



# Summertime and Senior Living is Easy!

We're pleased to share the Summer edition of the Sodexo Seniors newsletter, beginning with a video message from Zeta Smith.

Inside you'll find information about how AI plays a role in senior living, how Sodexo supports and retains Registered Dietitians, and how we can help you maximize your capital budget. Did you know Sodexo has many purchasing partnerships outside of dining services and kitchen equipment? We're sharing several examples of how we're helping senior living communities grow and evolve.

As always, we're proud to partner with you. Remember to keep in touch and we will continue to collaborate for Elevating Senior Living.







# **The Future Is Here With AI**

### Senior Living and Artificial Intelligence

With a projected annual growth rate of 37.3%, artificial intelligence (AI) is revolutionizing various industries, and senior living care is no exception. From AI-powered humanoid robots to language-based AI assistants like ChatGPT, the impact of AI on senior living care is just beginning, and the potential benefits it brings are exciting to contemplate.

Currently, one of the major challenges in senior living care is staffing shortages. AI, particularly language-based AI like ChatGPT, which has dominated the news in the last few months, is proving instrumental in alleviating this issue. By automating language-related tasks such as record-keeping and medical exam note-taking, AI can streamline staffdependent processes. This means more time for healthcare professionals to focus more on direct patient care. According to Accenture, up to 40% of healthcare working hours can be supported or augmented by language-based AI. AI can further alleviate staff shortages by performing administrative tasks, particularly repetitive clerical ones such as accounting, staff scheduling and managing food costs. And machine learning feeds on historical data: AI's ability to make complex decisions or provide advisory support will improve based on data-driven insights. AI applications in electronic health records (EHR) can also contribute to better data management and collaboration between healthcare providers, while predictive analytics enables improved healthcare outcomes by identifying trends and addressing issues proactively. AI's data analysis capabilities are particularly useful for management companies as they monitor trends and make informed investment decisions. They can even use AI to analyze market data and create effective marketing material.

AI is already a part of our mainstream lives with products like Amazon's Alexa, but such user-friendly technology is especially beneficial for senior living residents, bridging

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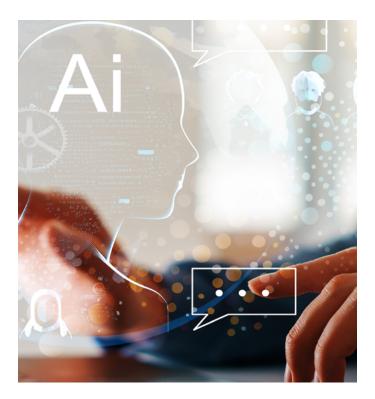


### The Future Is Here With AI (continued)

the technological gap with their conversational tone and adaptive learning abilities. By tailoring the technology to each resident's preferences, AI ensures a shorter learning curve and encourages greater technology adoption.

As far as what the future of AI looks like, it's already here in the form of humanoid robots that can work side by side with community workers. This seemingly futuristic concept is becoming a reality with companies like 1X introducing EVE, an AI-powered humanoid robot. EVE is already performing specialized tasks, such as security patrolling, in industrial sites. In the coming years, EVE and similar robots may be deployed in senior living facilities, relieving staff and assisting residents with various tasks.

The applications of AI in senior living care are expected to grow exponentially. Language-based AI assistants and datadriven analytics are enhancing the quality of life for seniors, streamlining operations and providing valuable support to healthcare professionals. With the right application of this technology, seniors can lead more independent, connected and empowered lives.







## Getting Ahead of Changes in Nutrition Management in Senior Care

### New Requirements for Registered Dietitians/ Certified Dietary Managers in Skilled Nursing

The aging population in the United States is on the rise, with adults ages 65 and older accounting for nearly 17% of the nation's population, according to the UnitedHealth Foundation. With this number projected to grow to 22% by 2040, the importance of nutrition management in senior care is more crucial than ever. However, the traditional staffing models for registered dietitians (RDs) in senior living communities are facing challenges in meeting the growing demand.

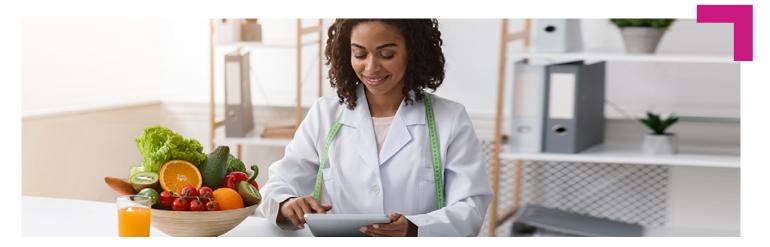
Currently, the path to becoming a registered dietitian involves obtaining a bachelor's degree, completing supervised practice hours and passing a national registration examination. However, starting on January 1, 2024, aspiring RDs will be required to have a graduate degree to be eligible for the registration exam. This change reflects the evolving complexity of the profession and the growing recognition of the critical role dietitians play in supporting senior health.

While the transition to a graduate degree requirement presents challenges, it also opens new opportunities for advanced knowledge, specialization and research in the field of nutrition and dietetics.

But there are concerns, too. The additional time and resources required to obtain a graduate degree may deter potential RDs from entering the field, potentially decreasing the pool of professionals at a time when the need for RDs in senior living is greater than ever. The financial implications of higher education levels for dietitians need to be considered as well. Many senior living communities are already facing financial struggles, and the higher salaries associated with advanced degrees may pose challenges for these communities. Additionally, the impact on RDs who have been working for years at lower salaries is another area of concern.

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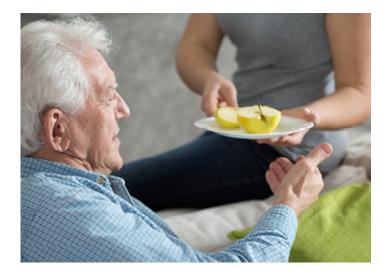




## Getting Ahead of Changes in Nutrition Management in Senior Care (continued)

Despite these uncertainties, the value of skilled nutrition professionals in senior living communities cannot be overstated. RDs play a crucial role in assessing residents' nutritional needs, creating individualized care plans and addressing common conditions among the senior population. They also serve as educators, providing counseling to residents, their families and staff members on healthy eating habits and disease management. RDs also contribute to maintaining compliance with federal and state laws, preventing penalties, and ensuring the health and safety of residents.

As the field of nutrition management in senior care evolves and as staffing shortages persist, an alternative model for support is emerging. Certified dietary managers (CDMs) complement the role of RDs by overseeing day-to-day foodservice operations. While CDMs do not provide clinical counseling or work one-on-one with residents, their expertise in managing menus, ensuring compliance with health regulations, and maintaining food safety and quality contributes to personcentered care plans and residents' well-being. Sodexo has partnered with the Association of Nutrition and Foodservice Professionals [ANFP], one of the nation's leading organizations focused on foodservice and nutrition operations with more than 15,000 members, in supporting the role of CDMs. ANFP provides educational and networking opportunities, including access to apprentice programs and credentialing for CDMs, to address the challenges of staffing shortages and turnover in senior living communities.







### **Getting the Most Out of Your Capital Budget**

### Senior Living and Capital Budgets

Senior living operators have historically allocated smaller amounts from their annual budgets for capital expenditures. However, in today's competitive environment, it is crucial to consider increasing capital expenditure allocations to maintain top-quality properties and recoup investments when properties change hands. The average allocation for buyers remains between \$300 and \$500 per unit per year,

depending on factors such as building age and market strength. Allocating appropriate funds for capital projects is essential to avoid compromising property quality and functionality.

When embarking on construction projects, senior living communities often face the choice between self-

performed projects and hiring professional service providers. Self-performed projects can save money, but they carry the risk of lacking specialized expertise. On the other hand, hiring external service providers guarantees expertise but may pose budget risks. Balancing budget constraints and desired results is a critical decision in these cases.



In the process of budget preparation for senior living communities, it is beneficial to leverage purchasing partnerships that offer various benefits. Sodexo, for instance, provides partnerships that maximize capital funds by offering discounted prices on essential equipment and materials such as kitchen appliances, dining room supplies, facilities management equipment, beds, carts, floor and wall materials, renovations and equipment replacements. By utilizing such

> partnerships, communities can allocate their capital funds more efficiently and ensure long-term financial sustainability.

> Sodexo's partnership with various vendors can also provide significant advantages for senior living communities. For instance, when unexpected elevator repairs arise,

leveraging the Sodexo partnership with the current elevator contractor can lead to immediate savings. Similarly, Sodexo can help identify approved vendors for major purchases like beds, resulting in cost savings, longer warranties, and improved repair and maintenance processes.

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# Getting the Most Out of Your Capital Budget (continued)

These strategic partnerships help communities make better financial decisions and free up capital funds for future needs.

To avoid cost overruns and ensure a realistic budget, it is essential to create two lists: one for "must-haves" and another for "would-likes." The "must-haves" represent features and elements crucial for the intended function and ambiance of the space, while the "would-likes" can be considered if the budget permits. By clearly defining these lists, the temptation to exceed the budget with unnecessary upgrades can be minimized. Maximizing capital funds through strategic partnerships and collaborating with trusted partners like Sodexo can provide valuable cost-saving opportunities and empower communities to allocate their capital funds efficiently. This can only serve to benefit the residents and ensure the overall success of the senior living community.



### Thank you for reading our Sodexo Seniors Client Newsletter. We value the partnership we have with you.

Please let us know if you have any questions or if you have <u>topic suggestions for future issues</u>.



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