

*******NEWS RELEASE FOR FEBRUARY 1, 2018*******

JENKINS TO CLOSE ASSISTED LIVING CENTER

Earlier this week, the Jenkins Living Center Board of Directors voted to close the Jenkins-owned Cedar View Assisted Living Center, located at 425 14th Ave. N.E., effective March 31, 2018.

Cedar View has been a part of the Jenkins family of services for the past 21 years, but declining occupancy in recent months has led to the decision to close. Jenkins President/CEO, Loren W. Diekman said “The closure of Cedar View was a difficult decision. We are grateful for the residents, staff, and community support that have made Cedar View such a special place. Unfortunately, economic factors left us little choice but to close the center.” He said the assisted living capacity in Watertown and the surrounding area has increased significantly in recent years, with 189 licensed beds in Watertown, and centers also being operated in the nearby communities of Florence, Castlewood, Lake Norden, Clark, Clear Lake, and Bryant.

All staff members at Cedar View will be offered employment at Jenkins Living Center, and the organization will assist with placement of the remaining six Cedar View residents. A future use for the building has not yet been determined.

The Cedar View closure follows closely on the heels of a recent announcement by the Evangelical Lutheran Good Samaritan Society of Sioux Falls, SD, that it was closing its nursing home in Tripp, SD. In the fall of 2017, Parkview Care Center in Bryant closed, and over the past two decades nursing homes in Rosholt, Parker, Dell Rapids, Letcher, Lake Preston, Hosmer, and White have also ended their operations. In addition, an assisted living center in Parker closed its doors last fall, and Benet Place Assisted Living in Watertown announced its closure in November of 2016.

The closings have in large part been driven by inadequate Medicaid reimbursement. More than half of South Dakota nursing home residents rely on Medicaid to pay for their care, as do many assisted living residents. Medicaid reimbursement does not cover the cost of providing care. At Jenkins, the low reimbursement results in a loss of nearly \$50 per day for each Medicaid resident in the center. Diekman said, “With no consistent Medicaid funding anticipated from the state in the near future, the closing of long term care facilities in the state will likely continue.”

Diekman also said that increasing use of Home and Community Based Services (e.g. home health agencies, homemaker services, etc.) could also be a contributing factor affecting assisted living and nursing home occupancy.

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Jenkins Living Center, Inc. is a free-standing, non-profit health care corporation offering a full-continuum of quality geriatric care. Located in Watertown, SD, Jenkins provides

compassionate, personalized care and services to the nearly 300 people we serve daily through skilled nursing care and senior apartments.