

How Technology Platforms Help Reduce Senior Housing Liability Claims





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When a Los Angeles County jury awarded \$5.5 million to plaintiffs in a lawsuit for negligence after an 89-year-old senior housing resident fell in her community and broke her neck, senior housing operators nationwide took notice.

That's because the size of the monetary award — the largest verdict of its kind in that area's history — could be a harbinger, given the current litigation landscape across the U.S.

A combination of factors is sending insurance liability claims and premiums skyrocketing and blindsiding operators, especially those with tight budgets who are unprepared for the new marketplace realities. A single claim in assisted living can cost an operator millions of dollars — and that's assuming they don't see multiple claims.

Insurance broker Willis Towers Watson estimates liability insurance rates would spike as much as 30%. With fewer carriers in the market, those rates are expected to increase further in 2020.

This is a sea change, compared to the optimism expressed by carriers only a couple years ago. The COVID-19 pandemic will likely add even further pressure to the senior care insurance market.

As insurers and insurance brokers work to identify and manage risks, they are telling senior living operators to track as much data as possible and be transparent with liability incidents, in order to provide more accurate risk profiles and underwriting.



While the best operators are striving every day to keep residents safe, there are also a number of operational best practices they should have in place to manage their risk profile and reduce the probability of litigation.

Fortunately, technology solutions can help operators address these challenges by creating an environment of higher visibility for staff, thus reducing unnecessary risk. This white paper will show how PointClickCare technology is helping operators minimize those risks.

Factors contributing to rising insurance liability costs

- **Expensive claims.** Litigation attorneys are sharing best practices with each other, including identifying favorable plaintiffs' markets and what constitutes a liability event.
- **Fewer insurance carriers.** As the volume of claims and the value of judgments and settlements rise, more insurance carriers are pulling out of the long-term care market.
- **Seniors entering senior living later in life.** More seniors are living independently for longer, but they are managing chronic health issues alone in the process. As a result, they are entering senior living later in life, with higher acuity levels of care. Falls account for nearly 40% of senior living-related insurance claims, meaning higher acuity levels of care pose an even greater risk to carriers.
- **A tight labor pool.** Prior to the coronavirus pandemic, workers had their choice of jobs to choose from, inside and outside the industry, making it hard for operators to fill openings.





How An EHR System Assists Frontline Staff

Senior care operators are gradually embracing technology but still struggle to keep up with the pace of new advancements, as well as the costs involved with implementing technology. Still, forward-thinking providers are making significant technology investments that are bearing fruit.

As the COVID-19 pandemic spread across the U.S., Country Meadows Retirement Communities adopted electronic health record (EHR) technology platforms to manage employee time and attendance records, payroll and benefits, Senior Vice President and COO Meredith Mills says.

Based in Hershey, Pennsylvania, Country Meadows operates 10 communities in the state and one in Frederick, Maryland. Additionally, it operates a nursing and rehabilitation center in the greater Lehigh Valley region.

Country Meadows uses EHR technology to communicate information directly to staff via text messaging, as well as to give leadership real-time information on when workers read messages and engage with managers. As the pandemic worsens, leadership is also sending encouraging messages to employees and keeping them abreast of crisis responses from the Centers for Disease Control and Prevention (CDC) and local public health authorities.

"It is important for us to have better communications and information on what each co-worker is doing on our campuses," Mills says. "Executive directors can communicate with staff directly on important updates. Getting that information out to staff before anyone else hears is so important."

“ Where [technology] is evolving and the industry is heading is the volume of data. ... If you can avoid the incident in the first place, you won't have a liability situation.”

— PointClickCare Vice President & General Manager for Senior Living Travis Palmquist

How real-time data increases resident safety

4 common causes of senior living-related insurance claims

- Falls
- Elopement
- Mismanaging medication
- Pressure sores

One of the greatest benefits to utilizing technology platforms in senior care is that it improves daily operational workflows, thus freeing front-line workers to spend more quality time with residents. These interactions allow workers to learn residents' patterns and observe declines

in care acuity, which may necessitate transfer to a facility that can handle those needs and reduce the risk of a liability lawsuit.

The best way to mitigate liability is to do a good job planning and delivering care services. That starts prior to any new move-in, PointClickCare Senior Market Manager Greg Roberts says.

By appropriately assessing move-ins to determine what their service needs are and then documenting those needs into an EHR, providers are giving staff better info on resident care needs, as well as how to monitor declines in health. Doing the work prior to accepting new residents also puts families at ease, serves as a baseline to communicate to families when a resident's care acuity is in decline and prepares them to move a loved one to a higher level of care.

"We've structured our EHR to assess needs," Roberts says. "If there is something requiring further assessment, it triggers subsequent assessments and alerts management."

Country Meadows has adopted PointClickCare for its EHR management, and Mills found that it goes further to support the tech infrastructure the operator was creating. Areas of concern for residents that staff previously recorded on paper were instead automated, allowing for faster interactions between caregivers and residents. Campus teams and Country Meadows' corporate offices can review updated EHR information in real time, and eventually predict an adverse change in condition.

"With the current [COVID-19] crisis, we can use vital signs tracking and look at O2 saturation levels to determine if a resident is coming down with a respiratory ailment," she says.

The technology is improving constantly and may reach a point where it can even predict when a liability incident will happen, and how to prevent it, says PointClickCare Vice President & General Manager for Senior Living Travis Palmquist.

"Where [technology] is evolving and the industry is heading is the volume of data," he says. "If a customer leverages EHR's capability, we can have teams of scientists leveraging machine learning and turning it into artificial intelligence and predictive analytics. We will be able to produce algorithms to predict a fall before it happens. We can identify residents at risk of a negative outcome. If you can avoid the incident in the first place, you won't have a liability situation."



Improving financial health by limiting claims

Using technology platforms to improve workflows and resident care also serves the mutual benefit of improving a senior care community's overall financial health. Every ambulance call, missed shift and issue resulting in a liability incident puts added pressure on bottom lines. Too many incidents can send premiums skyrocketing.

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Country Meadows' general liability insurance premiums shot up 46% this year, even as the operator provided ample documentation of the steps it took to reduce its risk, Mills says. Data input and transparency is essential to using technology to place communities on better financial standing, and more operators are recognizing this.

“We've noticed that some providers have a tendency to not want to document as it would provide fuel to lawyers and raise the suspicions of regulatory agencies,” Roberts says. “There is a general sentiment of, ‘we want to document by exception.’ That's moving in the opposite direction. Operators should put themselves in a position where they will have solid information and present themselves better in a court of law.”

As the top cloud-based EHR software platform for the long-term care industry, PointClickCare can meet every conceivable need a community wants to address. To learn more, visit PointClickCare at pointclickcare.com.

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