



HOSPITAL EMPLOYEES' UNION

# NEWS RELEASE

FOR IMMEDIATE RELEASE

March 6, 2018

## Action plan needed to protect seniors' care as Chinese regulator takes charge of B.C.'s biggest nursing home chain

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

[BURNABY] The Hospital Employees' Union is urging the B.C. government to implement an action plan to protect seniors' care, in the wake of last week's takeover of the province's largest nursing home chain by the Chinese government through its insurance regulator.

On February 23, the Chinese government announced it would take charge of Anbang Insurance operations for one to two years in order to rein in the company's debt. One year ago, the federal and provincial governments approved the sale of Retirement Concepts to Anbang (through its subsidiary Cedar Tree Investments) despite concerns that the Chinese company's global spending spree was unsustainable.

"We must ensure that seniors' care is 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," says HEU secretary-business manager Jennifer Whiteside.

"We're urging the Government of B.C. to implement an action plan 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 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 stability.

.../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 seeks 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.

“We can thank the governments of Christy Clark and Justin Trudeau for the situation we’re facing today,” says Whiteside. “But it’s our responsibility to deal with the aftermath and move quickly to safeguard care.”

HEU is B.C.’s largest health care union and represents 49,000 health and community social services workers across B.C., including more than 1,700 workers employed under 10 collective agreements at nine Retirement Concepts sites across the province.