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New NCAL Brochure Outlines An Effective Complaint Process

The National Center For Assisted Living (NCAL) has just published a new brochure, "Turning Complaints Into Compliments," to help assisted living facilities develop sound, effective processes for handling complaints and grievances.

"This new brochure will be a valuable tool for the assisted living administrator's continuous quality improvement and resident relations programs," says Van Moore, secretary of the NCAL board of directors and chair of the NCAL Consumer Relations Committee, which developed the brochure. "NCAL is proud to offer this important information to members to support their efforts to provide high-quality, compassionate care for our nation's frail, elderly, and disabled citizens."

The 16-page guide offers assisted living administrators a wealth of information, including a model complaint process, statistics on the value of keeping residents satisfied, and staff training techniques and guidelines. The brochure also features a sample form for recording resident or family concerns and a sample letter that staff can use in following up on a complaint. All NCAL members will receive a complementary copy of the brochure in the coming weeks.

"In an era of rapidly changing consumer expectations and increased scrutiny of business practices from federal and state agencies, a structured complaint and grievance policy can help facilities identify concerns earlier and better meet resident and family expectations," says David Kylo, NCAL executive director. "A solid complaint and grievance process is the foundation of a resident-centered approach to care and a hallmark of the nation's most revered service providers."

Like every other service business in America, assisted living facilities receive their fair share of complaints about many issues, including dining services, cleanliness, policies, activities, missing

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New Dietary Guide Highlights Older Adults' Nutritional Needs

In January, the U.S. Department of Agriculture (USDA) released "Dietary Guidelines for Americans 2005," the federal government's science-based advice to promote health and reduce risk of chronic diseases through nutrition and physical activity. The advice places stronger emphasis on reducing calorie consumption, increasing physical activity, and choosing a nutritious diet.

The guidelines provide authoritative advice for older adults, among other populations. Eating a healthy balance of nutritious foods continues as a central point in this sixth edition of the guidelines, but balancing nutrients is not enough for health. Total number of calories consumed also counts. Since more Americans are overweight or obese and get too little physical activity, the 2005 guide places a stronger emphasis on calorie control and physical activity.

Major causes of morbidity and mortality in the United States are related to poor diet and a sedentary lifestyle. Some specific diseases linked to poor diet and physical inactivity include cardiovascular disease, type 2 diabetes, hypertension, osteoporosis, and certain cancers.

Several recommendations in the new guidelines specifically address issues of concern to older adults, who are at higher risk for poor nutrition. In particular, the guidelines call for older adults to engage in regular physical activity and consume foods or supplements especially fortified with Vitamins B-12 and D.

Consumer-friendly materials such as brochures and Web sites will help dietary staff at assisted living facilities in understanding the scientific language and key points to apply to the older adult population. The dietary guidelines, consumer brochure, and related materials are available online at www.healthierus.gov/dietaryguidelines.

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Assisted Living Administrators' Pay Rose Nearly 4 Percent In 2004, New Compensation Survey Shows

The national median salary in 2004 for administrators in freestanding assisted living residences increased nearly 3.8 percent over 2003 levels, from \$53,040 to \$54,621, according to the seventh annual "Assisted Living Salary and Benefits Report," published by Hospital & Healthcare Compensation Service (HCS). That is slightly more than the 3 percent increase from 2002 to 2003 reported last year.

This compares to the national median salary for assisted living administrators in a nursing facility at \$47,700 and the same position at a continuing care retirement facility at \$49,511. The average bonus paid by any type of facility to an assisted living administrator was 14 percent of salary, down from 15.6 percent in 2003.

The HCS report provides wage and salary information for 16 management and 23 nonmanagement positions and breaks out the data by for-profit and not-

for-profit status, revenue, number of units, geographic region, and state. The report also details 22 fringe benefits, turnover rates by department, and projected salary increases for 2005.

Nationwide, administrators drawing the highest median salaries—\$67,692—worked in facilities with annual revenue exceeding \$2.5 million; administrators in facilities with lower annual revenue earned nearly \$18,000 less, bringing in \$50,000.

Administrators in larger facilities—75 units or more—earned about \$11,000 more per year (a national median of \$61,200) than did those in smaller facilities (\$50,000). The highest administrator salary was reported in the northern central United States at \$149,800.

Directors of nursing (DON) at assisted living facilities with less than 75 units earned a national median of \$41,830, while their counterparts at larger facilities earned an extra \$2,200. Those DONs at

for-profit facilities earned a national median salary of \$42,500, compared with the median salary of DONs at non-profit facilities of \$58,981.

Registered nurses at for-profit facilities earned a national median wage of \$18.00 per hour, according to the survey, about \$3.50 less than their counterparts at nonprofit facilities. Nationally, personal care aides had a median salary of \$8.28 per hour, a rate that varied little depending on unit size, revenue, or geographic region. The highest reported pay for personal care aides was \$12.76 in the Pacific Northwest.

For activity directors, size of the facility and profit status mattered little in their national median salary, which was listed as about \$27,500 for all categories. The same occurred for maintenance supervisors, whose national median salary ranged from \$31,080 to \$35,250.

Benefits reported for assisted living staff and management rose slightly over 2003. The survey showed nonmanagement employees averaged 16.7 paid days off after one year of service in 2004 and 21.7 paid days off after five years of service, compared with 15 and 20 days, respectively, in 2003. Management staff earned an average of 20.5 paid days off after one year of service and 25.4 days after five years of service, compared with 20 and 25 days off, respectively, in 2003.

HCS published the report with support from the National Center for Assisted Living (NCAL) and in cooperation with the American Association of Homes and Services for the Aging. NCAL members can order the report at the reduced rate of \$225. To order, call (201) 405-0075 or visit www.hhcsinc.com.

NCAL Publishes New Guide To Help Facilities Handle Complaints Effectively

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clothes, and more. Whatever the scope of complaints received by a facility, it is important to have a clearly defined process by which residents and families can register their concerns. Effective complaint management helps improve customer loyalty, resident retention, risk management, community relations, and the facility's living and working environments.

This new guide offers insight to achieving higher levels of resident satisfaction and may inspire a change of culture throughout the facility. The guide encourages administrators to see "com-

plaints" as an opportunity to improve the facility's quality of care as well as enhance the working environment for staff. According to the guide, the manner in which complaints are received and addressed demonstrates an important measure of a facility's commitment to quality care and resident satisfaction. When clearly communicated to staff, residents, and families and strictly adhered to by all parties, the complaint process can be a valuable asset among the facility's resident relations and retention strategies.

For more information, contact Amy Wayne at awaye@ncal.org.



Assisted Living Providers Encouraged to Submit Applications for the AHCA/NCAL Quality Award

The AHCA/NCAL Quality Award is a distinction earned by AHCA/NCAL-member facilities that meet systematic criteria quality improvement. The annual award recognizes achievements in quality improvement and is modeled after criteria for the Malcolm Baldrige National Quality Award, which is the nation's premier recognition for quality achievement.

In 2004, more assisted living facilities earned the distinguished award than in 2003. Three freestanding assisted living residences were among the 86 long term care facilities that earned the Step I honor, while seven other honorees included assisted living units. The three freestanding assisted living residences were Heritage Woods Assisted Living in

Agawam, Mass.; Chelsea at Warren in Warren, N.J.; and Arden Courts of Fair Oaks in Fairfax, Va.

The award also demonstrates service excellence to both peers and the public. Nicolette Merino, the former executive director of Chelsea at Warren who directed last year's award application process, sees quality as a defining issue. "We must show that we go above and beyond to demonstrate the quality of care," she says. "Honors like the AHCA/NCAL Quality Award affirm our efforts on behalf of the residents and show our commitment to quality care."

NCAL strongly encourages assisted living members to review the award criteria and submit applications where appropriate. "Recipients of our Quality

Award reflect the long term care profession's commitment to meeting customers' needs through sophisticated quality improvement efforts," says David Kylo, NCAL executive director. In 2003, the Cottages of Albuquerque became the first assisted living facility honored with a Quality Award.

Applications for and information about the award are online at www.ahca.org/quality/awardinfo.htm. The deadline to apply is March 31. The AHCA/NCAL Quality Award is sponsored by the Briggs Corp. and the Ross Products Division of Abbott Laboratories. Recipients will be recognized during AHCA/NCAL's Annual Convention and Exposition in Las Vegas Oct. 16-19.

NCAL, Provider Groups Call On AIA To Clarify Proposed Guidelines For New Assisted Living Construction

The National Center For Assisted Living (NCAL)—in conjunction with three other assisted living provider associations—submitted comments to the American Institute of Architects (AIA) Guidelines Committee on the final proposed guidelines for construction of new assisted living facilities. NCAL and other assisted living provider associations have been working for 18 months to help AIA refine its first-ever assisted living section of its "Guidelines for Design and Construction of Hospital and Health Care Facilities." While AIA has no jurisdiction over assisted living regulation, many states use AIA's guidelines to develop building design regulations.

The AIA committee's initial set of guidelines spanned 30 pages. With per-

sistent negotiation and educational outreach to committee members, NCAL led the effort to have onerous and irrelevant requirements removed. The final guidelines, which now cover 12 pages, are scheduled to be published in 2006.

In comments on AIA's final proposal, NCAL and the other provider groups noted that although significant progress had been made, additional changes were recommended. Specifically, NCAL and the assisted living provider organizations called for the elimination of phrases that suggest that all residents in assisted living require limited assistance, since spouses who don't require services sometimes accompany residents. The groups also want AIA's bathroom requirements clarified, as they now seem to call for bath-

rooms to be located both on a floor and in a resident unit.

While the AIA proposal allows for a facility "configured and equipped with a cooling system capable of maintaining an interior temperature of 75 degrees Fahrenheit," NCAL and the provider groups regard that as too cool. The groups suggested a facility's system keep an interior temperature of 78 degrees Fahrenheit. The groups' comments also suggested editorial revisions to the section about dual-occupancy rooms providing individual temperature controls.

NCAL's comments and a link to AIA's proposed guidelines are available on the NCAL members-only Web site. Questions? Contact Lyn Bentley at lbentley@ncal.org.



Assisted Living Business News: 2004 Fourth-Quarter Results Look Strong; Sunrise Opens First German Facility

Manor Care

Toledo, Ohio-based Manor Care reported that 2004 fourth-quarter net income increased 26 percent, to \$48 million, compared with \$38 million in the fourth quarter of 2003. The company, reporting its fourth quarter and year-end financial information, also noted that fourth-quarter revenue rose to \$806 million, compared with \$787 million a year ago.

For 2004, the company reported that revenue was \$3.2 billion, compared with \$3 billion for 2003. Net income for 2004 was \$168 million, or \$1.90 per diluted share, compared with \$119 million, or \$1.30 per diluted share, in 2003. At the end of 2004, Manor Care operated 65 assisted living facilities (under the names Arden Courts and Springhouse) with a total of 5,074 units. Manor Care's portfolio also includes more than 275 skilled nursing facilities, outpatient clinics, and hospice and home health services.

Health Care REIT

Based in Toledo, Ohio, Health Care REIT reported funds from operations (FFO) for the quarter ending Dec. 31, 2004, as \$37.3 million, compared with \$33.2 million for the fourth quarter of 2003. The resulting FFO per diluted share of \$0.71 for the fourth quarter of 2004 missed the company's earnings estimate by \$0.04 per share.

The company attributed the result to unanticipated general and administrative expenses of approximately \$2 million. Given these circumstances, the company lowered its 2005 guidance on net income and expects to offer common stockholders \$1.39 to \$1.47 per diluted share and FFO in the range of \$2.90 to \$2.98 per diluted share.

Health Care REIT is a real estate investment trust with investments primarily in skilled nursing and assisted living facilities. The company's portfolio at the end of 2004 included 234 assisted living facilities, 152 skilled nursing facilities, and eight specialty hospitals.

LTC Properties' FFO Nearly Doubles

A real estate investment trust based in Malibu, Calif., LTC Properties reported revenue for the fourth quarter of 2004 as \$16.3 million, compared with \$15.8 million for the same period in 2003. The company also reported FFO for the 2004 fourth quarter as \$8.2 million, compared with \$4.2 million a year ago. The FFO per diluted share for the 2004 fourth quarter was \$0.39, compared with \$0.23 for the same quarter in 2003.

For the year ending Dec. 31, 2004, the company reported revenue of \$66.9 million, compared with \$63.2 million for 2003. The 2004 FFO was \$31.6 million, compared with \$19.7 million in 2003. At the end of the year, LTC Properties held investment interests in 100 assisted living facilities and 92 skilled nursing facilities in 31 states.

Extendicare

Ontario, Canada-based Extendicare has completed its acquisition of Dallas-based Assisted Living Concepts (ALC) for \$280 million, including debt, adding 177 assisted living facilities to its portfolio of 266 nursing facilities. The merger allows Extendicare to provide a continuum of care in many of America's small and mid-sized markets, where both companies operate long term care facilities. ALC's 177 facilities represent 6,838 units located in 14 states; ALC has

4,000 employees. In the deal, Extendicare will pay ALC \$132 million, or \$18.50 per share, in cash.

Five Star Quality Care

Newton, Mass.-based Five Star Quality Care has announced plans to purchase six assisted living facilities located in western Pennsylvania for \$63.5 million. The facilities have a resident capacity of 654 and were operating at a 95 percent occupancy rate on Nov. 30, 2004. The facilities are owned by a private, unnamed company.

The acquisition, noted a Five Star spokesperson, continues the company's strategy of acquiring stabilized assisted living properties. With this acquisition, the company's portfolio includes 106 seniors housing properties with 14,621 units in 28 states.

Sunrise Senior Living

McLean, Va.-based Sunrise Senior Living has opened its first assisted living community in Germany. Sunrise of Klein-Flottbek is located in the suburbs of Hamburg, Germany, and offers 86 units with a resident capacity of 97.

The company expects to open a second community, Sunrise of Reinbek, in another suburb of Hamburg this year. Two other assisted living communities are under construction outside of Bonn and Frankfurt.

Sunrise began its expansion into Europe more than five years ago when it opened its first assisted living community in the United Kingdom. Currently, Sunrise has three residences open in the United Kingdom and six more under construction, two of which will open this year. Sunrise plans to develop up to 50 communities in Europe.





CEAL Presenters Offer Insight On Culture Change And Recent Developments In Care For Residents With Dementia

It the Achieving Excellence Quality Summit sponsored by the Center for Excellence in Assisted Living in December, panelists offered the nearly 300 participants new insights on culture change in assisted living facilities and care of residents with dementia. Later, in the participant survey, these two topics were named among the most important challenges faced by the profession.

Exploring an approach to culture change and quality improvement in assisted living facilities, Leslie Grant, an associate professor in the Department of Healthcare Management at the University of Minnesota, suggested that a shift is needed toward evidence-based management. "This involves an appreciation of data, the ability to turn data into information and knowledge, and the desire to use that information and knowledge to improve quality and sustain culture change," he said.

To begin to focus on quality, Grant encouraged providers to collect data on current outcomes, study the results, and set benchmarks for improvement. Management and staff together can determine the changes to core policies needed to achieve the improvements, he said, also noting that all department policies should be reviewed, not just clinical.

"Look at human resources policies, financial procedures, and every way that care is accomplished in a facility," said Grant. As an example, he cited his research in skilled nursing facilities that showed that facilities with sound human resources practices had more satisfied employees and residents.

Another presenter on culture change focused on employee empow-

erment and accountability. Bernie Dana, a long term care consultant and assistant professor of business at Evangel University in Springfield, Mo., noted that 85 percent of business problems are related to processes, not people. "Yet, we tend to blame people," he said. "If there is one thing that leads to dynamic culture change it is asking 'why,' not 'who,'" he noted.

To create an empowered workforce, employees must know what is expected of them, have the skills and resources to meet those expectations, and receive continuous feedback on their performance. Dana also said staff should have independent measurement systems to interpret their levels of achievement and be able to adjust their work processes to achieve the results.

Other factors for successful culture change, said Dana, are a meaningful orientation and mentoring program.

Advancing Dementia Care

According to Jane Tilly, director of quality care advocacy for the Alzheimer's Association and moderator of the summit's panel on dementia care, appropriate, engaging activities are an important component of a care program for residents with dementia. "They need to be focused on a resident's abilities, not the disabilities," she said.

Panelist Stephen Winner, co-founder and chief of culture for Silverado Senior Living in San Juan Capistrano, Calif., agreed. "Meaningful activities are a foundation of dementia care to maintain function and quality of life," said Winner, who refers to activities as "engagements."

Winner's engagement program has

three key components: trained staff, an adequate budget, and an agenda that is determined by residents' histories. Staff, he said, interview family members to learn residents' interests and activities are designed around them. Engagements have focused on gardening, cooking, shopping, and animals. Winner said each engagement includes the use of props, which residents are allowed to take back to their rooms. Residents return the prop to an "activity basket" in their room, and staff collect it each morning.

In the area of nutrition, panelist Becky Dörner, a registered dietician, noted that "good eating habits can prevent complications in residents with dementia."

She said recent research indicated that colored glasses and tableware increase intake and make dining more enjoyable. She has also seen improvements when staff model good eating behaviors and use family-style dining.

Panelist Jacqueline Vance, RN, director of clinical affairs for the American Medical Directors Association, noted that pain is "commonly under-recognized and under-treated in long term care facilities." She said that effective pain management includes regular assessments and the use of a pain scale that does not rely on verbalization.

To improve the quality of life for a resident with dementia, said Vance, staff must take the time to determine the cause of the pain and manage it, not necessarily eliminate it. "We don't want to eradicate the pain if it makes the resident comatose," she said. "With chronic pain, the goal is to control it." She reminded participants that reassuring words and touch could change residents' comfort level.



Analysis Of Key Financial Data Shows Improvements In Performance For Assisted Living In 2004 Third Quarter

According to the National Investment Center for the Seniors Housing & Care Industries (NIC), assisted living properties across the nation showed steady growth in occupancy and move-in rates as well as loan performance during the third quarter of 2004. The statistics were among those reported for the seniors housing industry in NIC's Key Financial Indicators.

Occupancy rates also showed steady growth through the third quarter of 2004, according to NIC, which analyzed the percentage of occupied units reported by more than 3,800 properties with approximately 450,000 units. Among the seniors housing sectors, says NIC Research Director Anthony

Mullen, assisted living particularly saw an improvement. "We are now back at 87 percent as a median basis for the sector across the country, an occupancy rate that we have not reached since the year 2000," says Mullen.

Average net move-in rates for those assisted living properties open less than 24 months also improved to 4.7 per month in the third quarter, up from 3.2 per month in the second quarter of 2004. On the other hand, the average rate since opening dropped from 5.5 to 4.5. "But that's to be expected as buildings move further away from their original opening dates," explains Mullen.

Loan performance also showed overall improvement, with steady growth in performing loans from 93.5

percent in the third quarter of 2003 to 96 percent during the same period in 2004. The volume of loans placed in the 2004 third quarter was up significantly, \$783 million compared with \$336 million placed in the second quarter. The 2004 third quarter volume was also nearly 33 percent higher than the 2003 third quarter. The loan volume data represents the quarterly lending activity of the top lenders (non-REITs) that make permanent debt or short-term debt investments in seniors housing and care.

The nation's senior living lenders, operators, and appraisal professionals report key financial data to NIC, which publishes the results quarterly. The data are posted online at www.NIC.org.



Judie Lilly has been promoted to executive director for Dominion Village of Williamsburg, a 54-unit assisted living facility in Williamsburg, Va. Previously, Lilly served as the facility's director of nursing and assistant director. At the Dominion Village of Poquoson, a 45-unit facility in Poquoson, Va., **Mary Haden** also was promoted to executive director. She previously served as the facility's office manager and assistant director.

Atria Baypoint Village in Hudson, Fla., named **Eddie Baggett** as its executive director. **Charles Price** was named maintenance director.

Murfreesboro, Tenn.-based National Health Care Corp. (NHC) promoted two long-term employees. **Mike Ussery**, a 24-year veteran of NHC, was promoted to senior vice president of operations. **Greg Bidwell**, a 19-year veteran of the company, was promoted to

regional vice president for the central region, which covers central Tennessee and southern Kentucky.

Christopher Rio joined Wellesley Hills, Mass.-based Benchmark Assisted Living as chief operating officer. With more than 26 years of experience in multisite operations and development, Rio most recently served as chief operating officer for Chapel Hill, N.C.-based Southern Assisted Living.

Renaissance Gardens at Cedar Crest in Pompton Plains, N.J., recently hired four new staff for its health services facility that includes 28 assisted living units and 88 skilled nursing units. **Lisa Prokopowitz** has been hired as program manager, **Lynn Singer** has been hired as business officer manager, **Grisel Contreras** has been hired as marketing manager, and **Margie Farrell** has been hired as community outreach coordinator.

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Your suggestions and feedback about NCAL FOCUS are welcome. Contact Amy Wayne by e-mail (awaye@ncal.org), by phone (202-898-6326), or by writing to the address above.

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