

## COVID-19: Hot Topics in Independent Living

### Do We Continue New Moves into Our Community?

LPCs and Independent Living Providers are deciding whether to continue allowing new residents to move into their communities in the midst of COVID19, and how to evaluate whether new residents pose a COVID-19 exposure risk to existing residents. LeadingAge offers the following “Hot Topic” for Managing New Moves into IL during COVID-19, drawing on guidelines from the Centers for Disease Control (CDC) and Centers for Medicare and Medicaid Services (CMS), as well as best practices in the field.

#### **The Essential Choice: Suspend Moves or Move Forward?**

LPCs and Independent Living Providers are considering the following two courses of action:

1. **What If We Temporarily Suspend New Moves into the Community?** Some LPCs have evaluated the following questions in their decision to suspend new moves into the community.
  - **What are the financial implications of suspending new moves?**
    - Are there bond covenants to consider, with key ratios such as occupancy, days cash on hand, debt service coverage, etc.? LPCs with bond servicing covenants are evaluating whether they can still meet these key ratios without new entrance fee income.
    - What about entrance fee refunds? Some LPCs offer refundable contracts, and thus are considering the future obligations of entrance fee refunds.
  - **What are the legal and contractual implications of suspending new moves?**
    - If new contracts have already been signed and executed, LPCs are weighing what on-campus services they are obligated and able to provide, and which may be waived with a corresponding fee deferral or refund.
2. **What If We Permit New Moves into the Community?** Other LPCs have evaluated the following questions in their decision to permit new moves to continue:
  - **Should we screen incoming new residents for the signs and symptoms of COVID-19, using CDC and other guidelines?** LPCs with Fee for Service or Rental Agreements are weighing the need to protect other residents’ health and wellbeing against provisions in the Fair Housing Act that prohibit the refusal of housing based on a medical screening or condition.
  - **Should we ask new residents to self-quarantine in their former home, or in their new home, or at all?** Some LPCs are skipping the screening step and simply asking new residents to self-quarantine for 14 days as outlined by CDC guidelines. These new residents are provided all the services and supports offered to current residents.
3. **What if the new residents want to delay their move or stay in their former home?** LPCs have also been approached by incoming residents with this question, and consider the following:
  - **Has the new resident’s contract already been signed and executed?** If so, what contractual obligations now exist that must be fulfilled?
  - **If the contract is not yet signed, how long is it financially feasible for the LPC to delay the move and the receipt of the new entrance fee?** Will delaying the move also delay an exiting resident to receive their contractually-required entrance fee refund?

As the coronavirus pandemic and response continues to evolve, new and updated resources for all aging services providers will be posted to [www.leadingage.org/COVID19](http://www.leadingage.org/COVID19). Please visit frequently to get the latest news and updates.