COVID-19 Weekly Industry Updates

In this Industry Update you will discover:

1) "White House Creates National Nursing Home Safety Panel, Will Deliver 2 Weeks' Worth of PPE to Every Facility in Response to COVID-19 Crisis"
   - MCKNIGHT'S LONG-TERM CARE, 4/30/2020
2) "COVID-19 Fight in Long-term Care Not Limited to Nursing Homes or For-profits, LeadingAge Tells Federal Officials"
   - MCKNIGHT'S SENIOR LIVING, 4/30/2020
3) "AGS Policy Brief Bolsters Calls for Assisted Living to be Priority for Resources in Pandemic**"**
   - **MCKNIGHT'S SENIOR LIVING, 4/30/2020**
4) "LTC Now Has Higher Federal Priority for PPE, Testing"
   - **MCKNIGHT'S LONG-TERM CARE, 4/30/2020**
5) "Vetting COVID-19 Testing Partners: What Nursing Homes Need to Know Now"
   - SKILLED NURSING NEWS, 4/28/2020
6) "Post-Acute Facilities Feel Short-Term COVID Pain, But May Have the Easiest Path Back"
   - SKILLED NURSING NEWS, 4/27/2020

McKnight's SENIOR LIVING
News, perspective and analysis

White House Creates National Nursing Home Safety Panel, Will Deliver 2 Weeks' Worth of PPE to Every Facility in Response to COVID-19 Crisis

A much needed legislative move by the White House will provide new relief in the form of a 2-week supply of PPE for every facility across the nation.

Written by: James M. Berklan

4/30/2020

President Trump announced the formation of a nursing home task force Thursday afternoon. The development comes on the heels of several weeks of lobbying pressure by industry leaders and public attention to a rising COVID-19 death toll among nursing home residents.

The panel will be officially known as the Coronavirus Commission for Safety and Quality in Nursing Homes. It will be composed of leading industry experts, doctors and scientists, resident and patient advocates, family members, infection and prevention control specialists, and state and local authorities.

American Health Care Association President and CEO Mark Parkinson and LeadingAge President and CEO Katie Smith Sloan were among the leaders invited to the East Room of the White House today for the announcement. The commission will first meet in May.

“The commission will comprehensively assess the response,” Centers for Medicare & Medicaid Services Administrator Seema Verma said during an afternoon press conference. “It will identify best practices, and also provide recommendations for how we go forward to protect our nursing home residents and make sure we are providing the best quality of life.”

“Your pain is our pain, and we are doing everything we can to support you,” Verma said in reference to nursing home residents and their families.

Trump acknowledged that the federal response to nursing home needs has been inadequate, but officials said that should be bolstered soon by two weeks’ worth of personal protective equipment being shipped to each of the nation’s 15,400 nursing homes.

The Federal Emergency Management Agency will ship a week’s worth of eye protection, masks, gowns and gloves twice to each facility “no later than July 4,” according to agency Administrator Peter Gaynor (second from right above). Quantities shipped will be based on staffing and PPE usage rates.

Nursing facilities in some of the country’s most densely populated areas — including New York, New Jersey, Chicago, Boston and Washington, D.C. — will receive the first shipments, starting next week.

“It’s a spot that we have to take care of,” Trump said. “I guess you could call it a little bit of a weak spot, because things are happening at the nursing homes that we’re not happy about that. We don’t want that to happen.”

Also Thursday afternoon, the administration released an interim final regulation outlining long-awaited details of a plan to have nursing homes report COVID-19-related infections directly to the Centers for Disease Control and Prevention. Enforcement details were not announced, but providers are required to report about infections and deaths at least weekly to federal authorities, and by 5 p.m. the next day to residents and family members.

It was all part of a slew of new coronavirus-related developments. These include CMS providing states with $81 million from the CARES Act to increase their inspections of nursing homes.

(CONTINUED ON NEXT PAGE)

McKnight's SENIOR LIVING
News, perspective and analysis

COVID-19 Fight in Long-term Care Not Limited to Nursing Homes or For-profits, LeadingAge Tells Federal Officials

LeadingAge is calling for greater support to care for older adults, regardless of where they live or are being cared for. Learn what's behind the push to meet the needs of older adults in other settings.

Written by: Lois A. Bowers

4/30/2020

LeadingAge is urging the federal government to ensure that all aging services providers — not just nursing homes, and not just for-profit providers — receive "meaningful" amounts of personal protective equipment, "effective and efficient" testing, and a "comprehensive approach to supporting older adults and the workers who care for them" as providers fight to prevent or contain the spread of COVID-19.

"Our society has let down older Americans, and people are dying because of government inaction," LeadingAge President and CEO Katie Smith Sloan said in a statement shared with McKnight's Senior Living. "All Americans should be angry that our leaders have ignored and abandoned so many of our most vulnerable citizens facing the COVID threat. …If we do not change course, we risk losing an entire generation of older Americans."

LeadingAge is the only national senior living and care association with provider membership consisting exclusively of nonprofit organizations.

Sloan's remarks come as she sends similarly worded letters to Vice President Mike Pence, who heads up the White House Coronavirus Task Force; Department of Homeland Security Acting Sec. Chad Wolf; and Federal Emergency Management Agency Administrator Peter Gaynor, all of whom have roles in the federal government's COVID-19 response, including the distribution of PPE.

"Our members are deeply concerned when they see media reports that HHS, including CMS, and FEMA, are consulting only with for-profit provider associations — leaving millions of people whose health is cared for by thousands of nonprofit providers unrepresented in critical conversations," she wrote in her letter to Pence, dated April 29. "I do not believe the federal government is intentionally overlooking nonprofit aging services providers and the more than two million older adults LeadingAge members serve across the country. However, that is exactly how it appears to these hard working, mission driven providers, who are facing some of the deadliest outbreaks of coronavirus across the country."

The American Health Care Association / National Center for Assisted Living has been very public in its call for PPE, testing and funding to be provided to assisted living communities and skilled nursing facilities in addition to

settings such as hospitals, with President and CEO Mark Parkinson being featured on national networks such as CNN and Fox News. For-profit providers make up approximately 75% of AHCA / NCAL's membership.

For-profit-focused Argentum and the American Seniors Housing Association also have strongly advocated for senior living providers — just last week, for instance, issuing a statement that the Trump administration's plan to exclude independent living, assisted living, memory care and continuing care retirement communities from the upcoming distribution of PPE to nursing homes could have "grave consequences" for the 2 million residents and 1 million staff members who live or work in such communities.

PPE distribution should include the entire continuum of aging services, Sloan stressed in her letters to Wolf and Gaynor, noting that LeadingAge represents not only nursing homes, which are slated to receive PPE, but also assisted living, affordable senior housing, CCRCs (also known as life plan communities), home- and community-based services providers, and home health and hospice agencies.

Before cities and towns across the country lift stay-at-home orders and other safety measures, older Americans, regardless of where they live, will need protection, testing and medical supplies, Sloan told the vice president. "Otherwise, our communities will be ground zero for a new wave of preventable deaths and illnesses — which will further tax our beleaguered hospitals and health care providers," she wrote.

The CEO asked to meet with all three.

This is not the first time LeadingAge publicly has asked the federal government to remember older adults who live in settings other than nursing homes in the battle against the coronavirus. In early March, Sloan urged policymakers "to address the needs of older adults living in other congregate and community-based settings" in addition to the needs of nursing home residents when making plans to fight COVID-19.

"We need to do all we can to protect older adults and those who support them in all places where they live and gather," she said at the time.

McKnight's SENIOR LIVING
News, perspective and analysis

AGS Policy Brief Bolsters Calls for Assisted Living to be Priority for Resources in Pandemic

For assisted living facilities without the capacity or resources to respond to COVID-19, learn what a new policy brief recommends to help protect workers and residents.

Written by: Kimberly Bonvissuto

4/30/2020

COVID-19 Weekly Industry Updates

A new policy brief from the American Geriatrics Society offers a roadmap to help guide federal, state and local governments addressing COVID-19 concerns in often-overlooked assisted living communities, reinforcing industry calls for more resources.

The brief outlines recommendations to empower healthcare workers on the frontlines of COVID-19 care based on the latest research and guidance, including the need for personal protective equipment, access to testing, public health support for infection control and workforce training.

"We hope this brief can help policymakers, advocates and clinicians look at, but also beyond, the circumstances we can control — and those we can't — to prioritize the innovation, collaboration and compassion that can put key patients and public health first," AGS President-Elect Annie Medina-Walpole said in a statement. "That's a cardinal direction for planning in crisis and in calm, regardless of where we may live as we age."

The AGS points out that given the wide variety of structure and staffing at assisted living communities, most do not have the resources to respond to COVID-19 compared with some other settings. For example, unlike nursing homes, there are no requirements for staffing healthcare professionals and no standard requirements for infection control. Although some elements of nursing home guidance could be adopted by assisted living, many operators struggle to implement best practices in the absence of more targeted recommendations, the brief states.

"As the priority for PPE and funding is given to frontline medical staff caring for COVID-19 patients, support for direct care workers outside the hospital has been insufficient," the brief states. "Assisted living facilities do not have the capacity or resources to implement full CDC guidance issued for medical facilities when there is a recognized pandemic."

Pointing to research and recommendations from the U.S. Department of Health and Human Services, the Centers for Medicare & Medicaid Services, the Centers for Disease Control and Prevention and other key agencies, the AGS recommends focusing on the following areas to make a difference:

- **Defense Production Act:** Assisted living communities, residential care facilities for the elderly, continuing care retirement communities, nursing homes and home health care agencies must be included as priorities when estimating what is needed for the country's coordinated response to COVID-19. This includes PPE, testing equipment and related laboratory supplies, and supplies for symptom management and end-of-life care.

- **COVID-19 testing and contact tracing:** These will be vital once restrictions begin to loosen to offer the best chance for identifying asymptomatic COVID-19 carriers, as well as confirming those showing symptoms.

- **Safe transitions of COVID-19 residents:** The first and best option for people who test positive is to quarantine in their places of residence unless hospital care is necessary. Transfer of symptomatic or known COVID-19-positive residents should be guided by a clinician and the resident's primary care provider to manage care in place, if possible. COVID-19-positive assisted living residents discharged from hospitals or skilled nursing facilities should not return unless the assisted living community can safely isolate that individual and adequate infection control protocols and PPE for staff and community

members are in place.

- **Infection control:** State, county and local health departments should engage with assisted living communities to advance infection control practices by providing technical assistance for screening, testing for residents and staff, guidance on advanced hygiene practice, support of physical distancing, staff training on proper use of PPE and symptom recognition, and training and resources for care planning for symptomatic residents.

- **Workforce:** Workforce needs should be addressed through pay scales, reimbursement rates and state regulations for assisted living communities. AGS advocates for congressional support of paid family, medical and sick leave for the entire healthcare workforce, as well as for enhancing COVID-19 screening and training. COVID-19, the brief states, "exacerbated existing gaps in expertise and systemic weaknesses in healthcare service delivery for older Americans." The AGS also urged Congress to provide educational and grant opportunities for direct care workers who play a critical role in assisted living.

McKnight's LONG-TERM CARE NEWS

LTC Now Has Higher Federal Priority for PPE, Testing

The federal government has prioritized long-term care providers. Find out what this means for support, testing and equipment.

Written by: Danielle Brown & Liza Berger

4/30/2020

Long-term care providers have finally been given a higher priority status to receive personal protection equipment and other relief from the federal government during the ongoing coronavirus health crisis.

This week it was revealed that Vice President Mike Pence told governors Friday that the Federal Emergency Management Agency will soon start shipping supplies of PPE to every nursing home across the country. The assistance comes after numerous very public pleas from long-term care providers, advocates and workers who are on the frontline of the COVID-19 pandemic.

"For over two months now, our sector has been sounding the alarm talking about how we need to be a priority for testing and for supplies. But unfortunately until very recently, not much has happened on that front," Mark Parkinson, president and CEO of the American Health Care Association/National Center for Assisted Living, said Wednesday in a press briefing.

PPE, additional testing access and funding are the top areas where providers need more help, Parkinson said. He explained that the inability for providers to obtain sufficient amounts of PPE, particularly facemarks, has resulted in tragic results in the nation's nursing homes. A recent report found that the pandemic has resulted in more than 11,000 deaths in U.S. skilled facilities.

"Our message today is that it is beyond time — but certainly time right now — for state and federal government leaders to rally around our residents and our caregivers in the same way that the country has rallied around hospitals over the last several months," he added.

Nursing home residents with COVID-19 symptoms now high testing priority

Meanwhile, the Centers for Disease Control and Prevention this week modified its priority classifications for COVID-19 testing in long-term care.

It has created two categories, high priority and priority. Both healthcare facility workers with symptoms and residents with symptoms are classified as high priority. In addition, healthcare workers with contact with a person with known or suspected COVID-19 should be considered for testing, AHCA explained.

Residents and long-term care workers without symptoms also may be prioritized by state or local health departments, or clinicians for reasons including public health monitoring, sentinel surveillance, or screening of other asymptomatic individuals.

"We are hopeful that this will immediately improve our ability to not only get tests, but to get a quick response to those tests," Parkinson added.

Previously, the CDC identified three priority levels for testing. Healthcare workers with symptoms were identified as priority one, while residents with symptoms were identified as priority two and healthcare workers without symptoms were priority three.

Supply chain returning to normal

Personal protective equipment shortages should also not last long as China begins to reopen and ramp up factory production, according to Parkinson. He noted that China was forced to stop manufacturing for several months due to the disease's spread in that country but said supply levels should return to normal.

"The supply chain from China is getting turned back on. It will take until early June or so before all of the facemarks, face shields and gowns that we need can be shipped in from China like they were before the whole crisis started," Parkinson said.

Until then, it's important that federal sources step up providing supplies for the long-term care sector, Parkinson emphasized.

Even with additional PPE supplies, he explained, infection control practices in nursing facilities will change "dramatically" until there's a vaccine.

"There may continue to be limitations, for example, on visitors," he explained. "Every visitor is going to have to use PPE, which is very different from old practices. So, an ongoing supply of PPE from the government will be helpful," he said.

Skilled Nursing News

Vetting COVID-19 Testing Partners: What Nursing Homes Need to Know Now

Testing is essential in skilled nursing, but with various options on the market, find out how to vet them.

Written by: Maggie Flynn

4/28/2020

To combat and contain the COVID-19 pandemic, testing has emerged as the both a lynchpin and one of the most of the significant pain points.

This is true for all parts of the health care continuum in the U.S., but for skilled nursing facilities, the need for widespread testing is acute, given how swiftly the novel coronavirus can spread among patients and staff.

That desperate need has also proven one of the reasons why SNFs have faced such a difficult time battling the virus. A shortage of tests across the country has left providers scrambling as they try to rapidly determine whether a cough, fever, or even simple lethargy in a resident is a sign of COVID-19, which has proven extremely dangerous to both the elderly and patients with underlying health issues — in other words, most of the nursing home population.

But as providers seek to mitigate the shortfall of tests, they have to keep in mind some key facts as they navigate a landscape where the market for COVID-19 testing — or at least the marketing of such tests — has exploded overnight.

How to assess COVID-19 tests

There are two major testing categories: the polymerase chain reaction (PCR) category, which identifies the genetic material in the virus itself, and the serology category, which identifies the presence of antibodies — proteins an individual develops when they have had previous exposure to the virus, Dr. Philip Christian, chief medical officer at the clinical laboratory American Health Associates, explained to SNN.

The PCR testing is "a confirmatory, very accurate diagnostic for the virus itself," Christian told Skilled Nursing News during an April 24 interview.

Antibody tests for COVID-19 have become a hot topic in both the health care setting and beyond, since they can indicate possible immunity to the coronavirus — and if immunity becomes widespread, it could be a sign that some semblance of normal life might resume. But testing for antibodies has been fraught with issues related to accuracy and reliability, the New York Times reported on April 19, as test makers have flooded the market after the Food and Drug Administration (FDA) permitted the sale of antibody tests without formal federal review or approval.

Aggressive testing, however, is essential to understanding the day-to-day prevalence of COVID-19, Dr. Arif Nazir, the chief medical officer at Louisville, Ky.-based skilled nursing operator Signature HealthCARE noted in an e-mail to SNN dated April 28.

While PCR testing will continue to be the cornerstone for diagnostics, serological testing will be necessary to assure patient and staff immunity, he explained.

But SNFs have to be cautious when it comes to these tests.

“There are many serological testing companies out there, and most are not approved, so we will have to be smart about selecting the ones with valid testing kits,” he said.

That said, there are some ways SNFs should be checking companies who do PCR testing as well.

“You go after PCR testing, or the other DNA, RNA testing companies, and then you look at their sensitivity, specificity ratios and if they are FDA-approved,” Nazir said in an April 21 interview. “Then you talk to them and see how long they’ve been in business, and what kind of clientele they have. Those are some of the things you do to find the right credible partner.”

Serological tests are useful primarily as a supplement to PCR testing, Christian said. These tests look for two antibodies: immunoglobulin M (IGM), which appears first — anywhere from five to 10 days after a person is infected with a virus — and immunoglobulin G (IGG), which appears 14 to 30 days after infection with a virus and gives an indication of a person’s transient immunity to that virus, he explained.

“The antibody testing really gives you a picture of the history of the infection in any individual, and across the course of a longer period of time, you can actually determine how an individual’s immunity is modulating with respect to COVID,” Christian said. “Within a facility, the ability to test serum antibodies for all of your patients gives you a really good indication of how your facility as a whole is handling the spread of the disease. That’s really important for nursing homes, because they have their procedures for isolating patients who’ve been exposed for certain periods of time, their processes for allocating staff to take care of those patients.”

Christian said he appreciates the concerns about false positives in antibody testing — where the result might suggest a person has antibodies, indicating infection and some subsequent level of immunity — emphasizing that PCR testing is not perfect.

The main concern is a so-called “false negative,” Christian noted. The PCR test might produce a negative result, indicating the person tested does not have COVID-19 when he or she actually does — which could prove disastrous for cohorting patients and trying to designate staff to caring for those with COVID-19.

"One of the uses for the antibody test is actually as a secondary confirmation for the PCR test, because the PCR test does have a degree of false negative," Christian explained. "In combination, the two tests kind of check each other and really put the whole picture together."

The Miramar, Fla.-based American Health Associates has been working to bring COVID-19 testing in-house, and the antibody tests uses have clinical sensitivity of more 90% and "close to 100%" for the antibody testing — though none of them are exactly 100% clinically sensitive, Christian said. But in terms of its use as secondary confirmation of PCR testing, it is "extremely beneficial."

Supply issues extend to COVID-19 testing

Supply issues for SNFs have been primarily concentrated in the shortages of personal protective equipment (PPE), but testing supplies have also emerged as a critical concern.

"Most of the states, I would say, are challenged in terms of a nationwide shortage of testing material — not just the PPE, but also the testing materials and nasopharyngeal swabs that are used to collect a specimen, the transport medium you to make sure that the assessment integrity is maintained," Christian explained.

SNFs need to reach out to their laboratory partners, AHA CEO Christopher Martin advised, as many of the materials needed to perform the testing are in high demand.

Christian echoed that advice, noting that much of the work at AHA involves walking SNFs through the testing guidelines from the Centers for Disease Control and Prevention (CDC) and explaining the different results and interpretations of those results.

"We really function as a partner with the nursing home service, and that's the capability that labs like LabCorp and Quest, they just don't have that bandwidth," he said.

Nazir, for his part, also emphasized the importance of finding the right partners, noting that this includes states, lab companies, and PPE suppliers.

But he also hammered home the need for SNFs to put resources into being proactive and finding those partners — particularly investing in people who are helping to study and vet available COVID-19 test offerings, according to the April 28 e-mail.

"There's so much noise around all these companies: 'I want to do 10-minute tests, 15-minute tests,'" Nazir said in the April 21 interview.

(CONTINUED ON NEXT PAGE)

Skilled Nursing News

Post-Acute Facilities Feel Short-Term COVID Pain, But May Have the Easiest Path Back

Post-acute operators are taking a big hit right now. But find out why seniors who delayed procedures at the height of the pandemic could cause a surge in demand.

Written by: Alex Spanko

4/27/2020

Prior to the start of the COVID-19 pandemic, skilled nursing facilities that specialize in post-acute care were a rare target of true investor excitement in the greater institutional senior care continuum.

With a shiny new Medicare payment model that gave providers more financial credit for the high-acuity services they'd increasingly added over the years, and demographic trends portending a rise in demand for post-surgical care, rehab attracted serious attention — and cash.

Then COVID-19 struck the post-acute model on two crippling fronts.

Buildings that target post-surgical stays have the same infection-control challenges as their long-term counterparts, but they also face a substantial blow to their main source of income: patients recovering from non-emergency surgeries.

The Centers for Medicare & Medicaid Services (CMS) issued a blanket ban on all non-essential procedures on March 18, cutting off the stream of joint replacements and other routine surgeries that often require a few days in a post-acute setting.

"Financially, there's been much better days than what we're going through right now," Mark Fritz, president of Bridgemoor Transitional Care, told SNN last week.

Bridgemoor, which operates four specialty post-acute SNFs in major markets in Texas, has seen a 50% drop in its census as result of the COVID-19 ban, though Fritz noted that figure represents an average — with some markets seeing less of an impact.

"Without the non-essential surgeries going on, basically the fear across the country in general, I'm not even going to the doctor's office unless it's completely unavoidable," Fritz said of the mindset in his market. "It's certainly had an impact on our model, and I would say others' as well."

The COVID-19 crisis has exposed many long-simmering problems in the health care world, including the precarious mix of funding sources that nursing home operators must balance to stay open.

Providers that specialize in long-term care, covered primarily by Medicaid, must often take in short-term rehab patients as well to make up for funding shortfalls: Medicare rates for post-acute stays average about $544 per patient day nationwide, according to the most recent set of data from the National Investment Center for Seniors Housing & Care (NIC). Medicaid, by contrast, only supplied $216 per patient day.

Medicaid rates vary more significantly state by state than Medicare payments, and operators across the country have blamed the program's inability to cover basic long-term care expenses for serious financial hardships — and, in some cases, waves of facility closures over the last decade.

Those macro-level trends have made investment in Medicaid-only facilities almost nonexistent, while providers that specialize in higher-end, higher-acuity rehab facilities have seen significant cash infusions over the last few years.

But in just under two months, COVID-19 shuffled the pecking order, putting mixed Medicare-Medicaid buildings at something of a temporary financial advantage.

"Long-term, I've never thought that was a good business model, because your Medicaid rates aren't keeping up with inflation, generally don't cover costs," Sabra Health Care REIT (Nasdaq: SBRA) CEO Rick Matros said. "But during this pandemic, there's definitely an advantage if that's been your model. Any operators that are post-acute, if you will, are taking a bigger hit."

Matros has long described the future of nursing homes as something closer to what Bridgemoor and other post-acute providers offer — a step-down unit from a hospital that can offer similar levels of care, but at a much lower cost.

But if far fewer people are undergoing the kinds of surgeries that require such care, the model breaks down fairly quickly.

Matros declined to put an exact figure on the occupancy declines among Sabra's skilled nursing tenants — though he did acknowledge that census has held steady among facilities that do not yet have COVID-19 cases.

The real estate investment trust (REIT) also has not had to offer any rent concessions to its operators so far, Matros said, though he expects that will happen over the coming months. Even that outcome, given the current trends in the space, is a victory in his mind.

"I fully expect that we'll be helping guys out on rent, but we haven't had to yet," he said. "I mean, here we are almost eight weeks into it. I never thought, two months ago, that I would be saying that now."

But if post-acute operators face short-term pain, both Matros and leaders in the niche think that they're set up for a quick rebound.

Matros in particular pointed to the positive effects of the Patient-Driven Payment Model (PDPM), the new Medicare reimbursement structure for post-acute care that took effect last October 1.

The old Resource Utilization Group (RUG) model put even more emphasis on residents' immediate post-acute needs, in Matros's view, while PDPM has encouraged operators to invest in specialty services for which they are now more appropriately — and directly — paid.

"Just intuitively, if you had RUGs right now, you'd be way worse, because the only incentive you had was to take short-term rehab," Matros said. "But because of PDPM, people already started branching out."

Ignite Medical Resorts, a Park Ridge, Ill.-based operator of post-acute specialty centers, has served as a prime example of the model's growth potential, attracting a $25 million investment from National Health Investors (NYSE: NHI) to develop a new facility in the Milwaukee market in 2018 — as well $38 million from LTC Properties (NYSE: LTC) for a pair of buildings last summer.

Like many other players in the space, Ignite has seen census declines across its seven-building portfolio, though CEO Tim Fields emphasized that the effect hasn't been consistent in all seven of its markets.

"People are still getting pressure ulcers, pneumonia — still falling and breaking their hips," Fields said. "We're still getting the patient flow from those types of patients. Some buildings have dropped, some buildings have not. It's really been market-dependent, and that's nationally the case."

At the start of the COVID-19 crisis, Ignite also stepped up to provide backup for hospital systems in the markets where it operates, according to Fields. Depending on the exact layout of the building, Ignite has divided its facilities into three dedicated units — COVID-positive, COVID-negative, and unknown — and worked to develop a stockpile of vital personal protective equipment (PPE) from vendors domestically and abroad.

Unlike hybrid post-acute and long-term facilities, Ignite's buildings primarily feature private rooms with more advanced clinical capabilities, making the SNFs a valuable target for hospitals looking to reserve capacity for the most immediate COVID-19 needs — and helping Ignite offset some of the occupancy declines stemming from the suspension of elective surgeries.

The model also has brought results: Ignite facilities have begun discharging some former COVID-19 patients home to the community, Fields said.

"To have them go home, recovered, and have their spouse pick them up from the facility while we're all sitting there clapping, is a remarkable thing," Fields said.

Back in Texas, Fritz had a similar idea at the start of the crisis, proactively working with hospital partners to prepare Bridgemoor for a predicted wave of patients once the acute setting became overrun with COVID-19 cases.

But the surge never came.

"We never even got close to hitting the numbers that were projected," Fritz said. "The hospital systems were certainly seeing what's going in New York, were recoiling and getting braced for something that was predicted [to be] far worse than what actually happened."

That outcome represents a major victory for the Texas health care system in general — and for Bridgemoor, just the process of preparing for the worst gave Fritz a chance to show off what his buildings can do, in both good and bad times, to hospital leaders in his markets.

“I was getting text messages from CEOs: We’re thinking it’s going to be in two weeks, it’s going to hit,” Fritz said. “That two weeks never did, but it’s a new experience when you have CEOs at hospitals reaching out, wanting to make sure you’re ready to go.”

Texas, like other states, has announced a plan to begin allowing elective surgeries in May, and the experience of COVID preparation could solidify the relationships that operators like Bridgemoor have built up with their referral partners at hospitals and home health agencies.

“Even though it never did really come about needing that, it was very enlightening to me — the hospital systems reaching out in particular,” Fritz said. “We were the only ones sitting around the table with them, deciding how we’re going to manage the patients that aren’t positive.”

Post-acute facilities could even see a surge in demand as the nation slowly emerges from the peak of the pandemic, as elderly people who delayed their procedures show up to the hospital with even more profound medical needs.

“They’re going to be sicker than they would have been otherwise,” Matros said. “By waiting too long, when you’re 85 and 90 years old, to have an elective operation, chances are you may have some other things going on as well.”