

WEEKLY HEALTH CARE REAL ESTATE BRIEFING: CDC RELAXES MASK GUIDANCE | AHCA/NCAL ASKS CONGRESS TO ADD \$20B TO THE PROVIDER RELIEF FUND FOR SNFS AND ALFS | HOW TAX-FRIENDLY IS YOUR STATE?

Our Health Care Real Estate Briefing is your comprehensive summary of weekly health care real estate highlights currently happening across the nation.

Last week, there were quite a few stories about hospitals and health care facilities that are worth mentioning. Most of the headlines were about skilled nursing facilities ("SNFs"), the lack of staffing and how Americans view skilled nursing facilities. In other news, hospital systems continue to build and add more inpatient space even though construction costs have increased substantially. Finally, the intersection of medical and retail real estate continues to gain traction. Consumers like convenient access to health care.

1. The **CDC** relaxed its mask guidance. Guidance is based on "COVID-19 Community Levels" that are tied to COVID-19 hospitalizations, the number of hospital beds available and infection rates in each community. If COVID-19 Community Levels are low, a mask is optional. If levels are medium, consider wearing a mask in certain situations, and if levels are high, wear a mask in public places.
2. West Virginia legislators decided to retain their CON law but proposed bills exempting birthing and opioid treatment centers from the CON process per **The Inter-Mountain**.
3. Virginia is considering legislation that would give residents of assisted living facilities ("ALFs") certain appeal rights in the event they are evicted from an ALF per **The Virginia Mercury**.
4. AHCA/NCAL is asking Congress to add \$20B to the Provider Relief Fund ("PRF") for SNFs and ALFs. Phase 4 PRF only covers losses by SNFs and ALFs in the 1st quarter of 2021, and the additional funds would cover losses for the remainder of 2021 per **Skilled Nursing News**.
5. Hall Render is hosting a seminar for in-house real estate attorneys and executives working for health care providers. Contact me at adick@hallrender.com for more information.
6. How tax-friendly is your state? According to **Money Geek**, states with the lowest tax burdens include WY, NV, AK, FL and TN, and states with the highest tax burdens include IL, CT, NJ, NH and NY.
7. A new survey of older Americans indicated that 71% are unwilling to live in a SNF, and 90% say changes are needed to SNFs to make them more appealing per the **John A. Hartford Foundation**.
8. Healthcare Trust of America ("HTA") and Healthcare Realty Trust ("HRT") are reportedly in talks to merge. HTA has a value of \$6.6B with a portfolio of 25M sf, and HRT has a value of \$4.6B with 18M sf per **The Real Deal**.
9. Mayo Clinic plans to spend \$785M on new construction projects, adding 121 beds to its Mankato, MN hospital, 70 beds to its La Crosse, WI hospital. Mayo will also expand its Jacksonville, FL hospital per **The Star Tribune**.
10. **Disney** announced a large, master-planned community called Story Living by Disney in Rancho Mirage, CA, a community where Walt Disney had a home. Plans include a 55 and over neighborhood.
11. The owner of the John Hancock Tower in Chicago will invest \$10M to convert 4 floors of office space into medical office space. The space will be called Mag Mile Medical Pavilion per **Commercial Search**.
12. Medtail is gaining traction. In early 2020, nearly 7 in 10 adults visited a health care provider in a retail setting, 32 malls have health care providers taking up a substantial amount of space and retail rental rates are 20% below pre-pandemic levels per **The New York Times**.