

Catering To Today's Seniors

Continuing care retirement communities (CCRCs) are, like all of long term care, changing as the first wave of baby boomers looms.

It's a popular model with middle- and upper-income seniors, according to David Schless, executive director of the Washington, D.C.-based American Seniors Housing Association (ASHA); residents like the security of knowing higher levels of care are available to them on the same campus should they need it.

Other kinds of long term care providers—including skilled nursing facilities (SNFs) and assisted living facilities (ALFs)—are responding to this preference by adding more levels of care to their campuses, some of them even adding independent living apartments and, in essence, backing into what is virtually a CCRC. And some independent living facilities are adding higher levels of care.

“I think you see a lot of hybrid situations going on,” says Debra Doyle, executive vice president of health and operations for Erickson Retirement Communities, a Baltimore-based CCRC provider. “Some companies that acquire a nursing home or assisted living facility try to branch out and give more levels of care,” she says. “Different service providers entering into the market are trying to back things into the independent living, assisted living homelike environment. I think it's a growing market, and there are many, many little sectors in the market that you could move into.”

CCRCs Proving Popular

The hybrids, or experiments as some see them, are proving successful for the most part.

“Our data have consistently shown that having combination properties [results in] higher occupancy rates and higher revenue

CCRCs and multi-service-level providers strive to offer residents more choices in their living environment.

Kathleen Lourde

than stand-alone properties,” says Robert Kramer, president of the National Investment Center for the Seniors Housing and Care Industry (NIC).

“A lot of the development that’s happening is [among] multi-service level” properties, agrees Mike Hargrave, vice president, NIC MAP (Market Area Profiles).

Schless also sees a trend of providers experimenting with ways to provide multiple levels of care on a single campus. “Generally speaking, we see a lot more of that,” he says. “You’ve got a lot of blending of independent living with assisted living with some health care, with all different types of service levels being made available.”

One of the oldest forms of seniors housing, CCRCs gained popularity 25 or 30 years ago, according to Mike Shepard, executive director of Davis Life Care Center, Pine Bluff, Ark. Traditionally, residents paid a large, nonrefundable entrance fee and a flat monthly rate, and the virtually always nonprofit company guaranteed to care for the resident for the rest of his or her life, regardless of the level of care required.

Today, things are changing.

A New Generation’s Needs

“CCRCs are in the midst of some major transformation in response to customer demands and the new resident today and 10 years from now,” says Joel Nelson, executive vice president of operations management for Life Care Services, Des Moines, Iowa. “We try to address that corporately, on the design side, and through employee training and service programs.”

“Ten years ago, [CCRCs] had Alzheimer’s patients taken care of in skilled nursing facilities,” says Nelson.

“Today the CCRC transformation [includes dementia patients cared for in] spin offs of assisted living added to the campus or designated special care units. The continuum of care has broadened in a CCRC. We have provided home health services in CCRCs for years, and the need and the resi-

es are allowing residents to purchase their units outright, among other changes.

In addition, preventive care and rehabilitation are receiving greater emphasis. CCRCs and CCRC-like developments are offering gyms and wellness centers that provide everything from massage therapy to aquatics.

Consumers Demand Choices

But the overarching theme underlying all the changes is consumer demand for increased choice and flexibility. This is making itself evident in multiple dining venues and increasingly larger apartments that can sometimes be customized.

“That’s kind of a theme we’re delivering as a company: Let’s give the residents more choices,” says Kent Larson, senior vice president of development for Life Care Services. “If they’re going to be gone on a particular day, and we’d planned on housekeeping, then we’re going to be flexible: We’re going to reschedule.”

“From a consumer side [there are] heightened service expectations in comparison to five and seven years ago,” says Ed Kenney, president and chief executive officer of Life

Care Services. “The consumer today wants much more choice in how those services are provided, and that choice touches on many things, from how the food and beverage program is operated to the options in receiving health care.”

“A lot of stuff is revolving around choice,” says Jeff Petty, chief executive officer of Wesley Enhanced Living, Southampton, Pa. “You see a lot more amenities being built in such as multiple dining options. You’ll see a whole host of recreational type opportunities today: A pool is *de rigueur*; where 10 to

CCRC Facts And Figures

Primary CCRC Payment Plans

Rental	13.9%
Entrance fee	86.1%

CCRC Contract Types

	% of CCRCs	Median age of communities responding
Extended care	14.4%	15
Modified	8.1%	27
Fee for service	77.5%	14

Annual Median Resident Turnover

Independent living facilities	31.1%
Assisted living facilities	54.2%
CCRCs	18.3%

Median Revenue Per Resident Per Day

Independent living	\$75.16
Assisted living	125.17
CCRCs	123.25
For-profit CCRCs	129.84
Not-for-profit CCRCs	107.33

Source: “The State of Seniors Housing 2007,” American Seniors Housing Association

dent choice to have home health instead of going to skilled nursing or assisted living is increasing and will only increase more.

“We are headed directly to more of a personal level of service versus a congregate service model.”

Today, not only are the levels of care being offered expanding into assisted living and dementia care as well as skilled nursing, but the kinds of financial contracts residents sign on admission are changing. Refundable entrance fees are being offered, and some CCRCs and CCRC-like campus-

20 years ago it was more optional. [Providers are] trying to appeal to a more active group of folks [with] exercise rooms and travel” opportunities, says Petty.

“These days it’s all about lifestyle and amenities,” says Michael Smith, corporate director of public relations of ACTS Retirement-Life Communities, West Point, Pa.

“We’re selling a lifestyle [with] luxury amenities comparable to a resort, along with the assurance of health care if needed. New CCRCs have much more of the resort-style amenities and services, swimming pools, gourmet and casual dining areas, entertainment activities, movie-theater-style auditoriums; these are all becoming the norm, like a cruise ship.”

“We’re seeing the early influence of the baby boomers and the concept of providing more choice, more space, more flexibility than in the past,” says Earl Wade, chief executive officer of CRSA, Memphis, Tenn.

“The retirees of today and tomorrow are going to want just that. It may cause us to change our financial model; I’m hearing more and more that they’d like some ownership. They’re used to ownership, and equity appreciation is becoming more important as they do their estate planning. I’m optimistic, certainly staking my future on the demand for the CCRC product.”

Multi-Level Properties Doing Well

All the data at Hargrave’s disposal “point to properties that offer multiple

levels of service perform better than properties that offer just one level of service,” he says.

According to third quarter 2007 NIC data, the occupancy rate for independent living within an entrance-fee CCRC averaged 94.7 percent, while occupancy for freestanding independent living communities was just 90.7 percent.

It’s a significant difference, Hargrave says, when considered that it’s “the same basic service, but within a different setting.”

That difference holds true throughout the continuum of care, he says. ALFs, SNFs, and dementia care units “tend to perform better in occupancy rate” when they are part of a multi-service-level campus, says Hargrave. “I think the lenders have realized this, and operators have realized this, and that’s why there is this experimentation [with different models of care] going on right now.”

The number of CCRCs appears to be growing, though not at an exponential rate. Currently, there are about 1,700 CCRCs in the country with about 670,000 units, according to ASHA’s “Seniors Housing Construction Trends Report” for 2007. In 2000, that number was about 590,000 units, according to Brian Poggi, chief marketing officer for AegisLiving.

“If you look at some of the information out there, they say [CCRCs are] the fastest growing sector, and some people will say the growth is underreported,” says Poggi. “I’ve heard reports as high as 20 percent” growth, he says.

“We see a continued, pretty strong growth in CCRCs,” says Larson, whose company plans to grow by two new CCRCs per year.

For-profits Enter The Picture

“For-profit development has grown fairly dramatically over the past three to five years,” says Larson. Still, the growth among for-profits has been less than might be expected, given the

Financing A Multi-Service-Level Community

Although the credit crunch of the past six months “has had an impact across the board, it’s still fair to say there’s renewed interest in the CCRC product” from lenders, says Robert Kramer, president of the National Investment Center for the Seniors Housing and Care Industry (NIC).

The traditional way for a nonprofit CCRC to fund development is through tax-exempt bonds.

“Through tax-exempt bond financing, nonprofits can get the maximum loan to cost in term financing projects,” says Mike Hargrave, vice president of NIC MAP (Market Area Profiles).

On the for-profit side, in recent years government “agency lenders like Fannie Mae and, I believe, Freddie Mac have rolled out a program for CCRCs, primarily for the for-profits,” Hargrave says.

Kramer has noted a number of “hybrid situations” where for-profit companies sometimes develop, mar-

ket, and manage a nonprofit CCRC to take advantage of the tax-exempt bonds.

One of the things that has traditionally scared off investors is the length of time the projects take to put together, says Kramer. How long it takes to come to stabilization is how long an investor’s money is at risk.

“By the time you get to 65 to 70 percent pre-sold and then begin construction and get to stabilization, that could easily be a five-year period,” he says.

But CCRCs are attractive to seniors, and because the property is getting the seniors at a younger age and keeping them longer, that makes them attractive to investors. In fact, there’s a “broader investment pool than what you had previously,” says Kramer.

“But at the same time [the credit crunch is causing] the rating agencies to be much more cautious, looking at bonds very carefully.”

popularity of the model with seniors. “More for-profits [are] involved in CCRCs,” says Schless, “but when you look at the CCRC product it still is overwhelmingly a not-for-profit product. Probably at least 85 percent of the product out there is owned by a not-for-profit, [although] it was 100 percent 40 years ago. More for-profits are looking at the CCRC, and there are companies that didn’t start out in the CCRC product” but are sort of backing into it by offering more levels of care.

According to Larson, the reason why “more folks haven’t gotten into for-profit development of CCRCs is that the length of time it takes to develop, construct, and occupy one of these communities is fairly long” compared to other kinds of seniors housing developments, and investors may not want to wait so long for a return on their money.

“Also it’s a fairly complex, complicated model with licensing, mixing skilled nursing with sales of independent living, managing an assisted living facility—lots of different components to it, and it’s considered fairly complex for some,” Larson says.

More Options In Resident Contracts

Contracts are the hot topic among CCRCs these days, according to Smith. That’s because so much change is going on with them.

The traditional contract involves a nonrefundable entrance fee and a monthly service fee, with health care guaranteed for life; what’s been called “lifecare.” ACTS Retirement-Life Communities’ contracts are an example of this. The entrance fee money goes to pay for any care the resident might need, and if the amount of care required exceeds the amount of the entrance fee the resident still receives care for the rest of his or her life.

Today, many companies are offering different kinds of contracts.

“There’s a category of providers experimenting with trying to do differ-

ent combinations of levels of care and ways in which people pay for it,” says Kramer. One of these experiments is the equity model, in which the resident owns the property and pays a monthly service fee.

Trilogy Health Services, Louisville, Ky., whose background is in skilled nursing, “now has everything from patio homes—active adult homes—all the way through skilled nursing,” says Kramer. The patio homes are owned outright by the resident. “They’ve been doing this with a significant degree of success,” he says.

Smith says there are four basic kinds of contracts today, and ASHA defines them.

Type A, called an “extensive care” contract, is the traditional contract mentioned above. In exchange for the

upfront fee and monthly fee, the resident has the right to lifetime occupancy of an independent living unit and certain services and amenities. Residents who require assisted living or nursing care may transfer to the appropriate level and continue to pay essentially the same monthly fee they had been paying for independent living, according to ASHA.

Type B, called a “modified” contract, usually involves a refundable entrance fee that could be 50 percent, 80 percent, 90 percent, or even 100 percent refundable if the resident should leave the community or pass away, plus a monthly fee. The monthly fee increases as the level of care increases. A resident “might receive a discounted rate for a certain amount of time for care,” says Smith, “but after that month or

three months you will pay a daily rate for that care.”

In Type C, called a “fee-for-service” contract, there’s no discounted care, but the resident pays a lower monthly service fee plus pays a refundable entrance fee. However, the resident is responsible for all additional health care.

In Type D, residents pay no entrance fee at all, but rather pay a monthly rental. However, they aren’t guaranteed on-campus care.

“In the early CCRC development, it was a lot of advance payment or prepayment,” says Shepard. “To a large degree, that’s modifying or going away.” The reasons are that “people are paying a lot of money and would lose that [for their heirs] at their death, and part of that is because it’s under

The Effect Of The Housing Market On Sales

The slump in the housing market may, in some areas, be causing seniors to remain longer in their homes before moving into independent living on multi-service-level campuses, say experts.

“After a number of quarters of significant increase in the average entrance fee and a number of quarters of increase in occupancy rates, we have seen a slight downturn in both entrance fee and occupancy rate,” says Robert Kramer, president of the National Investment Center for the Seniors Housing and Care Industry.

“It has hit historic highs, but leveled off. It could be the effect of the residential markets: people having difficulty selling their homes or selling them for what they’re worth. We don’t know if that’s a direct correlation yet, but across 30-plus metro markets we track regularly we’ve seen a slight downturn in both occupancy rate and entrance fee.

“Not enough analysis has been

done yet, but some people out there think [there is a correlation], and some operators say it’s more challenging now, [with potential residents] having difficulty selling their house and not being able to get the price for it that they think they ought to be getting.”

“I don’t think there’s any question,” says David Schless, executive director of the American Seniors Housing Association. “The ability of a senior to sell their home is definitely of consequence to a person who wants to move into a CCRC. There are probably certain markets that are fairly challenging right now. Many of the companies that have a new CCRC product will be much more involved in helping that new resident sell their home.

“Many of the seniors are probably going to need some professional assistance getting their house ready for sale and pricing it appropriately, and [companies] will get directly involved

in that or do that through a third party,” he says.

Earl Wade, chief executive officer of CRSA, Memphis, Tenn., has seen challenges in some markets and not in others.

“In Austin, Texas, with our project there,” it hasn’t been a problem, he says. “On the other hand, in Memphis it has impacted us greatly. Our prospects are not going to move until they sell their home. We’ve come up with some fairly creative ways” of helping them to make the move, he says, “but we’re not in the business of buying homes. In several instances we’ve allowed them to take occupancy with the understanding that if their home doesn’t sell within a certain period of time they can move out with no penalty.

“Our market is not comfortable with debt. We’re working with local realtors so that the homes are show ready and priced right; we’re certainly doing that,” he says.

increasing scrutiny by the Internal Revenue Service. There's more fee for service" today, he says.

Erickson Retirement's model is a rental with a 100 percent refundable entrance fee. Residents pay for care on a fee-for-service basis, but the company guarantees that, so long as residents don't divest themselves of assets, they will receive needed care for the rest of their lives.

"Say you come in with \$250,000 of assets," says Erickson's Doyle. "That sum total of money is yours to live, but if you start to divest yourself in ways like, 'I'm going to pay for college tuition, and I'm going to share this money with my kids,' that's considered divesting yourself of assets. When you're asset- and income-qualified, those are expected to be used while you're living within the community. [We have an] entrance deposit, and it's 100 percent refundable if you choose to move out of the community [or

upon death]. It's also accessible if you run out of money."

Some companies have tried a co-op model, says Kramer. "All of this is experimentation with different product types."

New Multi-Service-Level Models

What a CCRC or multi-service-level campus looks like can vary quite a bit.

Erickson communities, for example, tend to house 2,000 residents in a gated, secure community with a medical practice, ancillary health services, rehabilitation, home support, pastoral ministries, resident life support, a pharmacy, banks, and stores, all within the confines of a community that's been designed so residents can walk within the community and never have to go outside.

CRSA has developed a couple of specialties: CCRCs affiliated with hospitals and those affiliated with universities. Wade seems especially proud of

the university-affiliated model. The company has models on the campuses of Pennsylvania State, the University of Alabama in Tuscaloosa, Duke University, and the University of Texas in Austin.

"It's a neat environment; residents can have access to all the classes and activities on a [university] campus," Wade says. At Penn State, residents can audit any class free of charge.

"They get to go to cultural events, concerts, guest lectures, and possibly even our residents can teach classes. Naturally, sporting events are very popular. At the University of Alabama School of Nursing, the student nurses rotate through our health center. I think it's something we're going to see more of. Our residents want to be physically and mentally active, and there's a tremendous interest in learning," he says.

For Seattle-based Leisure Care, which features a travel agency for its

CCRCs Embrace Wellness

Designing continuing care retirement communities (CCRCs) for wellness—not illness—is now the focus in senior living, according to some experts in the field of senior living design, and the results of a recent study of wellness programs among CCRCs appears to support this assertion.

"The National Whole-Person Wellness Survey," conducted last year by Mather LifeWays Institute on Aging, a Chicago-based senior living organization, examined the programming, physical design, and operational elements of CCRCs in order to identify how some have achieved a culture of wellness.

The results signal a trend in wellness programs, with nearly one-third of the respondents reporting that they have hired staff in the past five years

for the purpose of implementing such programs.

Physical design is an important factor in the success of wellness programs, the report says. "Spaces should be designed to meet residents' needs and encourage participation in the programming developed for those spaces."

According to the survey, four design trends influence whole-person wellness:

- **Size of space**—successful spaces were sized appropriately for the wellness function they served;

- **Natural light**—most successful spaces had at least some windows, with physical and social dimensions having many windows and spiritual spaces having the least;

- **Usage**—most successful spaces tended to be used five to seven days

per week, except spaces for worship; and

- **Location**—most wellness spaces are distributed throughout the campuses, but in relatively close proximity to other wellness spaces.

Measuring Wellness Programs

Three stages of wellness were identified and labeled in order to measure the different points on a CCRC's journey to a comprehensive culture of whole-person wellness: Trailblazers, Travelers, and Tenderfeet. While the survey found that almost any community has the potential to be a Trailblazer, about half of today's CCRCs are Tenderfeet, the report says.

"Trailblazers" have a well-developed culture of wellness exhibiting a spectrum of organizational attributes.

residents, communities vary from an 11-story building in Toronto with a full-service restaurant, pub, and golf simulator, to communities that feature for-sale cottages along with independent living, assisted living, and memory care apartments for rent.

Classic Residence by Hyatt, based in Chicago, offers up-scale CCRCs with a traditional entrance fee and monthly service fee, and some multi-service-level rental communities. Their CCRCs typically offer independent living, assisted living, Alzheimer's care, and skilled nursing on a campus. Living settings range from one-bedroom apartments through villas or casitas. Classic Residence has three CCRCs under development.

Of existing communities, the company has 4,420 independent living units, 899 assisted living and Alzheimer's care units, and 403 skilled nursing units, with 6,098 residents. A further 1,099 units are in development.

Wesley Enhanced Living is working out the details of a brand new model: one that combines a Program of All-Inclusive Care for the Elderly (PACE) concept with a CCRC. "We believe we can improve outcomes, increase access to middle-income groups, and for a lower cost in total," says Petty. "We want to run a full-fledged demo project over a number of years." Petty thinks the company should be able to work through the details and get the appropriate approvals within 12 to 24 months.

"Our intent would be to create new communities," he says. "They would differ in terms of design and function. We would address our residents holistically like you see at a PACE site. A traditional CCRC has regular boundaries—independent living, assisted living, skilled nursing. Our intent would be to build buildings that don't have such stark boundaries in them and allow us to deliver services in the least

restrictive environment possible, which usually translates to the lowest cost possible."

Wesley Enhanced Living would also like, in the process, to eliminate some of the ALF and SNF regulations. "We want to be measured by the outcomes we can deliver; we don't want to worry about what our staffing level is."

So far, the response from the Centers for Medicare & Medicaid Services (CMS) and state level officials "has been extremely positive. We just had a conversation with an individual at CMS, and the general notion is a lot of people at the federal and state levels think PACE is a great model. So when you start talking about taking PACE and adapting it, we're getting very favorable responses on a conceptual level," says Petty.

A Complex Undertaking

"CCRCs definitely have been one of the more active areas for new con-

About one-fifth of the respondents were in this category, and 100 percent included staff wellness as part of their mission statements and enabled staff to use resident wellness programs.

In addition, Trailblazers reported that their wellness programs had a major impact on the reduction of residents' use of medication and on the health care center. This group also found that the wellness programs had a positive impact on the organizations' visibility and image in the community and in the ability to obtain greater market share.

About one-third of the survey's respondents fell in the category of "Travelers"—CCRCs that have achieved varying levels of a culture of wellness, with 70 percent having several basic wellness components. The majority of Travelers have hired staff

in the past five years specifically to implement wellness programming and have more than two departments included on wellness teams.

The "Tenderfeet" category includes CCRCs that have almost no culture of wellness, with 97 percent having two or fewer of the eight components. Slightly less than half of the respondents were Tenderfeet.

Managing Costs

Operationally, managing the costs of a wellness program was cited by more than half the respondents as one of the top five most important factors in successful programming. Most respondents reported that wellness program costs had increased in the past five years, which were largely attributed to expanded activities and services.

While most CCRCs are currently not charging fees to non-residents for use of their wellness programming, many are considering it for the future as an opportunity to generate revenue, the survey found.

To cover the costs of wellness programs, the majority of CCRCs will consider raising resident monthly fees to cover programming, while others will consider alternatives such as fund raising, fitness center membership fees, or individual program usage fees.

Survey respondents reported that the factors most essential to creating a successful wellness program are organizational commitment, program/activity variety, trained/experienced staff, programs appropriate to residents' abilities, and financial resources.

—Meg LaPorte

struction,” says Schless, “and probably roughly half of all the new independent living units that were built over the past year were within a CCRC complex. No question, CCRCs are a popular product.”

“We’re opening up a few communities every year,” says Doyle. “A community takes about seven to 10 years to be fully built out. A full community may be on a hundred acres and have an assisted living facility with 125 to 150 apartments and a long term care and short-term rehabilitation facility with 150 units as well,” she says.

Because building a multi-service-level campus is a complex undertaking, CCRC providers tend to go in phases.

“You may have a total build-out of 300 to 400 independent living units,” says Larson, “but it’s difficult to do that many units in one phase. We need 65 percent to 70 percent pre-sells before we’re able to close on financing. It works best to do 180 to 200 independent living units as the maximum number of units in a phase so you can get under way in a reasonably short period of time. Then we would follow up with a subsequent second or third phase.”

Phase one for Life Care Services would also typically include a health center with a portion of the planned skilled nursing beds. The second phase may include assisted living. After that would come the dementia care units. “As a general rule, we like to achieve 90 percent sales before we kick off another phase,” says Larson.

Until very recently, construction costs have been rising, both in terms of commodities such as lumber and copper and in terms of labor. “There’s a labor shortage in a lot of areas of the country, resulting in higher wages,” says Larson.

However, because of the poor housing market and decreased housing starts, “we should be seeing some softening of construction pricing,” he says.

“Particularly the past six months we’re seeing some softening due to the

dramatic reduction in residential homes being built. It’s having an effect on wood prices, and we’re seeing the same thing ripple through other materials—the drywall pricing should come down, window prices likely should soften.”

“A brand new CCRC could go anywhere from \$20 to 30 million; gosh, I see them for hundreds of millions of dollars,” says Petty. “So it’s a very big number to build a new CCRC. But new ones are being built all the time

Apartments in new communities have larger square footage and a higher level of amenities.

because it’s a great model and the market’s responding to it.”

As construction heats up, the architectural style is evolving.

Elaborate Architecture, Design

For several years now apartments have been getting larger. Residents have “an increasing appetite for larger apartment size and more two-bedrooms and two-bedrooms with dens, fewer one-bedrooms,” says Larson. “It’s pretty much a strong trend increasing every year.”

“The days of studio and alcove units are in the past,” agrees Nelson.

Apartments in new communities have “larger square footage, a higher level of amenities, a higher level of finish,” says Kenney, in terms of countertops and cabinets, “an appliance package, and a washer and dryer right in the unit,” he says. As far as counters go, Larson says that the last few years

have seen a trend toward granite or stone tops as opposed to a laminate top.

“Those who lived in larger houses want larger apartments,” says Smith, who says that another big draw for them are the carriage homes and villas that stand separately from the main building.

“These days our most popular apartment is two-bed two-bath. [Features include] individually controlled heat and air conditioning, monitoring, high-speed Internet, washer and dryer, raised countertops, wide shower stall entrances—more senior friendly, so to speak. For an extra fee you can design your own apartment [in terms of] carpeting, walls, countertops. Pretty much anything goes.”

Health care centers, where the skilled nursing units tend to be, are changing too. “Architecturally, health care centers are much more homelike than what’s been done in the past with larger activity areas and living spaces,” says Smith.

Life Care Services is doing something similar. “We’re trying to make our skilled nursing more residential in character,” says Larson, “and to do that we’re breaking down some of the institutional design elements into more residential neighborhoods.

“We’re getting away from the centralized nursing station and breaking down into smaller neighborhoods so we can deliver better care, provide more choice in terms of when [residents] eat, bathe, snack.”

In terms of amenities being built into the communities, some popular ones are swimming pools, weight rooms, massage therapy facilities, and small screening rooms, where 10 or 20 residents can get together and watch a new release, operators and developers say.

Multiple dining venues are a must.

“If you go back 10 to 15 years, you’d see one main dining room in a CCRC,” says Larson. Now, CCRCs like Life Care Services provide a for-

mal main dining room, a less formal, more casual dining experience, and likely will have a third, like a café or bistro, “that would all have a different delivery of [foods] and service.”

As important as the food is, wellness programs are increasingly important.

Wellness And Health Care

Multi-service-level communities, such as CCRCs, are providing a much greater focus on prevention and wellness in an effort to help their residents live independently as long as possible and in response to customer demand. The approach to wellness tends to be much more holistic these days, encompassing physical, emotional, spiritual, intellectual, and other components of wellness.

“Five years ago it was relatively rare to have full-time wellness directors; today [they’re in] many of our communities,” says Nelson. “Not only that, but we have aquatics directors and exercise physiologists on staff [and engage in] collaboration with local universities.”

New communities have gyms “and state-of-the-art equipment that can monitor the health of residents and progress of their strength and physical improvements,” he says. Life Care Services’ wellness program conducts an initial evaluation of each resident to benchmark their functional abilities and identify any area at which they may be at risk. At-risk areas are targeted by the wellness program. Classic Residence by Hyatt’s wellness programs include yoga, tai chi, aqua aerobics, and other exercises and screenings.

CRSA is developing large wellness centers on some of its properties. “At the community with Duke in North Carolina, [we have a] 30,000-square-foot separate building with an indoor pool, elevated walking track, and exercise areas,” says Wade. “All of our residents are members, but we also sold outside memberships, so residents get to interact with members from the

outside community and with our employees.”

Nutrition also plays a big role now. The new residents “want heart-smart solutions in dining and classes and conversations with the dietitian,” says Kenney. “So the nutritional emphasis is very, very high.”

Providing a spiritual program is also a significant component of many companies’ wellness programs.

As in long term care as a whole, health care is becoming more person-

As in long term care as a whole, health care in CCRCs is becoming more person-centered.

centered in CCRCs. “We’ve shifted from a medical environment that centers on schedules and tasks to resident preferences and a team that gets to know” each resident more holistically, says Smith.

New Technology For New Communities

New communities are increasingly looking at having wireless Internet connections in common areas, and virtually all apartments have the ability to be connected to the Web. “The utilization of computers and the Internet has increased significantly,” says Kenney.

Many providers offer a business center for residents who don’t own a computer and offer classes for those who would like to learn to use one. “But we’re seeing a fairly dramatic change” in terms of residents already having their own computers, says Larson. “They’re pretty computer-literate;

they’ve been using computers for the last five years. It’s more the norm now,” he says.

The communities are also upping their technology. Life Care Services currently conducts resident satisfaction surveys using a paper instrument, but “we want to do it all electronically so that the residents, from their apartments, can give us feedback,” says Kenney.

Erickson Retirement has electronic medical records “that integrate to our long term care facilities, then also integrate to specialists in the market we work with,” says Doyle. Erickson also provides computers in employee break rooms so that staff members who don’t have a computer at home have access to one at work. “We want to help folks further their own growth in technological development,” Doyle says.

“Basically, you need a site, you need [fine] architecture, and you need [high-quality] amenities,” says Poggi. “The way we look at it, anybody can do that.”

AegisLiving hopes to differentiate itself by offering world-class service, brought to residents by employees hired from the hospitality industry; a holistic approach to wellness; and making the residents’ homes welcoming to families, with rooms designed to hold technology such as Nintendo’s Wii program that will make visiting the grandparents fun.

Looking 10 years down the road, Poggi agrees that long term care is trending toward multi-service-level campuses and away from standalone facilities. “I think that there’s a demand from the customer for aging in place,” he says.

“So, yeah, you have a stronger value proposition when you have multiple levels of care in place instead of just one. We’re looking at it as this is where [the profession’s] going because they want to age in place.” ■

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