



Montgomery Place

FROM 
Deborah E. Hart, CEO and President

DATE August 4, 2020

SUBJ MONTGOMERY PLACE SHARES TOWN MEETING UPDATES DURING
THIS TIME OF COVID-19

Dear Friends and Family,

COVID-19 is what prompted me to start this entire blog. We have considered many angles of the virus, including its biology, the psychosocial impact of isolation, the physical decline isolation can trigger, and the emotional aspects of illness and even deaths that have occurred among families of staff members and residents.

I'm seeing the silver lining in COVID-19. It is giving us this time to connect and share about the "happenings" at Montgomery Place.

Yesterday, we held a Town Meeting. It always was held in the East Room filled with 70-plus residents, eager to get updates from managers and to have an opportunity to inquire about topics affecting them. Now, we have to limit the room to about 25 people. To get a seat, some residents came nearly an hour early. Now, I could take this as a compliment that they all wanted to hear and see me, but the reality is that people are hungry for news and activity.

News shared yesterday was the annual message about monthly service fee rate increases that goes into effect in September. No one ever wants to hear about rate increases, but everyone is concerned for the economic health and impact COVID-19 is taking on the business that supports their lives. Montgomery Place has felt that impact. Census is down. Skilled nursing care and assisted living in our healthcare center are both at between 75 and 80 percent capacity. There are more vacancies for independent living apartments because we could not allow move-ins during the early months of the global pandemic. Montgomery Place will recover from these census declines. It just takes time.

One impact on our business is that is harder to absorb the impact of recent wage adjustments negotiated with the Union representing about half our workforce. Labor unions have been lobbying diligently for an increase in the minimum wage to \$15 per hour over the last several years. Rightfully so, workers need to earn a living wage.

We at Montgomery Place, along with many businesses including Target, McDonald's and many grocers, are adopting \$15 per hour as the minimum starting rate for

employees. Additionally, the Union negotiated adjustments to increase the wages of staff with seniority beyond the minimum rates. Overall, these increases to get workers to a living wage result in a 23 percent increase in our costs over three years.

We are committed to not pass along this entire increase to you, our customers. We already have made adjustments to absorb a portion of these costs. Because we are a “person-centered” business we cannot replace our staff with kiosks like McDonald’s does. We plan to keep our model of “person-centered care” in place with minor adjustments that will not negatively impact your daily lives. Please contact me immediately if you think we are not living up to this commitment.

No matter how much we try to absorb cost increases, we do need to pass a portion of them along to you. Rate increases going into effect in September will include increases ranging between 2.5 and 5 percent, depending on the level of services you receive. We are sending a personal letter to each of you with the specifics that apply to you.

COVID-19 continues. But so does life. Let’s focus on the “life” part and continue talking about how we can make life at Montgomery Place more involving.

Let’s stay safe!

Please contact me with your concerns, questions and suggestions. Call my mobile phone number, 773-617-1317, at any time.

Life goes on, so let’s enjoy it with each other.