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Providers Leverage Healthcare Partnerships to Win

Value-based care provides an opportunity to improve patient outcomes, lower costs and potentially share in the savings, say industry experts.

By Jane Adler

Primarily created as a hospitality model, seniors housing is inching its way into the complex world of healthcare management and insurance payments. Operators are adopting a variety of approaches to address the health needs of residents through value-based care arrangements.

What is value-based care?

Unlike the traditional Medicare fee-for-service payment model, value-based care pays healthcare providers to keep people healthy and to prevent health emergencies that require expensive hospital visits. Value-based care is focused on patient outcomes, not the medical services provided.

Why does it matter to seniors housing operators?

The Centers for Medicare & Medicaid Services (CMS) set a goal to have all Medicare beneficiaries enrolled in some type of value-based care arrangement by 2030. Medicare Advantage plans and accountable care organizations (ACOs) are value-based care models.

CMS has other models, such as the Program of All-Inclusive Care for the Elderly (PACE) for seniors eligible for both Medicare and Medicaid.

Medicare Advantage plans offered by private companies have been growing rapidly. This year, 54 percent of Medicare beneficiaries are enrolled in Medicare Advantage plans. Nearly half of beneficiaries with traditional fee-for-service Medicare are enrolled in ACOs.

Amid this shifting landscape, residents and their families expect healthcare needs to be addressed on-site in some fashion, especially in the wake of the devastating COVID-19 pandemic that struck the U.S. in early 2020.

Acuity is also rising among residents who require extra medical attention and support. A van that provides transportation to the doctor's office just isn't enough.

At the same time, owners and operators are



A “naya”— the Sanskrit name for “guide”— assists a resident at Blue Bell Place, a Watermark retirement community in Blue Bell, Pennsylvania.

seeking ways to attract more residents. On-site healthcare appeals to busy families and can be a key differentiator in the senior living sales process. Keeping residents healthy extends their length of stay.

The shift to value-based care also offers operators the opportunity to potentially be compensated for care coordination and wellness initiatives.

“Exciting changes are emerging,” says Sevy Petras, CEO at Priority Life Care. The Fort Wayne, Indiana-based company operates 70 senior living communities in either joint venture or third-party management agreements.

Seniors housing operators are forming partnerships with healthcare providers

to bring their services on-site. Other operators are launching their own health insurance plans — an approach that could generate additional revenue.

Operators are even forming joint ventures with health systems to develop new senior living properties (see sidebar).

There are obstacles to the implementation of value-based care models. Every state has different rules and regulations. Operators wonder whether they can scale a model for different markets. Employees need to be trained in the value-based care approach. Electronic health records must track resident outcomes.

No one answer to the healthcare question is right for every operator, sources say. The best approach depends on the local market, the operator's risk tolerance and a number of other factors. It will take time to sort out the best solutions.



Sevy Petras
Priority Life
Care

“This decade will be one of experimentation,” predicts Bob Kramer, NIC co-founder and strategic adviser. “We’re in a period of transition.”

Healthcare and Hospitality

Lifespark manages 50 communities for five ownership groups. Based in St. Louis Park, Minnesota, Lifespark’s management portfolio includes 43 properties in the Twin Cities and seven in Wisconsin. The communities offer some combination of independent and assisted living and memory care. Medical teams provide primary care to residents in their apartments.

“Seniors housing is a great environment to deliver health and hospitality,” says Joel Theisen, founder and CEO of Lifespark. The company also offers home health services. Theisen believes healthcare delivery should be location-agnostic, provided wherever the person lives. “Seniors housing is the resident’s home,” he says.

Unlike other operators, Lifespark has its own urgent response team. When a resident falls or has an emergency, the staff calls the medical triage unit, which can go to the campus, if necessary, potentially avoiding an expensive hospital visit. The approach has reduced emergency room visits by 40 to 50 percent, according to Theisen.

“Our services are fully integrated,” he says. Theisen adds that the entire building staff is trained to watch residents for a change in condition that might lead to a healthcare crisis.

Lifespark offers two Medicare Advantage plans for residents at the properties it operates in Minnesota. About 80 percent of the residents are covered by the plans. Residents can also opt to stay in a Medicare fee-for-service plan.

The Medicare Advantage plans pay Lifespark a monthly fee to deliver healthcare services to every member. Lifespark shares in the risk. In other words, if it spends more money on resident healthcare annually than the allotted amount, Lifespark writes a check to the insurance plan



Joel Theisen
Lifespark

for the difference. If Lifespark spends less than was allotted, it shares in the savings.

“It’s do or die based on performance,” says Theisen. Since the program is relatively new, Theisen doesn’t have results on shared savings yet.

Juniper Communities formed the Perennial Consortium, an operator-owned Medicare Advantage network in 2021. Based in Bloomfield, New Jersey, Juniper owns and operates 21 communities in four states.

The Perennial Consortium helps operators set up their own insurance plans. The network operates in Ohio and Colorado and is preparing to enter Pennsylvania in 2026 with several new partners, including IntegraCare and HumanGood.

“Perennial is doing really well,” says Lynne Katzmann, Juniper founder and CEO. A new benefit offering for 2025 includes a \$75 per month housing credit to plan members.

“This is the first time in my knowledge that a Medicare Advantage plan has been able to offset the cost of safe supportive housing. It is this type of innovation which sets Perennial apart,” says Katzmann. “I believe we can only do these things because we are a senior-living-owner-operated plan, not controlled by a traditional payor.”

Together with fees for care coordination, the plan is now offering senior living participating communities up to \$200 per member. Seniors housing operators that choose risk arrangements (no-risk options are also available) have the opportunity to share in savings generated by the plan.

Options Expand

Operators are forming other kinds of healthcare partnerships. For example, Watermark Retirement Communities partners with Curana Health. Based in Austin, Texas, Curana provides value-based primary care services to senior living and skilled nursing communities. Tucson, Arizona-based Watermark owns and operates 68 communities.

Fifteen Watermark communities currently work with Curana, and 10 more communities will join the partnership soon. Curana operates an on-site clinic on large campuses. In other locations, Curana practitioners conduct healthcare visits in the resident’s apartment.

“Most importantly, Curana partners with the clinical teams at our communities,” says Merri Miller, director of integrated care at Watermark. “That’s the golden ring we are reaching for. Working together we can catch problems early and prevent hospitalizations.”

Like other physician practices, Curana bills the insurance plans directly. Residents can be in a Medicare Advantage plan or in a traditional fee-for-service arrangement. “We don’t pay Curana,” explains Miller. In 2023, the first year of the Curana partnership showed a decrease in fall rates among Watermark residents.

Miller plans to take the program a step further. She’s looking at how to enter into a shared savings program that would generate revenue. “We are invested in the long game,” says Miller. Her advice: “It’s a complicated process. Start with partnerships and build around that.”

Positive Results

Curana is growing quickly. The company was founded in 2021 and works with more than 1,500 senior living communities and skilled nursing facilities. It has more than 1,000 employed physicians and nurse practitioners delivering care to over 200,000 senior living residents annually across 34 states.

“We have a flexible model based on the needs of the community,” says Conor McCaw, chief growth officer at Curana. “We deliver primary care to all residents regardless of their insurance or their acuity.”

An on-site medical team can also help reduce staff turnover while improving employee and resident satisfaction. Residents receive a more seamless healthcare experience and employees get the support services they need, sources say.

In addition to two Medicare ACOs, Curana operates more than 30 Medicare Advantage special needs plans in 14 states. McCaw says that related shared savings programs with operators are implemented across the organization’s partner network.

Priority Life works with Curana and other physician practices. “It’s



Conor McCaw
Curana



We're excited to announce our newest

Senior Housing & Care attorney,

Bryan Hudson!

With nearly three decades of in-house legal experience, most recently as the Senior Executive Vice President, General Counsel, and Secretary of Atria Senior Living, Inc., Bryan brings an extensive legal background, and strong business acumen to the team.



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an interesting time,” says Petras. “Value-based care has become a household word, but a lot of operators have not adopted it yet.”

Petras is concerned that the federal government, which controls Medicare dollars, could move the goalposts for value-based care before the industry gets its act together. She also wonders if rural areas will be left behind since the model of care relies on the availability of skilled medical practitioners.

Priority Life has also joined the Serviam Care Network, an alliance of 23 operators that was launched in Virginia in 2023. Another 20 operators are expected to join the alliance by year’s end.

Serviam offers various services and care coordination software to support communities in their move to value-based care models. Curana handles on-site healthcare services.

The software provides the structure for weekly care coordination meetings, incorporates resident data, identifies interventions needed and helps caregivers prioritize which residents need more attention.

New alliance members receive a seven-step onboarding process. When improved resident outcomes are documented, communities can begin the process to access shared savings through the Medicare Advantage plans.

In September, Serviam and Curana launched a value-based care alliance in Florida. Other alliances are planned for Michigan, Illinois and Iowa, “Our purpose is to transform how we care for seniors,” says Alan Fairbanks, president at Serviam, Kansas City, Missouri, and a former executive at Bickford Senior Living.



Families can spend more time with loved ones thanks to on-site healthcare.

Fairbanks conducted a pilot of the Serviam system at Bickford properties in 2023. Participating properties saw a 55 percent reduction in falls with injuries, a 10 percent reduction in emergency room visits, zero medication errors, a 25 percent increase in resident happiness, and a 100 percent increase in employee happiness.

Pine Park Health, headquartered in Oakland, California, is showing similar positive results. Pine Park is a primary care practice that serves about 5,000 senior living residents in 160 communities in California, Arizona and Nevada.

For the first half of 2023, residents receiving Pine Park Health services saw a 33 percent decline in emergency room visits, 29 percent fewer hospital stays and 68 percent fewer trips to urgent care clinics.

Senior living is early on in its value-based care journey,” says Jim Lydiard, chief strategy officer at Pine Park Health. “There are a variety of options. Operators have to figure out what option most suits the needs of their residents and can be implemented by their teams.”

It’s a time of great opportunity and uncertainty for care providers, concludes Lydiard. “Operators should know it’s a bumpy ride. But when it all comes together for the resident and staff in your building, it is impactful in so many ways.” ■

JV between Belmont, Baptist Health South Florida ‘showcases future of senior living’

As senior living operators experiment with healthcare partnerships, Belmont Senior Living is taking the idea to the next level. Houston-based Belmont formed a joint venture partnership with Baptist Health South Florida — the area’s largest health organization — to develop, own and operate a 10-story, 232-unit luxury senior living community in Coral Gables.

The building opened in January 2024. The partners have plans to develop more joint venture projects.

“Our partnership with Baptist Health showcases the future of senior living,” says Belmont founder and CEO Patricia Will. “Assisted living requires innovation, not just in hospitality but also in respect to healthcare delivery.”

Baptist Health is an equity partner in the project. “It took years to set up,” says Will. Baptist Health found the land and approached Belmont about developing a project together. “It was a harbinger of what is possible in this next generation of seniors housing,” says Will.

The mixed-use building includes retail stores on the first floor as well as a clinic staffed by Baptist Health primary care physicians. Specialists rotate through the clinic.

Residents have easy access to the on-site clinic. Family members don’t have to drive their loved ones to doctor’s appointments. “With a dedicated team that knows our residents, the healthcare experience is seamless,” says Will.

Baptist Health also provides physical and occupational therapy on-site. The gym was designed to accommodate Belmont residents as well as patients who live outside the building.

The delivery of healthcare on-site creates a feedback loop with the staff at the community, according to Will. “We collaborate.”

Belmont is not currently interested in offering its own Medicare Advantage insurance plan for residents. But Will says that Belmont has partnered with healthcare institutions since the company opened its first building in Houston with an on-site presence from a major medical center. “It’s part of our DNA,” she says.



Belmont Village Coral Gables opened in January 2024 with an on-site healthcare clinic. The 10-story project is a joint venture between Belmont Village Senior Living and Baptist Health, the largest healthcare organization in South Florida.

In California, Belmont collaborates with the Center for Healthy Aging at the University of California San Diego. The relationship took another step forward when the center opened a research lab at the Belmont community in La Jolla.

The 17-story building, which opened in July 2022, was co-developed by Belmont and Charleston, South Carolina-based developer Greystar. The lab is used by researchers and practitioners to test innovations with residents.

Belmont’s goal is multifaceted, says Will. “We are focused on better technology, wellness and resilience to keep people happier.”

— Jane Adler