August 6, 2020

**TO OUR RESIDENTS, RESIDENT CONTACTS, TEAM MEMBERS, BOARDS OF DIRECTORS AND PHYSICIANS:**

This communication is to update you and summarize our recent activity with regard to government orders, COVID-19 protocols, testing results and statistics, and other information.

**Recent Government Orders**

**Dallas County**

On August 4, 2020, Dallas County Judge Clay Jenkins issued a Supplemental Order on continuing requirements after expiration of “Stay Home, Stay Safe” orders. Section (g) of the Supplemental Order states: “Nursing homes, retirement, and long-term care facilities are instructed by this Order to prohibit non-essential visitors from accessing their facilities unless to provide critical assistance or for end-of-life visitation.”

This Supplemental Order “extends [the previous order] and is effective until it is either rescinded, superseded or amended pursuant to applicable law.”

**Texas HHSC**

On July 30, 2020, the Texas Health and Human Services Commission (HHSC) extended the emergency rules for Texas skilled nursing and assisted living facilities to September 29, 2020. These emergency rules specifically prohibit visitors to Texas skilled nursing and assisted living facilities except for imminent end-of-life resident care.

**Infection Control Survey**

HHSC regularly conducts unannounced clinical and life safety surveys on skilled nursing and assisted living facilities across the State of Texas.

On July 29, 2020,HHSC surveyors arrived at the CC Young campus to conduct an infection control survey. The HHSC surveyors were extremely impressed with our

COVID-19 infection control processes and protocols and exited without making any recommendations to our team. We were very pleased to receive confirmation that we have implemented infection control processes and protocols that exceed even those required by our state regulators.

**Personal Protective Equipment (PPE)**

CC Young has been sourcing and procuring Personal Protective Equipment (PPE) since the inception of the COVID-19 pandemic. Supply chain disruptions and price gouging have created a challenging situation to accumulate PPE stockpiles. We continually add to our stockpile of N95 and KN95 masks, face shields, isolation gowns, nitrile gloves, infrared thermometers, disinfectant wipes, and hand sanitizer. Although disinfectant wipes continue to be difficult to source, we believe we have a sufficient supply of PPE to help mitigate the impact of a short-term COVID-19 infection.

**Electrostatic Disinfecting Equipment**

CC Young has recently been able to procure and implement electrostatic disinfecting equipment to rapidly and thoroughly disinfect the service and common areas of our campus. We have an electrostatic fogger for disinfecting large areas and “backpack” electrostatic sprayers for smaller areas such as elevators.

Electrostatic disinfection is a process whereby surfaces are disinfected with electrically charged particles for even, complete disinfecting coverage. This is done by using an electrostatic applicator that gives a negative charge to the disinfecting solution as it exits the nozzle. Electrostatic sprayers charge disinfectants as they pass through a sprayer nozzle. This generates charged droplets that repel one another and actively seek out neutral surfaces, which they stick to and even wrap around to coat all sides. The result is a uniform coating of disinfectant on sprayed objects, including hard-to-reach areas that manual application of disinfectants can miss. The technology also helps avoid the liquid pooling often associated with trigger sprayers. Electrostatic disinfecting equipment is typically 80% more efficient in time savings over traditional disinfecting methods. In addition, electrostatic disinfecting equipment is contactless, disinfects an area 360 degrees around and consumes significantly less disinfecting chemical than traditional methods.

**COVID-19 Test Equipment**

CC Young ordered Cepheid GeneXpert IV Xpress testing equipment on May 15, 2020. This Cepheid testing equipment will allow CC Young the ability to conduct our own COVID-19 testing and ensure we can control the quality of the testing process. An added benefit is our ability to receive test results in 45 minutes versus sending test specimens to private labs and waiting several days or even weeks for test results.

Cepheid testing equipment is FDA approved and has a very high degree of test results accuracy. In addition to testing for COVID-19, this equipment allows CC Young to

test residents and staff for the flu and strep. We hope to receive this testing equipment in the next few weeks. It will become an integral part of our strategy as we continue to battle COVID-19.

**COVID-19 Testing**

**As of July 31, 2020**, CC Young has tested 432 residents and 708 employees for COVID-19, **a total of 1,130 tests**.

CC Young conducted the following tests by month:

2 in March 2020

30 in April 2020

162 in May 2020

286 in June 2020

650 in July 2020

Results of the COVID-19 testing areas follows:

2.7% have been positive

1.4% have been inconclusive

95.9% have been negative

All test specimens were collected by CC Young employees and sent to private, independent labs for testing.

CC Young began selective COVID-19 testing of residents and employees during March 2020. Testing during March, April, May and June was targeted to residents with any COVID-19 symptoms or respiratory issues and to employees with potential community spread exposure to COVID-19. All resident test results were negative. However, we had a few employees test positive after they had been placed in quarantine off-campus in their homes. We believe our employees were exposed to COVID-19 due to community spread and not while working at CC Young.

**In late May and early June 2020**, CC Young completed the State of Texas mandated COVID-19 testing for all residents who live at The Vista on floors 5-8 and employees assigned to serve those residents. We received negative COVID-19 test results for all residents and employees tested at that time. We tested 82 residents and 229 employees as part of this State of Texas mandate.

**On July 7, 2020,** we received notification from a local hospital that a CC Young resident had tested positive for COVID-19 at the hospital, with an inference that the resident must have been infected with COVID-19 at CC Young. Although we knew a CC Young resident becoming infected with COVID-19 was ultimately inevitable, we were still very surprised after having gone approximately four months without a resident-positive COVID-19 test result. We believed our first COVID-19 positive resident result would be from a new resident admission, re-admission from a hospital, or from an employee who was asymptomatic and infected from community spread.

The CDC estimates up to 40% of COVID-19 cases are asymptomatic and asymptomatic carriers are many times found among younger age groups. CC Young COVID-19 protocols were developed assuming the greatest risk of exposure to our residents is from asymptomatic carriers. The ongoing goal is to mitigate the exposures from hospital and new admissions and asymptomatic employee transmission.

The resident who transferred to a local hospital was not a new admission and had not left the CC Young campus since months before the beginning of the COVID-19 pandemic. Our attention and actions immediately focused on contact tracing and employee transmission.

**On July 7, 2020,** all 30 residents were tested on the impacted Vista floor, plus all employees who serviced that floor, 89 employees in total.

On **July 10, 2020**, test results were received indicating 7 residents had a COVID-19 positive test result; 2 residents had an inconclusive test result; and 7 employees had a COVID-19 positive test result.

Again, although we were very surprised by the test results, we immediately implemented our isolation and quarantine protocols. All residents who tested positive for COVID-19 were immediately relocated to the 7th floor of the Vista and placed into our isolation and quarantine protocols. All employees were immediately sent home from campus and placed in a 14-day quarantine at their homes. Each resident and employee was asymptomatic and never became sick during the isolation and quarantine period.

As a result of these COVID-19 test results, CC Young implemented several new campus-wide protocols with the intent to mitigate any COVID-19 spread across the

CC Young campus including requiring full PPE for staff serving The Vista’s 7th floor, requiring KN95 masks for residents and staff throughout campus, closing of the Independent Living and Assisted Living dining rooms, suspension of housekeeping, IT, maintenance, therapy, life enrichment and home services as of July 15, 2020.

**On July 10, 2020**, all residents and employees that had initially tested positive or inconclusive for COVID-19 were tested and test specimens were sent to a different lab. All test results were returned as negative for COVID-19.

**On July 16, 2020**, we retested the same residents and employees who had initially tested positive or inconclusive for COVID-19 and sent the test specimens to the same lab as the initial retest specimens. The retest specimens submitted on July 10 and July 16, 2020 were all molecular swab-based tests. All test results were returned as negative for COVID-19.

**On July 28, 2020,** all residents and employees who had initially tested positive or inconclusive were tested with an antibody (serology) test which is a blood test designed to detect IgG and IgM antibodies that are proteins produced by the immune system in response to a COVID-19 infection. All test results were returned as negative for COVID-19 which indicates that these residents and employees had not been infected with COVID-19.

As a result of the 14 COVID-19 positive result test results, all skilled nursing and assisted living residents living in The Vista and Hillside were tested. This additional testing identified the following:

Inconclusive COVID-19 test result for 2 residents in living skilled nursing

Inconclusive COVID-19 test result for 2 residents living in assisted living

Positive COVID-19 test result for 4 residents living in assisted living

Again, none of these residents were sick or displayed any COVID-19 symptoms despite the inconclusive or positive COVID-19 results. These residents were also retested three additional times. Both of the molecular-based swab tests and the antibody test returned negative results for each individual.

**CC Young’s Path Forward**

Our assessment of any COVID-19 presence on the CC Young campus has changed dramatically over the last few weeks. The multiple negative test results received for all residents and employees who initially tested positive for COVID-19 have provided great confidence to our CC Young team as to the efficacy of our COVID-19 protocols and our ability to swiftly and thoroughly respond to a potentially challenging environment.

We will continue to monitor, evaluate and comply with the guidelines, regulations and orders issued by the State of Texas, Dallas County, CDC, CMS, Texas HHSC and Dallas County HHS as our COVID-19 protocols evolve.

We will monitor on a daily basis the number of active COVID-19 cases in Dallas County and continually assess our COVID-19 protocols in light of the potential impact of community spread. The arrival of our COVID-19 testing equipment will significantly enhance our ability to control the quality of the testing process and obtain results on a timely basis to provide the most value from the testing process.

Our highest priority continues to be the health and safety of our CC Young residents and employees. Thank you for your continued support.

Russell Crews

President & CEO