



February 1, 2021

Andrea Lev
Signature HealthCARE at Mallard Bay
520 Glenburn Ave
Cambridge, MD 21613

Dear Andrea:

Thank you. Throughout the worst pandemic our world has known in over 100 years, you and your teams have continued to save the lives of Marylanders in need. It is important to remember that every life lost is to be mourned and that every life saved is to be celebrated. Together our sector has saved far more lives than were lost. Indeed, words are inadequate to express our gratitude, but thank you!

It is just over a year since the Health Facilities Association of Maryland (HFAM) issued our first long-term and post-acute care sector update on COVID-19. Since that first update in January 2020, we have issued more than 230 sector updates to everyone we could, regardless of their association membership. At the same time, we have shared more than 300 updates with the HFAM Board and our members.

In both our personal and professional lives, one of the first experiences of the COVID-19 pandemic was the feeling of a loss of control. In those moments, we did what we could to communicate, support, share insights, and take action to regain control over what little we could.

We advocated and pleaded with government leaders, we told our sector's story to the media, we guided the sector in terms of best practices, and we modeled encouragement and accountability with resilience. I am incredibly proud of the HFAM Board, our staff team, and our extended team on this front: Jane Neumaier, Patty DeGrasse, Hope Morris, Howard Sollins, Ashlie Bagwell, Paul Tiburzi, Judy Schiavi, Alan Zuccari, Mark Davis, Jim Reilly, and Carville Collins.

In Washington DC, our partner leaders from the American Health Care Association and National Center for Assisted Living (AHCA/NCAL) tirelessly advocated for our workforce, our members, and the people receiving care in our settings. Emergency CARES Act rate relief and federal COVID-19 quality care incentive payments to your centers would not have happened without the leadership and advocacy of AHCA/NCAL.

All of our members adapted quickly to the pandemic while continuing to provide quality care to Marylanders in need and most at-risk. You and your teams are indeed healthcare heroes and truly deserve to be recognized as such.

You scrambled to keep your teams fielded, paying hero wages and relying more than ever on registered nurses. You bought, at heavily inflated prices, personal protective equipment (PPE) and undertook emergency reconfiguration of your centers to manage infectious disease protocols. You trained, performed rigorous testing, and spent millions of dollars on additional expenses such as hero pay, testing, and PPE -- all while census and revenue dropped to historic lows. You focused on doing the right thing to protect residents, patients, and staff in your centers. By doing so, you saved lives.



While it may be obvious in this annual membership letter amid a global pandemic, I hope you know that now more than ever, we are stronger together. As we continue to navigate COVID-19, vaccine distribution and hesitancy, state and federal fiscal challenges, rate pressures, marketplace pressures, workforce challenges, and proposed care reforms, our data-driven approach, focus, and collective force are also more important than ever.

Eventually, as we move forward from this pandemic, we will look back at the impacts and lessons learned from both successes and failures. In the near future, changing consumer expectations and government reforms will emerge. Budgets, both federal and state, will be stretched thin, putting additional pressure on Medicare and Medicaid rates. These rates are vital to the work you do to provide quality care and in supporting recruitment, training, wages, benefits, and career development for our skilled workforce. Finally, together we have an opportunity and an obligation to make a difference in 2021 and beyond on diversity, inclusion, and equity in healthcare.

In all of the issues, challenges, and opportunities listed here, your membership in HFAM and AHCA/NCAL gives you a seat at the table. HFAM members are the majority providers of quality long-term and post-acute care to Marylanders in need. Your membership ensures that you are part of the association that has a proven track record of creating member value and public affairs impact.

By the time you receive this letter, you or your company have already received your HFAM and AHCA/NCAL 2021 dues invoice and will note **no dues increase for 2021**. We are proud of that.

Despite the economic and financial challenges of the pandemic, the financial health of HFAM is robust. While HFAM lost over \$200,000 in event revenue in 2020, our focused financial management of provider member dues balanced out that lost revenue. Our associate member dues also hit budget. While market conditions are likely to be more challenging in the coming years, we have adequate reserves, we will plan accordingly, and we continue to be focused on delivering member value.

We truly appreciate your membership and your support of HFAM's ongoing efforts. If you have any questions or if we can be of assistance, please feel free to contact me or any team member. We look forward to your continued membership, involvement, and support.

Be well,

A handwritten signature in black ink, appearing to read 'Joe', with a stylized flourish extending from the end.

Joseph DeMattos
President and CEO

enc: 2021 Membership Update Form