

Advance Value-based Care with Senior Living Technology



ARGENTUM
EXPANDING SENIOR LIVING

ABOUT ARGENTUM

Argentum is the leading national association exclusively dedicated to supporting companies operating professionally managed, resident-centered senior living communities and the older adults and families they serve. Since 1990, Argentum has advocated for choice, independence, dignity, and quality of life for all older adults.

Argentum member companies operate senior living communities offering assisted living, independent living, continuing care, and memory care services. Along with its state partners, Argentum's membership represents approximately 75 percent of the professionally-managed communities in the senior living industry—an industry with a national economic impact of nearly a quarter of a trillion dollars and responsible for providing over 1.6 million jobs. These numbers will continue to grow as the U.S. population ages.

Argentum's programs and initiatives are driven by its membership. For more information about joining Argentum, please visit argentum.org/membership. Learn more at argentum.org.

ABOUT YARDI

Celebrating its 40-year anniversary in 2024, Yardi® develops and supports industry-leading investment and property management software for all types and sizes of real estate companies. With over 9,500 employees, Yardi is working with clients globally to drive innovation in the real estate industry. For more information on how Yardi is Energized for Tomorrow, visit yardi.com.



ADVANCE VALUE-BASED CARE WITH SENIOR LIVING TECHNOLOGY

This comprehensive white paper, developed by Yardi, explores the transformative impact of value-based care (VBC) within the senior living industry. As the health care landscape continues to evolve, VBC presents an opportunity for senior living providers to enhance resident outcomes, reduce costs and align operational incentives with the quality of care. This report delves into what VBC is, how senior living communities can implement VBC and explores how the latest technologies, such as those offered by Yardi, are integral to successfully implementing VBC, providing actionable insights and strategies for providers to navigate this shift effectively.

WHAT IS VALUE-BASED CARE?



Value-based care (VBC) is a health care model grounded in providing proactive, personalized and person-centered care. More specifically, providing this level of care to improve resident health outcomes and increase operational returns.

Unlike traditional fee-for-service models that reimburse providers based on the number of services provided — rather than the effectiveness of those services — VBC reimburses based on the quality of care provided and optimal resident health outcomes.

With a VBC model in place, senior living providers can:

- **Improve resident health outcomes** — focus on quality and preventive care to advance resident health
- **Reduce health care costs** — minimize health care expenses by contributing to healthier, more engaged residents
- **Enhance the resident experience** — improve resident satisfaction through coordinated, person-centered care
- **Align incentives** — unite operational incentives with better care and resident health outcomes

HEAR FROM AN INDUSTRY EXPERT

Argentum interviewed Fil Southerland, the director of health care solutions at Yardi, to gauge where the industry is headed — and learn how providers can maximize their success in adopting VBC.



Fil Southerland
Director, Health
Care Solutions
Yardi

Fil Southerland has been involved with the LTPAC industry for over 15 years and currently serves as director of health care at Yardi, where he leads initiatives in electronic health records and interoperability. Prior to his time at Yardi, Fil served as Co-Founder and CTO of ALMSA, Inc., a nationally recognized cloud-based electronic health provider in the assisted living industry and one of the first EMRs in the LTPAC space. Fil is also an active participant in the Carequality Interoperability Framework, as well as an active HL7 member. Additionally, Fil was appointed by the GAO in 2022 to represent the LTPAC industry on HITAC. He works with ASTP/ONC and other agencies to promote technology advancement around interoperability, HIT and integration of LTPAC into the broader health care sector. He has worked on a variety of task forces via this committee including HTI1 and the upcoming HTI2 rules, which support AI and health care data exchange toward technology alignment with advanced payment models and effective, efficient care. With expertise in health information technology, digital privacy, LTPAC policy and interoperability initiatives, Fil is passionate about using technology to improve outcomes for residents and care providers.

What do providers need to do to implement VBC in their communities?

Southerland: VBC has broad implications to our sector and unlocks meaningful opportunity for a place at the health care table for operators, with the required degree of operational maturity. VBC touches every part of operations including staffing, technology and care partnerships. To implement VBC, operators need to take a hands-on approach to coordinate care partnerships with preferred providers. Traditionally, our industry hasn't focused on coordinating the care team outside of our communities' walls, but this needs to change in the world of VBC. Our communities need to identify preferred physicians, home health and therapy providers, and even labs and pharmacies, that are willing to work together in an accountable way to implement preventative versus reactive measures to keep residents healthy. Care coordination meetings are a hallmark of this impactful cooperation between providers.

Operators must meaningfully adopt EHR technology that is interoperable with each preferred provider, and must use the technology they have in place to gain predictive and preventative insights. These insights allow staff to target residents that become at risk to prevent adverse events. Real-time sensing technologies are also a crucial part of the picture. Our industry must move beyond reliance on human observation, implementing an ecosystem of monitoring devices that supplement the observations of staff and identify changes in behaviors or adverse trends. Staff must be empowered with these insights and work with outside providers on a shared goal of improving healthy living in our communities.

How do you see VBC evolving over the next year?

Southerland: We're just at the beginning of how VBC will impact our industry, so I think we'll see a variety of models and approaches over the next 1–3 year horizon. Some of these models will work,

and some will not. VBC is an easy concept to grasp when talking about the clinical outcome and financial benefits, but much harder to transition operations to meaningfully benefit.

What we do know intuitively, and from a recent study by NORC and NIC at the University of Chicago¹, is that the senior living sector greatly impacts outcomes, risk and health care spend for the population we care for, which in turn accounts for a significant portion of spend for Medicare and Medicaid. Health care payers are recognizing the important role LTPAC plays in supporting resident health and are receptive of models that incorporate senior living to support improved financial returns.

My perspective is that operators who are able to successfully integrate VBC into their operations will capture part of the health care spend that is currently flowing to the traditional health care system today, thereby increasing valuations through diversified revenue streams, improved outcomes and the ability to target hard-to-reach middle-market geographic sectors.

When transitioning to a VBC model, what can providers do to minimize roadblocks? Can technology help?

Southerland: Providers need to understand that VBC represents a profound step-change in operations. VBC is an opportunity for our sector to ascend to its rightful place in our nation's health care infrastructure, so our steps must be deliberate and supported broadly by the organization.

Providers need to feel confident, number one, in their technology stack. VBC requires coordination and insight on a level that isn't possible or scalable in a paper-based or disparate electronic solution. Providers need to have a technology foundation in place that includes point-of-care charting, fully digital clinical record keeping and business intelligence that provides predictive insights and risk-classifies residents. Staff at all levels must trust and engage with the software so the resident care picture is up-to-date, aligned with resident goals and preferences and shared with the entire care team inside and outside of your community walls.

With technology and efficient operations in place, the provider can then begin to identify and work with a preferred set of providers. A great place to start is to examine the current set of primary care physicians engaged with the resident population at the community, and understand how they are approaching VBC and risk-based arrangements today within their practice. Then examine if they are willing to further the partnership with your communities. Preferred providers should be open to participation in coordination meetings as partners to your community care team. Our industry also has a variety of provider groups like Curana Health and Pine Park that specialize in primary care partnerships shaped for our sector.

The best thing to do is get started, expect many iterations, and find reward in the journey. As your operations evolve to proactive versus reactive care and you become more data-driven, resident outcomes and length of stay will increase along with improved staff retention. This alone drives improved NOI. Going further, you may pursue financial incentives and choose to enter into shared savings or other risk-sharing agreements with your preferred providers. Further still, larger organizations may choose to own their own MA plan.

Why should providers be incentivized to adopt VBC today? In other words, why now?

Southerland: CMS has mandated the shift to VBC in Medicare and a majority of Medicaid by 2030, so this shift is happening whether we choose to be active participants or not. One thing to realize is that our resident population today is being included in risk-based VBC payment models, even if we aren't participating. If we don't participate, the value accrues as increased margins for the providers who are attributed to the residents whom we are enabling better outcomes for via the care we provide. Why not participate and create a win-win-win for the health of our residents, improved NOI on our operations and mutual benefit to the care team involved?

Our industry often talks about improved outcomes and risk reduction. VBC gives us all a way to measure, quantify and benefit from the results we're providing.



ASSESSING VALUE-BASED CARE IN TODAY'S LANDSCAPE

While VBC has gained traction in recent years, the growth in the last 12 months has been the most significant — with more senior living providers implementing VBC than ever before.

More than **THREE-QUARTERS** of respondents in a recent Senior Housing News survey reported growing value-based care models in the last 12 months.²

This acceleration is based on a variety of factors, including the prevalence of truncated margins and increased care costs in today's communities, as well as goals to target the middle market and improve staff retention through proactive care. VBC is also strongly supported by policy initiatives, particularly those led by the Centers for Medicare & Medicaid Services (CMS). CMS has set the goal of having 100% of Medicare and the majority of Medicaid beneficiaries tied to VBC by 2030.³

UNDERSTANDING HOW VALUE-BASED CARE AFFECTS TODAY'S PROVIDERS

VBC impacts the entire health care industry, including senior living. While there are conversations around medical versus social model resident populations, it's important to realize the majority of senior living is covered by Medicare — and as noted, the industry is moving to VBC reimbursement by 2030.

Senior living services enable a fundamental, positive impact on health outcomes and therefore, the bottom line for providers receiving Medicare reimbursement in VBC arrangements. Senior living providers can choose to actively participate, or allow the value they deliver to accrue exclusively for health care providers. It's crucial to understand the value and opportunity the senior living population base represents, and that partnerships with communities is mutually beneficial to all.

By choosing to embrace the concept of person-centered, proactive care, and the operational improvements and maturity required, we all benefit. Specifically, organizations that embrace VBC see improved resident outcomes and length of stay, improved staff retention and empowerment, increased net operating margins and diversification of revenue through shared saving structures.

WHERE DO PROVIDERS START?

VBC requires an organizational-level, long-term commitment to think differently about operations and how to care for residents. Providers need to build a program and care team partnerships that meaningfully impact resident outcomes — and length of stay.

STEPS TO CONSIDER: YOUR GUIDE TO IMPLEMENTING VBC

1 Establish a baseline of where your operation stands today.

- Are you measuring and trending average length of stay in your communities? Do you risk-stratify residents to know where to target proactive interventions? Are you tracking hospitalizations and re-hospitalizations? Are you effectively deploying preventative care and monitoring statistics in your resident population like activity participation, wellness checks and risk assessments?
- How deeply are you leveraging technology to automate workflows and surface risk trends? Are you relying strictly on human observation, or have you implemented monitoring systems such as fall detection, gait analysis and staff labor alignment? Are you driving business decisions based on insights from your electronic health record?
- How well are you coordinating with external care providers that are part of the care team? Are these providers acting as an extension of your care staff, actively exchanging information and working on a coordinated care plan?
- Is your staff empowered and enabled to offer preventative care and understand each resident's needs at the whole-person level (including physical, mental and behavioral needs)? Is the care you're providing aligned with each resident's goals and preferences?
- Evaluate what providers your resident population is already working with (physicians, home health, hospice, pharmacy, PT/OT) and understand the Medicare and Medicare Advantage plans your residents utilize.

2 Talk with the providers and Medicare Advantage plans that are prevalent in your resident population.

- Find those who are interested in partnering and coordinating care with your staff. These become your preferred providers who help to coordinate care. This often takes the form of physicians coming onsite for regular check-ups, plus a weekly care coordination meeting where the care team and outside providers are represented. High-risk residents are evaluated and care plans are adapted to intervene before an acute event occurs. Goals and follow-ups are assigned and recorded for accountability by community staff and outside providers.

3 Evolve your operation based on inputs and participation from the entire care team. Successful VBC programs may include the following elements:

- An emphasis on KPIs and a data-driven approach to track health trends and risks.
- A select or preferred set of providers servicing the majority of the resident population in your community.
- Shared savings or risk-sharing agreements with preferred providers where value created through improved outcomes is rewarded, improving overall margins and allowing the organization to adapt to deliver even greater outcomes and value.
- Regular care coordination and planning meetings.
- Real-time monitoring devices to supplement staff observations, integrated into your EHR.
- An EHR that is fully interoperable with other provider systems so each party has needed information at their fingertips.
- Empowered staff with the tools and insights available to intervene proactively whenever changes occur.

HOW DOES TECHNOLOGY SUPPORT VALUE-BASED CARE?

With effective technology solutions in place, senior living providers are uniquely positioned to provide VBC.

- Improve communications among residents, families and the entire care team within the community, as well as among external teams including physicians, pharmacies and more
- Present data-driven insights for identifying at-risk residents, proactively mitigating issues and offering preventive care
- Unlock interoperable workflows to ensure accurate data flows during transitions of care, where resident risk is often highest
- Benefit from tools built to help personalize care to meet resident needs
- Manage community wellness programs and boost resident engagement
- Optimize population health management with actionable information and trends, and support quality metric reporting
- Utilize digital signature workflows that allow for quick adaptation of care plans as resident needs change
- Capture health care data that's pulled into the clinical intake, providing a longitudinal view of resident health status during care transitions
- Enable real-time capture and categorization of community risk factors such as falls, behavioral changes and social isolation



RECOGNIZING THE POWER OF INTEGRATION

Since multiple technology elements are needed to support VBC, opting for a single-stack, interoperable solution like the Yardi Senior Living Suite can be optimal since tools are integrated and accessible from one platform. Providers tap into benefits that disparate systems can't match including significant time savings, a reduction in overhead costs and boosted efficiency across teams.

Most importantly, with fully integrated tools (and data) centralized in one place, providers can easily share a cohesive picture of resident health with physicians, health systems and more. This results in more coordinated care, leading to better resident health outcomes.

Yardi's single connected solution also offers hospital integration, IoT and device level integration, FHIR-enabled clinical interfaces and pharmacy, lab, radiology and therapy integration.



FACILITATE VERTICALLY AND HORIZONTALLY INTEGRATED CLINICAL AND OPERATIONAL DATA FLOW WITH AN ELECTRONIC HEALTH RECORD SOLUTION

Electronic health records (EHRs) provide instant access to resident health data and reporting at the point of care — enabling aggregate analysis of health trends across populations — plus they enable real-time information sharing. This equips providers to make informed decisions that improve resident health outcomes.

Leading EHR solutions also offer:

- Interoperable workflows, facilitating secure data exchanges with verified interface partners
- Digital leases and clinical documents enabled with electronic signature capture, accelerating care changes based on resident and family preferences
- Automatic billing-cost and care-preference capture, enabling the delivery of person-centered care
- Care coordination tools compliant with HIPAA, offering secure messaging and accurate, up-to-date data to support health care operations and coordination for both onsite and offsite providers



ASSESS CLINICAL TRENDS AND POPULATION HEALTH WITH BUSINESS INTELLIGENCE SOFTWARE

Business intelligence (BI) tools present large volumes of data in an intuitive format, helping providers identify resident health trends. That opens the door to predict health outcomes and needed interventions more effectively, then adjust care plans and manage care transitions as needed to reduce risk.

Leading BI solutions also offer:

- Comprehensive dashboards, presenting real-time data that shows a complete picture of resident health
- Advanced clinical data, drawing insights to identify at-risk residents better and improve protocols
- Staffing analysis tools, helping mitigate risk and ensure shift assignments meet resident care requirements
- Predictive analytics, allowing residents to be risk stratified so care is targeted based on the highest-risk population at a given time

ENHANCE RESIDENT ENGAGEMENT AND REDUCE SOCIAL ISOLATION WITH WELLNESS MANAGEMENT TOOLS

Wellness management solutions help communities schedule community activities, share updates with residents, families and the care team and more — all online. This supports resident engagement and reduces the risk of social isolation, optimizing health outcomes as a result.

Leading wellness solutions also offer:

- Customized digital calendars, offering the ability to share upcoming wellness opportunities in one place
- Attendance tracking, equipping staff to monitor RSVPs and attendance, identify changes in resident behavior and forecast staffing needs
- Real-time information sharing, ensuring all activity information is up-to-date for residents and families
- Integration with visitor tracking systems, enabling the identification of at-risk residents

THANKS FOR READING

The rapid evolution of value-based care will continue, and technology can help providers navigate the process. Effective, integrated solutions make it easier to provide person-centered care, optimize health outcomes and increase operational returns.

To get in touch with Yardi and learn more about their [Senior Living Suite](#) — and how it supports VBC — visit: www.yardi.com/about-us/request-information

SOURCES

- 1 [NORC and NIC](#)
- 2 [Senior Housing News](#)
- 3 [Centers for Medicare & Medicaid Services](#)



20 F Street NW, 7th Floor
Washington, DC 20001
(703) 894-1805