

S3 Balance Independent Living (IL) Return on Investment (ROI) based on Increased Engagement

Parameter (based on IL industry averages)	Value	Notes
Number of resident beds	150	<i>ICAA National Benchmarks 2017, pg 13</i>
Occupancy rate	92.3%	<i>NIC Maps, ICAA Conference 2018</i>
Number of occupied beds	138	
Number of empty beds	12	
Average revenue per bed per month	\$ 3,500.00	<i>NIC data for IL, 2014 Investment guide, ICAA Conference 2018</i>
Average revenue per bed per year	\$ 42,000.00	
Average lost revenue per year from empty rooms	\$ 485,100.00	
Total revenue per year at full occupancy	\$ 6,300,000.00	
Average length of stay (ALOS) of all residents (years)	6.1	<i>ICAA National Benchmarks 2017, pg 21</i>
Residents participating in wellness program (%)	56%	<i>ICAA National Benchmarks 2017, pg 13</i>
Residents participating in wellness program	78	
ALOS of residents participating in wellness program (years)	8.8	<i>ICAA National Benchmarks 2017, pg 21</i>
Number of residents not in wellness program	61	
ALOS of residents not participating in wellness program (years)	2.66	
Increased ALOS of residents in wellness program (years)	6.14	
Parameter (with S3 Balance classes)	Value	Notes
Projected conversion of residents not in wellness program to S3 Balance	20%	Note 1
Residents not in wellness program converted to S3 Balance	12	
Total number of residents in wellness program	90	
Total number of residents not in wellness program	49	
Residents participating in wellness program	65%	
Projected ALOS of S3 Balance class participants (years)	5.73	Note 2
Overall ALOS due to S3 Balance program (years)	6.37	Not including greater ALOS due to fall reduction
Increase in ALOS due to S3 Balance program (years)	0.27	
Increase in ALOS due to S3 Balance program (months)	3.24	
Increase lifetime revenue from one resident	\$ 11,340.00	Not including greater revenue due to decrease in falls
Increase in total revenue from all residents due to S3 Balance	\$ 1,570,023.00	
Additional annual revenue from S3 Balance program	\$ 246,471.43	Not including greater revenue due to fall reduction
Revised lost revenue per year from empty rooms	\$ 238,628.57	
Reduction in lost revenue per year from empty rooms	51%	
Revised occupancy rate due to S3 Balance class	96.2%	
Increase in occupancy rate due to S3 Balance class	3.9%	Not including greater occupancy due to fall reduction

Note 1: S3 Balance short duration classes are desirable to residents who refuse longer classes.
Residents who object to seated exercise but are able to stand, can safely stretch, strengthen and balance train in standing with autonomy.

Note 2: ALOS of S3 Balance participants projected to be between residents participating in wellness program and residents not participating in wellness program.
Residents starting S3 Balance classes will not instantly increase ALOS to wellness program resident levels. However, improvements should ramp quickly because S3 Balance movements are performed in standing as compared to sitting.

S3 Balance Independent Living (IL) Return on Investment (ROI) based on Fall Reduction

Parameter (based on IL industry averages)	Value	Notes
Number of resident beds	150	<i>ICAA National Benchmarks 2017, pg 13</i>
Occupancy rate	92.3%	<i>NIC Maps, ICAA Conference 2018</i>
Number of occupied beds	138	
Number of empty beds	12	
Average revenue per bed per month	\$ 2,765.00	<i>NIC data for IL, 2014 Investment guide, ICAA Conference 2018</i>
Average revenue per bed per year	\$ 33,180.00	
Average lost revenue per year from empty rooms	\$ 383,229.00	
Total Revenue per year at full occupancy	\$ 4,977,000.00	
Average length of stay (ALOS) of all residents (years)	6.1	<i>ICAA National Benchmarks 2017, pg 21</i>
Parameter (with S3 Balance classes)		
Parameter (with S3 Balance classes)	Value	Notes
Older adults reporting fall(s) (%)	29%	65+ years old. 1 year timeframe. Note 1
Residents who will fall per year	40	denoted as "high fall risk resident"
Residents who will not fall per year	99	denoted as "low fall risk resident"
Projected "high fall risk resident" participation in S3 (%)	50%	
Projected "high fall risk resident" participation in S3	20	
Projected improvement from "high fall risk resident" to "low fall risk resident" (%)	65%	Note 2
Projected improvement from "high fall risk resident" to "low fall risk resident"	13	
Estimated ALOS increase in resident improving from "high fall risk" to "low fall risk" (year)	1	due to decreased morbidity and early mortality
Estimated ALOS increase in resident improving from "high fall risk" to "low fall risk" (month)	12	
Increase lifetime revenue due to improvement from "high fall risk resident" to "low fall risk resident"	\$ 33,180.00	per resident
Increase total revenue due to improvements from "high fall risk resident" to "low fall risk resident"	\$ 428,483.99	
Projected ALOS of "high fall risk resident"	5.39	Note 3
Projected ALOS of "low fall risk resident"	6.39	
Overall ALOS due to fall reduction (years)	6.19	
Increase in ALOS due to fall reduction (years)	0.09	
Increase in ALOS due to fall reduction (months)	1.12	
Additional annual revenue from fall reduction	\$ 69,185.36	
Revised lost revenue per year from empty rooms	\$ 314,043.64	
Reduction in lost revenue per year from empty rooms	18%	
Revised occupancy rate due to fall reduction	94%	
Increased occupancy rate due to fall reduction	1.4%	

Note 1: Bergen G, Stevens MR, Burns ER. Falls and Fall Injuries Among Adults Aged ≥65 Years — United States, 2014. *MMWR Morb Mortal Wkly Rep* 2016;65:993–998.
DOI: <http://dx.doi.org/10.15585/mmwr.mm6537a2>

Note 2: Based on S3 pilot studies, n=64
65% of residents decreased from 2-8x more likely to fall 2 or more times in the next 6 months to baseline low fall risk, as measured by the Functional Reach Test.

Note 3: Based on "Estimated ALOS increase in resident improving from "high fall risk" to "low fall risk" (year)" shown above
Equation: $ALOS = ((low\ fall\ risk\ residents)(ALOS\ low\ fall\ risk\ residents) + (high\ fall\ risk\ residents)((ALOS\ low\ fall\ risk\ residents) - (decrease\ ALOS\ due\ to\ falls))) / total\ residents$

S3 Balance Independent Living (IL) Cumulative Return on Investment (ROI)

Parameter (based on IL industry averages)	Value	Notes
Number of resident beds	244	ICAA National Benchmarks 2017, pg 13
Occupancy rate	92.3%	NIC Maps, ICAA Conference 2018
Number of occupied beds	225	
Number of empty beds	19	
Average revenue per bed per month	\$ 2,765.00	NIC data for IL, 2014 Investment guide, ICAA Conference 2018
Average revenue per bed per year	\$ 33,180.00	
Average lost revenue per year from empty rooms	\$ 623,385.84	
Total Revenue per year at full occupancy	\$ 8,095,920.00	
Average length of stay (ALOS) of all residents (years)	6.1	ICAA National Benchmarks 2017, pg 21
Residents participating in wellness program (%)	56%	ICAA National Benchmarks 2017, pg 13
Residents participating in wellness program	126	
ALOS of residents participating in wellness program (years)	8.8	ICAA National Benchmarks 2017, pg 21
Number of residents not in wellness program	99	
ALOS of residents not participating in wellness program (years)	2.66	
Increased ALOS of residents in wellness program (years)	6.14	
Older adults reporting fall(s) (%)	29%	65+ years old, 1 year timeframe, Note 1
Residents who will fall per year	65	denoted as "high fall risk resident"
Residents who will not fall per year	161	denoted as "low fall risk resident"
Parameter (with S3 Balance classes)	Value	Notes
Projected conversion of residents not in wellness program to S3 Balance	20%	Note 2
Residents not in wellness program converted to S3 Balance	20	
Total number of residents in wellness program	146	
Total number of residents not in wellness program	79	
Residents participating in wellness program	65%	
Projected ALOS of S3 Balance participants not previously participating in wellness program (years)	5.73	Not including increased ALOS due to fall reduction, Note 3
Increase in ALOS due to S3 Balance program engagement (years)	0.27	Not including increased ALOS due to fall reduction
Increase in ALOS due to S3 Balance program engagement (months)	3.2399999999999999	Not including increased ALOS due to fall reduction
Projected "high fall risk resident" participation in S3 (%)	50%	
Projected "high fall risk resident" participation in S3	32	
Projected improvement from "high fall risk resident" to "low fall risk resident" (%)	65%	Note 4
Projected improvement from "high fall risk resident" to "low fall risk resident"	21	
Estimated ALOS increase in resident improving from "high fall risk" to "low fall risk" (year)	1	Note 5
Estimated ALOS increase in resident improving from "high fall risk" to "low fall risk" (month)	12	
Projected ALOS of "high fall risk resident"	5.39	Note 6
Projected ALOS of "low fall risk resident"	6.39	
Increase in ALOS due to fall reduction (years)	0.09	
Increase in ALOS due to fall reduction (months)	1.12	
Overall projected increase in ALOS due to S3 Balance (months)	4.36	assumption of cumulative nature
Overall projected increase in ALOS due to S3 Balance (years)	0.36	
Increase lifetime revenue from one resident due to S3 Balance	\$ 12,053.46	
Increase in total revenue from all residents due to S3 Balance	\$ 2,714,584.85	
Additional annual revenue from S3 Balance program	\$ 420,001.45	
Revised lost revenue per year from empty rooms	\$ 203,384.39	
Reduction in lost revenue per year from empty rooms	67%	
Revised occupancy rate due to S3 Balance class	97%	
Increase in occupancy rate due to S3 Balance class	5%	

Note 1: Bergen G, Stevens MR, Burns ER. Falls and Fall Injuries Among Adults Aged ≥65 Years — United States, 2014. MMWR Morb Mortal Wkly Rep 2016;65:993–998. DOI: <http://dx.doi.org/10.15585/mmwr.mm6537a2>

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Note 3: ALOS of S3 Balance participants projected to be between residents participating in wellness program and residents not participating in wellness program. Residents starting S3 Balance classes will not instantly increase ALOS to wellness program resident levels. However, improvements should ramp quickly because S3 Balance movements are performed in standing as compared to sitting.

Note 4: Based on S3 pilot studies, n=64
65% of residents decreased from 2-8x more likely to fall 2 or more times in the next 6 months to baseline low fall risk, as measured by the Functional Reach Test.

Note 5: Estimate based on fall related increased morbidity and/or early mortality resulting in lease termination

Note 6: Based on "Estimated ALOS increase in resident improving from "high fall risk" to "low fall risk" (year)" shown above
Equation: ALOS=((low fall risk residents)(ALOS low fall risk residents)+(high fall risk residents)((ALOS low fall risk residents)-(decrease ALOS due to falls))/total residents

