



## **The Green House Business Case**

### **Can providers offer dementia/memory care in Green House homes?**

Absolutely, unequivocally, 100% yes! The standard Green House design is perfectly suited to providing empowering, fulfilling, and safe care for people living with Alzheimer's and other forms of dementia.

The small scale and staffing structure of each home allows more one-on-one time between caregivers and residents, while also eliminating the institutional touches – long corridors, medicine carts, hundreds of other residents in shared rooms and common areas – that can be cold and overwhelming for anyone, but especially for those who require memory supports.

The home-sized living areas and accessible yet secure outdoor spaces also provide a better balance between autonomy and safety, giving residents of all physical and cognitive abilities the choice to interact with others and explore nature without asking for permission from staff.

GHP and many of its adopter organizations support fully integrated memory care services, where residents living with Alzheimer's and other types of dementia are not segregated into dedicated homes but instead welcomed as part of the general community. Simply put, we believe that what's good for people with dementia is good for everyone! However, individual homes on a given campus can be used for a variety of programs, including memory care as well as:

- Short-term rehab
- Specialty services for people with specific conditions, such as ALS and multiple sclerosis
- Supports for people with intellectual and developmental disabilities

### **Why does Otterbein have five Green House homes per campus?**

In general, for homes of 12, GHP recommends six homes per campus to achieve the most efficient balance between the small-home feel and economies of scale. However, the exact number of homes per campus will vary widely depending on land availability, local market demand, financing, and other variables.

Otterbein's management was comfortable with a total resident capacity of 50 spread over five homes of 10 each at the time of construction; changes in Medicaid reimbursements and local demand necessitated adding two private rooms to each home for a total of 12 – the maximum allowable under the flagship Green House standard.

### **Is it easier to fill jobs in Green House homes as compared to traditional homes?**

In general yes, though each organization's experience may vary depending on local labor-market conditions. Southern Administrative Services reports fewer staffing challenges at its Green House homes than its traditional communities due to the more empowering workforce structure and appealing physical environment.



Nationwide in 2017 and 2018, the most recent years for which data was available, CNA turnover in nursing homes was 129.1% according to a 2021 study; Shahbazim turnover in Green House homes in 2021, during the pandemic, was 33.5%.

**Are there unionized Green House homes?**

Yes, though not in the markets that Otterbein and Southern Administrative Services cover. Facilitating good-faith conversations with labor leaders about the intent of the Green House staffing model is key to fostering understanding and cooperation: Emphasize that while there may be additional responsibilities for CNAs, the goal is to create a better working environment where CNAs have more autonomy and authority to make care decisions, where their expertise and experience are validated, and where they are physically safer from COVID and other workplace hazards than in traditional nursing homes.

**Are there urban or “stacked” Green House homes?**

Yes! While Otterbein and Southern Administrative Services operate the original, “standard” single-family-style Green House homes, the model can be adapted to meet the unique needs of any community.

The Leonard Florence Center for Living, located just outside of Boston, is a prime example of how providers can build Green House homes vertically: Instead of separate buildings, each floor of the high-rise Leonard Florence Center has two Green House homes with dedicated staff for each home, common areas, and even front doors.

Other Green House partners have built low- or mid-rise clusters of Green House homes based on a similar floor-by-floor structure. For instance, the cottage-style Green House design stacks three autonomously functioning Green House homes in one building. The second- and third-floor homes are accessible by elevator and stairs and comply with all of the standards of the family-style residence, including a front door and easy access to outdoor spaces. St. Martin’s in the Pines in Birmingham, Ala. was the first cottage-style adaptation.

**Does the Green House model work financially when serving residents covered by Medicaid?**

Absolutely yes! Green House homes not “penciling out” for Medicaid-covered care is one of the biggest and most persistent myths about the model.

Across the entire network of Green House partner organizations, just under 50% of residents pay for their care with Medicaid. While this is lower than the national nursing home figure of about 62%, multiple individual Green House communities have higher proportions of Medicaid residents; the Leonard Florence Center, which offers specialty services for people living with ALS, operates at about a 55% Medicaid census.

Southern Administrative Services uses a conservative pro-forma projection of 100% Medicaid when developing each of its Green House communities to ensure financial stability. The organization’s actual proportion of Medicaid residents is about 60%, but it would be operationally sound – covering all obligations and still turning a profit – at full Medicaid census.



### **How do staffing ratios and leadership structures at Green House homes compare to traditional nursing homes?**

Green House homes provide an average of 5.1 hours per resident per day of direct care, a full hour more than the general recommendation of 4.1 – and significantly higher than the national average in nursing homes, which consistently falls short of the 4.1 benchmark.

Ratios for RNs, LPNs, and other nurse positions typically do not vary significantly from traditional nursing homes, with the additional direct care hour representing increased one-on-one time with Shahbazim. Under the universal caregiver model, a set group of Shahbazim work within each home on the campus, providing the direct care of a CNA plus meal preparation, light housekeeping, and activities.

Operators achieve this increase in direct care time not by spending more on staffing but through the efficiencies gained from the self-managed Green House staffing model. Collapsing food preparation and housekeeping tasks into the universal caregiver role eliminates the need for large dietary and housekeeping departments; in turn, this allows providers to shift dollars away from overhead and toward the direct one-on-one caregivers who make the most difference for elder health, wellbeing, and satisfaction.

Leaders known as Guides, other clinical specialists, and activity directors oversee programs for the entire Green House community. In brief, the Guide is a unique leadership role that supervises the self-managed care team of Shahbazim. While the Guide can be a licensed nursing home administrator – Green House homes that operate under nursing home licenses must legally have one – most often the role is filled by other clinical support team members, such as social workers and life enrichment professionals. One full-time guide generally supports four homes in a community.

In terms of nursing coverage, one nurse typically covers two homes of 10 to 12 residents on day and evening shifts, and three to four homes overnight.

Each home has an office – conspicuously designed to look more like a home office versus an institutional or business office – where these staff members can gather and oversee day-to-day operations.

### **Are there Green House homes licensed as assisted living communities, or is it only nursing home care?**

While the majority of Green House communities operate under nursing home licenses and regulations -- just over 80% – the model is flexible and adaptable enough to serve a variety of populations.

The Thome Rivertown neighborhood in Detroit, operated by Presbyterian Villages of Michigan, provides Green House living under a “home for the aged” license, a lower-acuity standard unique to the state. PVM partners with PACE Southeast Michigan to offer a variety of wraparound services covered under Medicaid. The state of Wyoming will soon open a new purpose-built Green House community for people living with intellectual and developmental disabilities, replacing an outdated institutional facility.

In short, if there’s a type of care that has traditionally been provided in medical-style facilities and/or institutions, a Green House community can provide a more person-directed and empowering setting for that care.



**Are therapy services performed in gyms or in individual resident rooms?**

Therapy is provided on a one-on-one basis in individual resident rooms, the den, or throughout the home, without a gym.

**What does your screening/admission process look like?**

There are no substantive differences between the admission criteria at a traditional nursing home and a Green House home.

**Have you considered expanding out of the United States?**

Yes, an organization in Israel has successfully adapted the Green House model to meet their unique regulatory, cultural, and operational needs. GHP is in active discussions to bring the model to Canada, Australia, and several other countries around the globe, so stay tuned!

**What is the lowest number of homes to a campus that works?**

There is no single answer to this question. The market feasibility study and the financial feasibility model (FFM), conducted as part of the Green House development process, will arrive at the best answer for each community's unique needs based on land size, demand, projected payor mix, and other factors.

As with the size of each individual home, we generally recommend that operators err on the side of "smaller is better." The market and financial feasibility work that occurs prior to development is designed to strike the right balance between human scale – both for each home and the size of the neighborhood/campus – and economies of scale for the provider.

**What are the land size requirements for a Green House community?**

**What is the amount of land required for five houses with 10 rooms?**

In general, the rule of thumb is about 1.2 acres for each single-story home, which should measure about 6,500 square feet for 10 residents and 7,800 square feet for 12. However, the actual usable footprint of land on a given lot can vary significantly, and GHP recommends that organizations consult with an architect as early as possible in the development process to determine whether a given plot is viable for Green House development.

As our urban and suburban communities illustrate, there is no one-size-fits-all answer to these questions.