



## Province urged to adopt action plan to protect care as Chinese government regulator takes control of Retirement Concepts

*HEU says Anbang-owned nursing homes collect nearly \$100 million annually from B.C. government and controls 10 per cent of publicly-contracted care beds*

The Hospital Employees' Union has written B.C.'s health minister urging him to implement an action plan to protect seniors' care in response to the takeover of the province's largest nursing home chain by a Chinese government regulator on February 23.

A year ago, the federal and provincial governments approved the sale of Retirement Concepts to Anbang Insurance (through its subsidiary Cedar Tree Investments) despite concerns that the Chinese company's global spending spree was unsustainable.

The sale included 20 Retirement Concepts locations in B.C. HEU represents about 1,700 members under ten collective agreements at nine of those locations.

Now the Chinese government regulator will run the company for the next one to two years to deal with the debt the company has accumulated during a global spending spree that included hotels, insurance companies, and B.C.-based Retirement Concepts.

"Seniors' care must be safeguarded from any attempts to pull more revenue out of B.C. nursing homes – or to dispose of these assets in a manner that disrupts care for seniors and others in care," says HEU secretary-business manager Jennifer Whiteside.

"We need an action plan in place to monitor spending and staffing, prevent future contracting out, and investigate the possibility of acquiring and operating Anbang's nursing home sites to operate directly, should they be sold."

Retirement Concepts has 20 care homes and is contracted by government to provide more than 1,900 nursing home beds, where frail seniors and others receive 24/7 care, along with about 750 assisted living spaces. The company received \$96.7 million dollars from B.C.'s health authorities in 2016-2017 for services at those sites.

"Anbang controls nearly one of every 10 nursing home beds outside those provided directly by health authorities," says Whiteside. "Now, the fate of a significant portion of B.C.'s residential care capacity is subject to decisions being made by a Chinese government regulator."

HEU is proposing that government implement a three-point action plan to safeguard resident care and ensure stable working conditions for workers.

.../2

**1. Implement expanded staffing and financial audits at Retirement Concepts facilities**

As the Chinese government moves to rein in debt related to Anbang's global assets, it would be prudent to more closely monitor the impact on Retirement Concepts' operations in B.C. including on staffing, planned facilities maintenance and equipment replacement.

**2. Implement a moratorium on contracting out in the broader residential care sector**

If Anbang seek to dispose of its care home assets in B.C., the government must be prepared to act to protect continuity of care at Retirement Concepts sites. A moratorium on contracting out and contract flips would ensure that care relationships won't be disrupted by pre-sale layoffs of staff.

**3. Investigate the business case for purchasing Anbang's assets**

Anbang's care home assets in B.C. represent a considerable investment in seniors' care by B.C. taxpayers. The government must consider all options for ensuring that stable, seamless care can continue to be provided at Retirement Concepts' sites including the purchase and operations of these sites should they become available.

"While local Retirement Concepts management says day-to-day operations at their locations will be unaffected by Anbang's change in management, we need a plan in place to ensure that working and caring conditions are protected over the medium and long term," says Whiteside.

HEU is B.C.'s largest health care union and represents 49,000 health and community social services workers across B.C.

*March 2, 2018*