meet the innovators

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Paul Klaassen
Chairman of the Board
Sunrise Senior Living

Loren Shook
President, CEO and Chairman of the Board
Silverado Senior Living

W. Major Chance
Founder / CEO
ActivCare Living

PAUL KLAASSEN was an early innovator in senior care, adapting a model of care inspired by his international perspective. Originally, Paul Klaassen's family was from the Netherlands. As a child, he visited his grandparents in assisted care homes, called "verzorgingstehuizen." There, seniors lived in a warm, homelike environment. They enjoyed the independence and dignity of doing all the things they had done on their own—shopping, cooking and laundry—but they also had the security of assistance when they needed it. Paul, along with his wife Terry, decided to introduce this concept to the United States, and began planning for a homelike and much more resident-centered senior living community. The couple sold their house, then moved into and renovated a boarded-up nursing home in Northern Virginia. In the first year of business, the Klaassens cared for the residents themselves.

In response to increasing demand, the Klaassens opened two more Sunrise communities in the mid-1980s. They retrofitted old buildings to meet their new philosophy of care. It wasn't long before the Klaassens were imagining an even better community—one built from the ground up. Starting with the understanding that a high quality of life is only possible in environments that people find warm, nurturing, comfortable and welcoming, they looked for ideas in places like restaurants and fine inns, small European hotels and single-family homes. In 1987, Sunrise opened the first of their Victorian-style mansions, now a nationally recognized symbol of Sunrise's high-quality assisted living.

LOREN SHOOK's innovative career in health care began early on, on the grounds of Fairfax Hospital in Kirkland Washington. Fairfax was a psychiatric hospital which also provided dementia care to the most challenging patients that the nursing homes could not manage. The care provided was way ahead of the times, with passionate leaders giving the patients many areas of freedom and control over their lives. There were pets, children, and expansive grounds, rolling lawns, exotic plants and birds and other amenities for the patients to enjoy. Shook's parents worked there along with many other relatives, and Loren worked in all non-licensed positions from 15 years of age through his undergraduate program in business at the University of Washington.

He pursued a career in hospital administration, operating a chain of psychiatric hospitals for 20 years. After 20 years at Community Psychiatric Centers, he discovered Assisted Living and felt compelled to focus on serving the memory impaired. He came up with a model to incorporate the best of Assisted Living's social model with state-of-the-art health care expertise. This model included licensed nurses, medical directors, and MSWs surrounded by a holistic environment using pets, intergenerational programming, and inviting outdoor areas. Through university teaching research affiliations, he found his co-founders, Jim Smith and Steve Winner. The vision of the company is to "give life" and to change the world in the way that dementia was served.

W. MAJOR CHANCE' s story of innovation began nearly 25 years ago when he observed patients with Alzheimer's and dementia physically or chemically restrained due to their tendency to wander. In his view, this was an unacceptable way for a person to spend his or her life. The existing nursing home regulations did not allow for special treatment of these individuals, so Chance vowed to make a difference.

Determined to create change, he spent the next five years working with the Governor's office and officials in Sacramento to develop a program that meets the special needs of those with memory loss. The result was ActivCare, a residential memory care program which incorporates a custom-designed activity schedule for those with memory loss, administered by trained caregivers in specially designed residential communities. The ActivCare program of structured activities is designed to maintain the highest functioning level of each resident while enhancing self-esteem.

ActivCare residential memory care has served more than 4,000 residents since its inception in 1988. Chance's company, originally called Health Care Group, recently announced its name change to ActivCare Living, reflecting its shift to solely focus on residential memory loss care. Their newest community that recently opened in Carlsbad, California represents the newest generation in memory care communities. activity schedule to restore feelings of usefulness and socialization and much more.

Q: AS AN ASSISTED LIVING INNOVATOR, YOU BROKE A LOT OF NEW GROUND. WHAT WERE SOME OF THE OBSTACLES?

Paul Klaassen: Well, back in 1981 there was a total lack of awareness of long term care alternatives, a health care system that at times was hostile and at best indifferent to this new Assisted Living concept, an institutional bias in terms of public policy and in Medicare and Medicaid, confusion of terms (as the term Assisted Living was yet to be put into use) as well as a complete lack of financial support in terms of debt or equity financing, not to mention no construction lending at all. The nursing homes vs. Assisted Living turf wars playing out in some regulatory and legislative arenas.

Loren Shook: The many people who said it could not be done, the model will not work, you will go broke. Various attacks on Silverado by other nursing home operators and leaders to silence the new and apparently threatening model of care. These came in the form of using various state and even national regulatory bodies to try to stop what we were doing. At one time the licenses of our nurses were even under attack in an attempt to intimidate them.

W. Major Chance: When we started down the legislative path to create a new model of care with a safe and secure setting under the residential licensure of Social Services, we secured support from various groups including the Alzheimer's Association and the George G. Glenner Family Alzheimer's Centers that provided day care programs. We generated support from the staff members at the Department of Social Services, who also saw the need for specialized care. But it wasn't until we garnered the support of the Governor Pete Wilson's office and the Secretary of Health and Welfare, Sandy Smoley, that we really saw the tide change. It took hours of dedicated work to help them understand that the use of secured perimeters actually maximized a person's freedom of movement and enhanced the quality of life for those with memory loss.

Loren Shook: I saw many great things which still exist today. This includes the social model and a regulatory climate that allows greater flexibility to create unique models of care focused on the resident's unique needs. An industry that is still open for the most part to sharing ideas and best practices for the greater benefit of the people we serve nationally and even internationally. An entrepreneurial spirit.

Q: WHAT DID YOU SEE EARLY IN THE DEVELOPMENT OF ASSISTED LIVING THAT IS STILL IN PLACE TODAY?

W. Major Chance: As pioneers in the field of dementia care, we saw the benefits of the secured perimeter in the physical plant and specialized programming as two areas that enable those with memory loss to thrive. The secured perimeter actually enhances the freedom of movement throughout the community for our residents. Restricting movement of a dementia resident can result in a catastrophic reaction. In our ActivCare communities, residents feel the freedom to explore new areas in a secure setting that promotes independence. Wandering tendencies are fulfilled in the specially designed facility where all pathways lead back to the great rooms. Programming has been a key element of the ActivCare program, but one that continues to be refined and modified to meet the changing needs of our residents.

Paul Klaassen: There was, and sadly still is, a strong institutional bias in our health care system, particularly with Medicare and Medicaid, but also in terms of many health care professionals. Sometimes it is a paternalistic attitude, and sometimes it is simply ugly ageism, but the result is still the same—seniors are institutionalized for reasons no other age group would be.

Q: WHAT WOULD YOU LIKE TO SEE MORE OF?

W. Major Chance: With the aging population as well as the broader diagnosis of Alzheimer's, we are going to see a growing need for services dedicated to those suffering from dementia. We would like to see more funding options for seniors to pay for these specialized services.

Paul Klaassen: Though the public has responded positively to the Assisted Living movement, I would love to see senior living professionals take up the banner of fighting Ageism in all its forms.

Loren Shook: I would like to see our industry get behind a movement that is all about the "quality of life" we give residents unlike what they can experience in their own homes especially after they lose their ability to socialize with their friends. We need studies from credible universities that speak to this point. We need to have an endless stream of stories in the media, on social networking sites, etc. We need public policy and regulators to get this message. All of us in the industry need to shout it from the roof tops that social isolation, boredom, and fear of being alone that many seniors experience is a thing of the past for those that move into good senior housing communities. Several progressive companies are working with various universities to encourage and develop innovative leadership tracks and degree programs for future senior housing executives. This is a great trend and needs more encouragement to grow.

Q: HOW DO YOU SEE THE AGING BABY BOOM GENERATION INFLUENCING ASSISTED LIVING?

Paul Klaassen: Baby boomers won't be moving in for another 15 years, but in the meantime they are having a big influence as the children of those who are now moving into Assisted Living. It has been a very positive influence as Boomers have always embraced change, are willing to try new approaches, like things done "their way", demand quality and choice. They don't like "institutional" approaches. All this bodes well for the Assisted Living movement.

W. Major Chance: I agree. Consumers are better educated, have greater expectations and, through the use of internet research tools, are able to shop multiple buildings and programs quickly. Also, through advancements in medicine and personal choices, we've noticed that this generation has lived a healthier lifestyle. Because of this, it is anticipated that their need for Assisted Living services will be at an older age. I can remember 25 years ago, the average age in one of our communities was 75. Today, that age is 85-plus.

Loren Shook: We baby boomers want to continue to be contributors to society and to be of value. Unlike the last generation, we will not sit quietly and accept what you or the doctor says. We will challenge you. The baby boom generation will make extensive use of technology, travel, continuing education to change the way people age.

Q: WHERE DO YOU SEE THE ASSISTED LIVING MODEL GOING IN THE FUTURE?

W. Major Chance: We've seen growth in consumer demand for unique and specialized living environments and programming that meets individualized needs. Along with dementia-specific communities, we anticipate that the future will see more specialization within Assisted Living with niche programs and communities catering to: Parkinson's, High Acuity medical conditions, Hospice, etc.

Paul Klaassen: Yes, there will be even more variety in terms of Assisted Living models, their design, scale, pricing, service plans, etc.

Loren Shook: I believe the Assisted Living model has a very bright future and there will be a continuous process of innovation from very creative people who are in tune with what their customers' needs are. The needs of our residents will be even greater on the medical side of care. I believe we will see a closer collaboration of ancillary services such as physical therapy, home health care, and hospice care among operators to assure that the services are available. There will be closer alliances formed with the medical side of the business including physician groups, hospitals, nursing homes, etc., as they grow to better understand our industry and what we do now and can do more of in the future to decrease the cost of health care while increasing the quality of life for our residents and their families. We face greater regulatory risks and need to continue to work with the public policy leaders at the state and national levels as well as the regulatory bodies.