



# New ways to do business

Juniper Communities decided to beat the wave twice recently. One time was to declare the company would ramp up to a \$15 per hour minimum wage by 2020. The other was development of a customized care model that integrates on-site clinical care with more hospitality-oriented elements to lower hospitalization rates. The results have been transformational for Juniper, which comprises 22 communities and 1,800 employees offering a wide continuum of senior services. Juniper CEO Lynne Katzmann, Ph.D., recently explained the moves to *McKnight's* Editor James M. Berklan.

**Q: What was behind the decision to move to a \$15-per-hour minimum wage for your employees?**

**A:** It was based in part on regulatory movement at the time we made the decision, which was long before the last election. Many states were in the process or had enacted laws that would bring the minimum wage to \$15.

We started discussion in the fall of 2015 and believed it would be a five-year horizon for us.

Our goal is to make sure that the people who care for our customers have a reasonable life. We did that not only for them but also for us. We wanted a more secure, stable workforce.

A higher wage is one way to differentiate yourself. I believe we're one of the first to make that commitment, certainly on the for-profit side.

**Q: What has happened since then?**

**A:** There's been increasing pressure on labor and labor costs. We're all competing for the same folks. Because of tight competition,

it hasn't worked as well as was hoped. There's been a lot of wage inflation in the last year and a half, so I don't know that it's as much a differentiator as I would have liked it to have been.

[But] we believe in living wages for staff. We will get there by 2020, which is ahead of what others were saying. If you listen to Bernie Sanders, he's saying \$15 by 2024.

Quite frankly, I'm not sure if \$15 will be enough to remain competitive in 2020, given the growth and demand for labor that we need to hire. We are committed to it, regardless of location. In almost all locations we're in double-digits, which is a huge increase when you figure the federal minimum wage is \$7.25 per hour.

**Q: This isn't simple, is it?**

**A:** You have to realize when you raise the base, you have to raise everyone



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else, too. So there is a ripple effect on wage increases. It's expensive. It's a big commitment. But one of the hallmarks of Juniper is we like to be ahead of the game. Innovation is one of our core values.

**Q: Anything else in the works for employees?**

**A:** We're looking at different benefit programs. We created a carpooling program where we're essentially paying for mileage [to and from work].

We're also looking at opening urgent care clinics, starting in the third quarter of this year. We already have them onsite for residents. It will be a huge benefit. We're piloting it this year, and if it works as well as we think it will, we'll roll it out across the company.

We've also looked at a Blue Apron alternative. Because we have a dietary department, we can prepare meals and sell them or give them away. It allows employees to have a meal ready to take home to their family.

**Q: What about your recent new model to attack rehospitalization rates?**

**A:** It's evolved over the last five years. Connect4Life is the program's name and it has broader implications for national health policy.

Our research showed that when you link supportive services to primary care and coordinate that care, both electronically and via human navigators, you can significantly save costs.

Five percent of the people account for 50% of the Medicare costs. There's a huge cost for chronic care.

**Q: How has Connect4Life helped?**

**A:** It's a marketing differentiator,



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it extends lengths of stay, people live longer and stay longer in your building. It doesn't matter if you're for-profit or nonprofit. The value to your residents, families and investors is higher.

As an industry, we have a new reason for being, in a sense. We have a place you can come, not only for social connections but also to stay healthier and avoid what for many people is a series of events, which lead to more problems.

**Q: How does it work?**

**A:** Most people see seniors housing as a hospitality. We thought of ourselves as a hospitality model with some supportive services, but not with medical care. The same was true with our SNFs — it was nursing care, not medical care.

What we realized is if you add some additional services, you can have a positive impact on health and well-being, which reduces utilization of some services.

The Affordable Care Act has

really changed the paradigm. Not only with volume value, but value also means cooperation and working together. The ACA has forced SNFs to be part of an episodic care continuum.

**Q: What's the key?**

**A:** The secret sauce is the high-tech, high-touch services that integrate clinical services into the supportive services we provide.

It's the integration of how you put it together that matters. You must have a functioning EHR and all providers must enter at least a data set.

You have to have communications protocol so everybody has access to a base amount of information about the people served. It has to be real-time access to information.

We noticed 50% lower hospitalization rates among our higher acuity residents. Overall, readmission rates were 80% lower than with non-Juniper residents with similar conditions.

**Q: What sets this program apart?**

**A:** It's the communication protocol and the care transitions that make the difference. A reason people land back in hospitals stems from the fact that once someone's discharged from the hospital or SNF, no one checks up on them. Providers [normally] work alone.

**Q: What were important milestones in the development of Connect4Life?**

**A:** In 2010, we saw readmissions penalties coming. In October 2012, the first round of rehospitalization penalties were in effect.

In 2011, we selected an EHR vendor. The third year, we started a joint venture with Genesis to extend rehab services into seniors housing, similar to how it plays out in SNFs.

We started Theralink, a rehab/fitness program. It's for people immediately post-incident and throughout their stay with us.

We decided primary care was the missing link, so in 2015 we affiliated with Redwood Health Partners. We put on-site clinics with regular hours. We provide support to nursing staff, and early intervention to residents.

In 2015, Connect4Life became the new name and in 2016, we did the research. It showed a residential care model with integrated services, utilizing services we have, can work to solve this problem. We can save society huge amounts of money and create a better quality of life.

**Q: What's your advice for other providers?**

**A:** The reality is that the people needing this kind of care are in our buildings now.

Go to your board — don't be afraid and don't put your head in the sand! This is the future. ■