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# Check-up time: 5 operations trends in senior living

Maximizing assets across senior living  
communities



The senior living industry is facing a conundrum: find a way to do everything with limited resources. But senior living communities also face rising costs in a time when funding is sparse. And with high priorities related to resident safety paired with minimal visibility into the needs of facilities managers, it can be challenging to know where to best allocate maintenance and operations spending.

From boosting the quality of experience for associates and residents to modernizing communities, administrators must find ways to pay for it all while tackling the challenges of hiring and staffing across functions.

Senior living is a complex use case; with a day-to-day, unquestioned need to provide time-critical, clean and safe services to the community, there aren't shortcuts for asset managers to ensure communities perform optimally. Now, leaders need to think more proactively about how to address aging and less energy-efficient facilities. Managing an asset over its lifecycle is one key to maintaining the communities needed by associates and residents—so long as funding can be found to support operations.

To gain alignment, everyone from the executive director or person signing off on the budget to the maintenance and operations (M&O) professionals that keep communities running needs a common language and tools to gather data to make and justify budget decisions. Equipment and materials upgrades are necessary to satisfy health and

safety requirements. At the same time, aging communities call for structural improvements, energy efficiency updates, and staff to maintain operations and upkeep.

Amidst staffing challenges, aging infrastructure expenses and new compliance regulations ignited by the pandemic, organizations have no option but to spend wisely. COVID-19 urgently redirected budgets from community upgrades to focus on airflow, HVAC and procuring PPE. Now, leaders are tasked with rebalancing funds needed for short- and long-term improvements—and ensuring positive senior living resident and associate experiences.

In this guide, we'll explore five of the most pressing market trends affecting senior living communities and share how the administrators and operations leaders who manage them can leverage data to tackle challenges, including:

1. **Health and safety of workers and patients**
2. **Supply chain-driven cost increases**
3. **Growing complexity of assets**
4. **Rising energy costs**
5. **Sustainability**

## Trend 1: Health and safety for all

The landscape of health has changed since the start of COVID-19. No industry has been more impacted than senior living which, by nature, puts the health and safety of residents and associates at the top of its priority list. As we just learned so well, individual communities must be prepared to handle not just the threats of today but potential health issues in the future.

### Compliance and risk mitigation

Compliance lists were already long and hard to manage prior to COVID-19, and now it's only growing more challenging to stay up-to-date. Without tools in place, senior living communities can fail compliance inspections because too many things are slipping through the cracks—largely because many are still tracking everything on paper.

There is a huge need to drive, improve and centralize compliance—notably if senior living community footprints are going to continue to expand. Though the industry is notoriously slow to modernize and adopt technology, senior living M&O managers today need an all-in-one system to keep everything organized and compliant, especially as associate retention issues continue to percolate.

### Technology helps maximize health and safety

Compliance and risk mitigation are one of smart asset management's most crucial benefits. Brightly [TheWorxHub™](#) solution combines modules and information to meet safety requirements. Codes built into the system can map to asset management to ensure activities meet compliance standards for inspections on exit signs/doors and HVAC/filtering, among other M&O functions, as it's now table stakes for communities in the senior living ecosystem.

### Old data that takes on new meaning

According to research conducted by Senior Housing News, U.S. senior housing properties [average 21 years of age](#). The findings showed that senior living communities are in their prime usage from years 10–17.

There are serious concerns about aging senior living communities turning into obsolete buildings and campuses nationwide. Aging often means outmoded equipment, outdated and, in some cases, dangerous; utilities and an inefficient workflow that hampers day-to-day maintenance. It's also common that older buildings are not competitive with shiny new communities that are being built down the street, so they have to work double-time to prove that they are twice as safe as the ones next door.

## Light at the end of the tunnel

Improvements are possible. According to the [U.S. Department of Agriculture](#), the USDA is awarding \$110 million in grants to improve healthcare and senior living communities in rural towns nationwide. The investments will be used for projects to help rural hospitals, healthcare providers and senior living communities build or renovate facilities, including HVAC, ventilation and filtration systems.

The White House is also providing roughly \$500 million in funding to the Centers for Medicare and Medicaid Services, representing a 25% increase from previous funding. To protect residents and crack down on unsafe senior living communities, the White House intends for the funding to support health and safety inspections.

Brightly can help optimize funding for senior living communities of all sizes. We enable organizations to invest in the right tools leverage data to promote standards that focus on health and safety—so community associates can focus on delivering exceptional resident experiences.



## Trend 2: Supply chain-driven cost increases

Globally, prices are soaring; the senior living industry has not escaped increased expenses with parts or resource constraints resulting from supply chain issues.

Senior living communities must seek solutions that reduce costs and use resources more efficiently. Specifically, senior living administrators need to do more with less, which calls for taking better care of existing assets to save capital at a time where every penny counts. Increased expenses for essential medical supplies and building materials will impact not-for-profit communities, healthcare and senior living providers, as well as public finance sectors with significant capital expenditure programs, which should be expected.

### Capital planning is mission critical

Our research indicates that roughly **20% of capital equipment** is in service past its replacement date at senior living communities in the U.S. This report also showed that as many as 20% of senior living communities may be so obsolete they can no longer compete in the marketplace. In so many cases, severe obsolescence can be attributed to deferred maintenance issues. Our research findings call for any capital improvement plans to set proper CapEx investment budgeting priorities, address deferred maintenance and track repair costs.

Accurate **capital planning** is important because operations expenses for assets are between \$250 to \$350 per unit each year for a newer building—up to \$700 per unit for an older facility. However, these investments aren't nearly enough to cover more serious investments, such as an unexpected HVAC replacement or major reconstruction.



### American Jobs Plan: A light you want to walk toward

In response to rising supply chain costs, the White House created the American Jobs Plan, which includes more than **\$2 trillion in investments for healthcare** and senior living. The bill aims to update aging healthcare and senior living communities nationwide. Many organizations may qualify to receive grant funding and may be eligible for other funding opportunities.

Using Brightly tools, you can easily collect and understand the data behind your assets to qualify for funding for labor, equipment and construction projects—and then manage those funds. We can also partner with you to structure and plan for the application process or seek private investment to mitigate supply chain costs.

### Supply chain's impact on senior living bill(s)

The **2021 Genworth Cost of Care study** found that supply chain costs and inflation have combined with increasing senior living costs across the board. This is a trend that is sure to continue in the near future:

- Senior living facility rates **increased by 4.65%** to an annual national median cost of \$54,000 per year
- The national annual median cost of a semi-private room in a skilled nursing facility **rose to \$94,900**, an increase of 1.96%
- Costs for a private room in a nursing home **increased by 2.41% to \$108,405**

## Trend 3: Growing complexity of assets

Across industries, leaders expect more from the technologies they use, and senior living is no different.

With global inflation and rising costs, supply-chain turbulence and labor challenges, finding operational efficiencies can be difficult. Economic uncertainty is placing pressure on senior living communities to adopt everything from mobile solutions to new technology, and amplifying the need for smart tools, in an attempt to address, well, all these unknowns.

However, this can feel like a challenge if leaders lack visibility into the operational needs of communities or if M&O departments are reluctant to adopt new tools. A challenge that compounds when newer generations don't want to work somewhere that lacks the technology to make their jobs more efficient.

Luckily, the right tools can be as easy as learning to use a smartphone.

Smart asset technology, like the internet of things (IoT) tools, present the opportunity to transform resident care delivery by providing senior living associates with more secure access to patient-related information than ever before. In addition to leveraging live data to improve resident experiences and generate cost savings, senior living communities can integrate technology to boost facility safety through automated occupancy and disinfection protocols.

### Increasing efficiency in hospitals

Smart technology solutions for the [senior living industry](#) can help streamline access to data and improve the quality of resident care while optimizing asset and operational systems performance. Connected devices can transmit vast amounts of data across a senior living ecosystem when connected.

With technology, optimization of management systems is possible in a variety of ways, including:

- Creating smart senior living community and facility designs
- Establishing data collection technology
- Fostering interoperability among devices
- Developing a centralized data storage platform

### The case to upgrade from whiteboards and sticky notes

Since manual maintenance systems tend to consist of a disorganized combination of word-of-mouth, phone calls, emails, printouts, sticky notes and spreadsheets, the data can be difficult to track. Because justifying investments in technology requires that misplaced or unclear data, many operations leaders default the “if it ain't broke” approach—but a change could save them considerable time and money (and not to mention help with hiring).

As community footprints expand, smart technology can grow with them. Implementing the right system is like throwing a life preserver to a maintenance and operations manager [drowning in a sea of paper](#); not only can smart technology be incredibly easy to learn, it can amplify team morale and streamline workflows.

Optimized senior living communities are more appealing to residents and their families, which helps encourage people to want to live there. It can also help M&O managers rise from costly reactive damage repair to proactive maintenance (and you know, help secure valuable funding for priority projects) to really make communities shine.

### Beat the backlog blues

Backlog leads to reactive fixing, which ultimately means higher costs because M&O teams wait to repair assets at the last minute. Often, this means having to pay more for rushed parts or emergency servicing. A “fix it first” mentality can help extend asset life cycles instead of causing increased fees for unplanned repairs—and it’s easier to know the status of your machines when you’re capturing its data.

### Modernizing asset management

It might seem easier for senior living communities to stick to familiar home-grown systems, but new tech can be simpler and less expensive than ever to implement, scale and get everyone up to speed.

With Brightly, you can employ a predictive maintenance strategy that catches problems early—a primary goal with smart asset management—resulting in tremendous benefits for your communities. Brightly enables your organization to simplify the increasingly complex asset landscape via predictive maintenance and smart asset management technologies.

### Unlock the potential of tech for M&O management

Technology empowers senior living communities to run more efficiently and cost-effectively across all functions. Data from individual facilities can be used to improve utility reliability and stop energy leakage in its tracks. By using this information, senior living communities can reduce energy-related operational expenses.

Brightly is here to help you optimize your senior living operations, so you can realize significantly less clerical work as well as improved resident care and satisfaction. Ultimately, our solutions help senior living communities remain efficient, reduce operating costs and, importantly, stay open for their residents and associates.



## Trend 4: Rising energy costs

The White House has committed to reducing [greenhouse gas emissions by 50% by 2030](#). The pledge includes plans to strengthen resilience to climate change and protect public health, focusing on decreasing reliance on electricity. Overall, the goal is to lower the footprint of the healthcare and senior living sectors, which sits at 8.5% with the potential to increase, according to the same report.

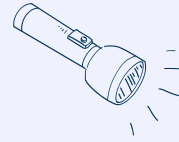
Rather than approaching challenges in a siloed and narrow way that could jeopardize the power grid stability, now is an opportunity for smart senior living communities to use a holistic approach to strengthen their infrastructure while reducing costs and carbon footprints. With smart technologies, communities can improve resident experience and reduce overall costs.

### Smart senior living communities need smart technologies

Increasing energy prices is just one of many factors influencing senior living communities to find ways to decrease energy consumption to manage costs and meet budgets. The size of the footprint senior living accounts for is one of the most significant aspects putting pressure at the local level to create sustainable facilities.

Senior living communities that install the right systems can enjoy reduced operating costs and higher reliability of continued service during instantaneous or lengthy power outages. Brightly can help leaders and facilities managers understand energy usage trends and match senior living communities to the best solutions to help gain visibility for new funding opportunities, prioritize investments and ensure they optimize their energy usage.

With funding top-of-mind, it's logical why senior living communities have focused on becoming more energy efficient to save money over the last few decades—though implementing measures during ongoing operations can be challenging and funding is not always immediately available.



### Shining a light on an industry's climate footprint

Healthcare has some pretty big boots:

- The global healthcare industry's climate footprint is equivalent to the annual greenhouse gas emissions from [514 coal-fired power plants](#), according to the sustainable research firm, Arup
- The report claimed that if the health sector were its own country, it would be the **fifth-largest emitter on the planet**
- The Commonwealth Fund reported that the healthcare sector is responsible for as much as [4.6% of total greenhouse gas emissions](#) worldwide
- In the U.S., that number has grown from **6% in 2018, to 8.5% today**



Smart asset management and the right technology are two ways to use data to better manage energy costs growing exponentially yearly. Brightly software can help senior living leaders to gain visibility for new funding opportunities and prioritize investment for projects that will deliver the best long-term cost savings.



## Trend 5: Sustainability

Globally, sustainability is driving smart city and energy efficiency initiatives. But in the United States, many environmentally-influenced projects have been paused to redirect funding—and the senior living sector is among the industries getting left behind.

Hiring and retention is a top challenge for maintenance and operations (M&O) managers everywhere but is especially critical for the senior living industry. With aging infrastructure and lagging technology getting in the way of more sustainable facilities, working in these communities becomes even less appealing for staff.

But as people call for more sustainability, how can senior living communities find room to begin to set and achieve those initiatives amidst a stacked list of funding-based challenges?

### Use data to boost transparency and improve environmental impact

As fixing or replacing aging senior living infrastructure that was built before environmental regulations became a priority, technology can help make updates where they'll be most effective and help managers to hire and train the next generation of professionals.

With an uptick in demand for more sustainable senior living communities, as well as states and municipalities also starting to regulate increased transparency and action toward sustainability, it's critical to start laying the groundwork.

Technology can help set the stage. When M&O leaders can use their most abundant asset—data—they gain insight into the state of their communities and operations to use that information to better communicate with stakeholders about where to allocate funding.

### Let your data do the talking

Often, there is a disconnect between senior living administrative leaders and facilities managers, making it hard to even think about sustainability. So use the data to help understand the cost of avoiding essential updates—starting with operations.

In senior living communities, your operations people keep the doors open and systems functioning. M&O teams need tools to track the information your assets already have, to paint a more holistic picture of exactly what's costing more than it should, and where opportunities for preventive and proactive maintenance can help save money for everyone from operations through administrators.

Sustainability is more than just installing LED lights—it's about knowing where to look for inefficiencies. Yes, your senior living buildings might need updates. Still, leakage costs are also associated with excess energy consumption in aging senior living communities, adding to the increasing expenses for senior living infrastructure. Following the data can enable you to make the most impactful updates.



## More than a band-aid: renewable energy saves money

Senior living communities can save energy through several low-cost measures, resulting in more energy-efficient buildings. When a facility becomes more energy efficient, the organization saves money while preventing greenhouse gas emissions and improving the air quality in the surrounding areas in which they operate.

It's critical for senior living communities to invest in renewable energy strategies. Defining a renewable energy strategy as part of long-term sustainability initiatives can help the transition to a healthier backup energy supply and close the gap between zero-carbon commitments and goals. The senior living industry can improve the bottom line by increasing energy efficiency, freeing up funds to invest in new technologies while enhancing resident care.

## Read the chart: A case for an upgrade

Senior living communities are notorious energy wasters.

According to [Energy Star](#), the energy efficiency government-backed program, senior living communities use nearly **4 times more energy** than any other industry except for healthcare.

Technology helps identify where energy is being lost and opportunities for more efficient consumption.

## Make sustainability a priority

According to a recent survey we conducted with senior living leaders nationwide, 23% of respondents do not have a strategy in place, while 62% believe sustainability projects are not a high priority. But as new legislation

emphasizes sustainability across the board, senior living communities in the United States need to find ways to integrate environmental updates and new best practices, well, into practice.

## Get on the path with benchmark data to prioritize investments

Senior living communities can partner with organizations like Brightly to help get the most out of their assets and energy—and their data. By capturing, tracking and centralizing this valuable information, M&O managers and administrators can work together to make sustainable investments that will benefit their ecosystem and start saving costs for years to come.

Brightly can help senior living communities with sustainability initiatives, including:



Collecting legacy information to store invaluable data to inform future projects.



Create low- to zero-carbon programs that push asset owners to diligently monitor and report on sustainability data.



Developing data programs to make more informed investment decisions aligned with environmental, social and governance goals, commitments and regulations.

From local opinion to long-term cost savings, investing in sustainability can help senior living communities make impactful updates to ensure they remain operational and save money in the long run. [The right tools](#) and team can help identify where to focus your long-term investments for maximum impact and ROI. Brightly can help kickstart your senior living community's environmental goals by working with you to reach a more sustainable future.

## Being proactive shifts with asset and energy management is an obtainable future with Brightly

No matter where you work in senior living, it's a challenging time. Whether tasked with hiring across communities, allocating funding or trying to justify why your operations team needs an increase to your budget, using technology and data can help you direct (or request) funds, so they reach the most impactful destination.

Closing the gaps in funding is a critical step to ensure that senior living communities elevate resident experiences while meeting modern standards for health and safety suitability, environmental sustainability and resiliency. For senior living leaders, investments must balance long-term serviceability and short-term reactive improvements to, ultimately, exceed resident expectations.

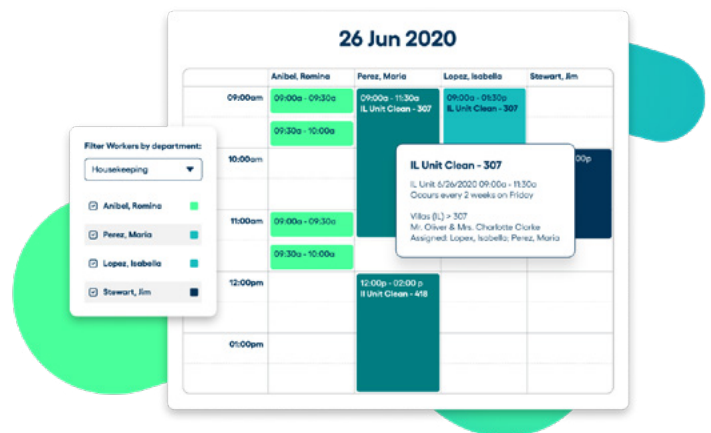
Brightly understands the senior care industry and the major pain points leaders and facility managers face today. This is why we build easy-to-use solutions specifically to help reduce deferred maintenance backlogs and reallocate funding. With the implementation of solutions like TheWorxHub, senior living communities have access to a computerized maintenance management system (CMMS) and compliance monitoring.

[TheWorxHub](#) is an all-in-one, cloud-based CMMS solution that combines asset management, compliance-readiness, and safety rounding into one powerful solution. Our platform enables senior care facilities managers to stay organized, streamline operations, and reduce costs—ensuring you have what it takes to be compliance ready.

Asset and energy investment requirements can fundamentally shift to match the demands of the community. We can also help you [collect data that delivers](#) critical insights into the condition and productivity of assets; use real-time analytics to help pivot short-term budgets, or consider trends when planning the future.

TheWorxHub platform integrates critical features and functionality into one platform to provide senior care leaders the frameworks, embedded compliance codes and automated location and asset-based work orders needed to efficiently run communities. Combining these key asset management and compliance functions into one solution is a rare find for the senior care sector.

Brightly is uniquely positioned to help the senior living industry centralize data to not only start down the path to sustainability, but to stay ahead of trends, and create safe and healthy environments where residents, associates and community health initiatives can thrive.



## About Brightly Software

Brightly, a Siemens company, is the global leader in intelligent asset management solutions, enables organizations to transform the performance of their assets. Brightly's sophisticated cloud-based platform leverages more than 20 years of data to deliver predictive insights that help users through the key phases of the entire asset lifecycle. More than 12,000 clients of every size worldwide depend on Brightly's complete suite of intuitive software – including CMMS, EAM, Strategic Asset Management, IoT Remote Monitoring, Sustainability and Community Engagement. Paired with award-winning training, support and consulting services, Brightly helps light the way to a bright future with smarter assets and sustainable communities. For more information, visit [brightlysoftware.com](https://brightlysoftware.com)

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