking and the ability to identify and track performance outcomes into their skill sets.

A workplace with a reputation for being positive and growth-oriented can make recruitment easier. Workers stay longer in their positions, refer others to work at the organization, and have the potential to add skills and a mobility that benefits the organization.

# The plan

## In the new model of wellness in senior living:

Wellness philosophy and actions deliver the brand promise, uniting disciplines and departments to support residents, staff and customers so all achieve quality of life while organizations meet objectives and future-proof sustainability.

## A new wellness model for a renewed industry

What is your mission? What do you want the future of senior living and the long-term care continuum to look like? As a concept and a directive, wellness can create the vision.

By 2025, senior living will be based in a wellness lifestyle with options for care, believe 61% of staff members in an ICAA survey.<sup>2</sup>

What will make this happen? How will investment in wellness, which cuts across all departments and disciplines, improve the resident experience? Attract new clients and customers? Soften labor issues?

Set aside departments and jobs and think about the organization as a whole, minus internal silos. When the goal is the best possible life for each resident, the clinical and nonclinical services and staff members merge into a single continuum of wellness.

Take the steps to justify the financial investment in wellness that will implement the new model of wellness in your organization. Planning and evaluation go hand-in-hand. As you plan how you will fund wellness, sketch out ways to evaluate progress.

Apply this approach at the organizational level and the department level:

**1. Define goals and objectives.** What are the goals for integrating wellness throughout the organization? What are three objectives that can be measured?

**2. Audit current status.** Where is the organization today? What is in place, and what is not?

**3. Identify priority actions.** What is the best place to start? The executives? Human resources? Others? Prepare your wellness elevator speech.

**4. Implement.** Gather your allies, identify needed technology, initiate. Who are your collaborators?

**5. Evaluate performance.** Check progress. What is going well, what needs redirection? What didn't work?

**6. Identify impacts.** What outcomes happened? What was the reach of the wellness actions? Did these improve lives, increase efficiencies and performance? Justify reallocations or investment?

**7. Select KPIs.** Among the outcomes, which relate directly to the organization's business and the departments' businesses? Which is the need-to-know versus the like-to-know? How do these relate to wellness investment?

**8. Repeat.** Refresh the goals, define objectives, keep going.

Today's tough environment requires long-term thinking. Take incremental steps to meet short-term, midterm and long-term goals. Each goal that is met justifies continued investment of people, place and funding.

## Be an agent of change

Many organizations with housing and services for the older population are dealing with the effects of the COVID-19 pandemic. Some of the changes to people and places remain in place, some are new, and others are left behind. All the types of senior living organizations provide such valuable services, they should not be left in the past.

It's time to make a change. Poised on the inflection point, senior living organizations can determine to grow with a wellness strategy and culture, or to remain with traditional philosophies and care.

You are the agent. How will you lead the change?

Planning worksheet			
	Short-term	Midterm	Long term
<b>Funding</b>			
Place wellness in the operational budget as a core service.			
Each functional area and department allocates a portion of budget to wellness initiatives.			
Reallocate dollars from clinical services to prevention through nonclinical wellness.			
Develop mutually beneficial partnerships on a large scale to exchange goods and services.			
Provide staff members with the time and training to identify objectives, develop partnerships and measure outcomes.			
<b>Metrics</b>			
Identify a goal and 2 or 3 objectives for every program, class and partnership.			
Establish method(s) for evaluating if objectives are met.			
Develop process for staff in every department to share outcome measures.			
Save and analyze outcomes to improve wellness initiatives.			
<b>Culture</b>			
Establish regular, clear communication between senior leaders and staff members.			
Redefine the competencies and tasks needed for wellness roles to include strategic thinking, ability to form partnerships and identify and measure outcomes.			
Reframe ageist attitudes that consciously and unconsciously direct staff actions. Emphasize what older adults <u>can</u> do.			
Integrate the human resources function, including outside recruitment companies, into wellness culture and staff requirements.			

# Details

## Panelists

**Sean Kelly**, President and CEO at The Kendal Corporation.

As president and CEO, Sean has introduced innovative and forward-thinking practices into the Kendal System, overseen the organization's strategic expansion and growth into new markets and cemented the organization's position as a national leader in senior living. Sean is a member of the Institute for Senior Living (ISL), Vision 2025 (dedicated to expanding partnerships with colleges and universities), Senior Living 100 Advisory Board.

**Nicole Lowery**, Director, Population Health Strategy at Humana.

Nicole has over 13 years of experience in the health care industry. She is responsible for Humana's social determinant of health (SDOH) strategy, internal business integration, physician strategy and identification of SDOH benefit opportunities. This work directly supports Humana's mission to help improve the health of the communities it serves by making it easier for people to achieve their best health.

**Beth Burnham Mace**, Chief Economist and Director of Research and Analytics at the National Investment Center for Seniors Housing & Care (NIC).

Prior to joining NIC, Beth was a Director in the AEW Research Group for 17 years. In 2020, she was inaugurated into the McKnight's Women of Distinction Hall of Honor. Ms. Mace is often cited in the Wall Street Journal, the New York Times, Seniors Housing Business, Seniors Housing News and McKnight's Senior Living. She also hosts a monthly NIC Chats Podcast series with industry leaders and subject matter experts.

**Nora Super**, Executive Director at the Milken Institute Center for the Future of Aging.

Nora provides strategic direction for two primary focus areas: Healthy Longevity and Financial Wellness. In 2020, Super launched the Milken Institute Alliance to Improve Dementia Care, which seeks to transform and improve the complex health and long-term care systems that people at risk for and living with dementia must navigate. Super served as the executive director of the White House Conference on Aging and has held leadership roles at the US Department of Health and Human Services, AARP, Kaiser Permanente, and USAging.



## Resources

### **Creating a path towards the “next normal” in senior living**

Two pages of strategies to develop purpose-driven, caring, passionate staff

<https://www.icaa.cc/conferenceandevents/forums/forumreports.htm>

### **Framing the return on investment (ROI) in wellness staff**

Staff member’s impact on satisfaction, revenue and social accountability, evaluating ROI

### **The future is an employee-first workplace**

Strategies to update recruitment and retention of staff and management

[https://www.icaa.cc//listing.php?type=white\\_papers](https://www.icaa.cc//listing.php?type=white_papers)

### **Future-proof your senior living community**

Rethinking communities to, in part, provide onsite housing and/or affordable housing for workers

### **ICAA Competencies for wellness managers**

Eight domains include assessment, planning, evaluation, leadership and advocacy

<https://www.icaa.cc/business/ICAA-Competencies-for-wellness-managers.htm>

### **ICAA/ProMatura Wellness Benchmarks**

Data from life plan/CCRC and IL/AL communities

<https://www.icaa.cc/business/benchmarks.htm>

### **Leadership in Wellness Management certificate course**

Modules on culture, communication, business planning, teamwork

<https://www.icaa.cc/certificate/leadership/reasons.htm>

## Endnotes

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