

Case Study

A Culture of LOVE>fear:

Silverado's Constant Through Adversity and Uncertainty



Foreward

by Hon. Steve Cooley, Former Los Angeles County District Attorney, 2000-2012



It is said that the truest measure of character is an individual's (or institution's) conduct when confronted with adversity. If indeed true, Silverado Memory Care and its executives have demonstrated a caliber of character that sets the standard for the industry. When the once-in-a-century pandemic, COVID-19, first emerged, Silverado proved to be a resourceful, conscientious, and dedicated provider of knowledgeable informed care for the high-risk and vulnerable individuals under its care. With determination and distinction, its executives and its dedicated employees showed nothing but commitment to their residents and resilience to the never-ending challenges.

Then another unprecedented form of adversity arose with the filing of criminal charges against Silverado, associated entities, and some of its executives and managers. In my forty years as a career prosecutor (twelve of which were as the elected District Attorney of Los Angeles County), and now over a decade in private practice, I have never seen a more egregious criminal filing against an innocent entity and individuals.

Why was this injustice pursued? Very simply put, because the district attorney who filed the charges sought the glow of favorable media headlines in anticipation of his reelection campaign. Mercifully, the unwarranted filing was summarily dismissed at an early stage by a judge hearing the case.

While Silverado and others in the industry have emerged on the other side of this adversity with their heads high and commitment to serve intact, it wasn't without significant hardship, heartbreak, and perseverance. The following case study provides details about the inspiring demonstration of character by Silverado – its executives and employees – and serves as a valuable example for letting what's important guide you during times of great uncertainty.

Case Study of Silverado President/Chief Executive Officer/Chairman of the Board Loren Shook

Silverado Memory Care stands as an industry leader for those living with dementia. Under the visionary leadership of Loren Shook, the organization is guided by an unwavering belief that every decision should be rooted in love and a commitment to improving the lives of others. This commitment served as the source of Silverado's resilience during the pandemic, when dynamics were shifting hour-to-hour and there was no precedent in place. As the Silverado team endured the everyday uncertainties, the philosophy of leading with "love greater than fear" became the mantra that got them through.

This philosophy was put to the test in March 2023 when Silverado was faced with legal charges related to a COVID-19 outbreak in March 2020. Throughout it all, Silverado's leadership maintained transparency, courage and an unwavering focus on their mission. While all charges against Silverado Memory Care were summarily dismissed in October 2023 without ever going to trial – marking a huge triumph for the organization and the industry – the reality is that challenges confront caregivers every day. As you think about how to ensure your organization is prepared to meet the unexpected, this case study will examine the steps Silverado leadership took to respond to this challenge and to ensure they could further their mission to provide life changing compassionate care to the most vulnerable, in even the worst of times.

Defining Excellence in Memory Care

Driven by an innate purpose to redefine the memory care paradigm, Shook founded Silverado Memory Care upon an evidence-based, personalized and dignified approach to caring for individuals experiencing memory impairment. He and his team, across 27 locations serving in 10 states, have successfully worked with thousands of residents to enhance their quality of life and even slow the progression of memory loss. Silverado combines the art of compassionate care with the science of clinical expertise to enrich the lives of residents, families and team members alike.

The commitment demonstrated by Silverado's team is proof that for them, work transcends the typical 9-to-5 job. Instead, it is a profound calling to serve and care for individuals who are experiencing moments in their lives when they are at their most vulnerable. By bringing together like-minded individuals who share this calling, Silverado has successfully cultivated an exceptional and strong culture.

"My leadership philosophy is to prepare my teams to make the right decision and to imbue them with the knowledge that love is always greater than fear," Shook said. "If they take the path of love serving the resident's best interest first, they will always wind up in the right."

A shared commitment to the "love greater than fear" philosophy is non-negotiable when it comes to working at Silverado. Whether at the bedside or non-clinical, every team member is expected to make decisions guided by heart and prioritize the well-being of others. Without this unifying principle, Silverado would not be what it is today, having withstood the past few years, and emerge on the other side, resilient and united.

Culture is the Bedrock of Any Successful Organization

The dedication of team members and their foundational belief in a higher purpose are credited by Silverado

leadership as the guiding light that navigated them through the unprecedented pandemic and unforeseen subsequent events.

COVID-19 posed an existential threat to the world. Each day was different and presented new challenges wrapped in potential tragedies. Every care provider across the world found themselves grappling with the lack of consistent guidance, especially during the early days. Memory care facilities, like Silverado, had even less guidance because they were not categorized as a healthcare entity, though not strictly a residence for senior adults either, serving a very unique, complex population. These organizations found themselves having to take swift actions to protect and manage their high-risk populations, initially without any direction from authoritative agencies. As regulators struggled to find the right path forward to deal with the novel COVID-19 virus, they developed regulations for the majority of the senior housing population who were not suffering from dementia whose needs are at times very different. Silverado managed this by consistently communicating with regulators as to needed changes in their regulations.

Silverado knew that proper care and treatment for individuals living with dementia, a highly specialized field, mandated constant touch points between residents and caregivers. Isolation for individuals with memory loss is not only inappropriate care, but borderline inhumane. Working closely with other industry experts around the country and globe, Silverado's leadership implemented new processes, rooted in research, designed to protect residents and caregivers alike. While these protocols were eventually adopted by other memory care providers and referenced by public health departments, licensing and other agencies as industry standard, Silverado was a pioneer at the onset of the pandemic.

Shelter was provided to caregivers who feared carrying the virus from home to work and vice versa. Paid sick time was generously extended to all team members to ensure they prioritized their health and safety over fears of any potential financial strain. Silverado's commitment to love over fear (and safety) ensured that caregivers could fully dedicate themselves to the care of residents and bring their whole selves to work. Silverado led the industry with these kinds of bold decisions even in a time of great fiscal uncertainty.

"There was huge fear, but we couldn't stop taking care of those dependent on us," Shook said. "Others in the industry would stop, but we couldn't as our residents' lives depended on us to be there. I, along with our many leaders including Kim Butrum, SVP Clinical Services, led the team through that, keeping their fears under control and keeping them focused."

Throughout the crisis, Silverado worked tirelessly to safeguard those under its care and the dedicated individuals living out the organization's mission every day in service to others. However, despite extensive efforts to protect the individuals, the pandemic's reach proved to be overwhelming. Like many others, Silverado could not shield every person from the global crisis, resulting in the tragic losses of residents and a dedicated caregiver. Silverado – its leaders and team members – will always mourn the lives of those lost to the pandemic.

Having experienced the detriment of the pandemic, Shook recognized the importance of acknowledging his own personal fears, but pushing forward to prioritize the well-being of patients, residents and team members first. Their commitments to prioritizing people, managing fears and communicating with transparency, respect and compassion are at the core of their culture, and what helped them start to heal as

an organization. This included engaging outside counseling resources in stress management for the team, as well as post-traumatic stress disorder (PTSD) and other support counseling services after the primary crisis passed.

Reliving the COVID-19 Tragedy Through Legal Charges

Three years after navigating through the uncertainty, loss and grief of the pandemic, Silverado found itself reliving it all again when faced with unfathomable charges brought forth by the Los Angeles District Attorney (DA) in March 2023.

The matter of these charges centered around a resident moving into a Silverado community in early/mid-March 2020, when little was known about the COVID-19 virus, how the virus spread or what protections needed to be put in place. The charges filed by the DA assumed adherence to guidelines that did not exist at the time, including those related to testing and masking. COVID-19 tests were not made available to assisted living communities, like Silverado, until later and importantly, this matter had been previously reviewed and cleared by the California Department of Social Services (DSS).

DSS is the regulatory authority responsible for licensing the assisted living industry in California known as Residential Care for the Elderly. DSS fully investigated the move in of the residents in question and completely vindicated Silverado more than two years prior to the DA's filing, finding that the company did nothing wrong. In fact, during those early days of what we now know to be a once-in-a-century event, Silverado was regarded as a leading resource for others in the memory care industry for its handling of the novel virus.

This unexpected legal onslaught not only stalled the healing process, but reopened wounds and caused the feelings of fear and uncertainty to resurface across the organization, triggering symptoms of PTSD for many Silverado caregivers and leaders. Despite Silverado's dedication to prioritizing the well-being of residents and team members, they found themselves unfairly accused of intentionally causing harm and endangering the individuals that they had worked so hard to protect amid circumstances that were far beyond their control.

Confronting Legal Challenges with Courage and Compassion

Upon learning that the case was filed, Shook had a pivotal decision to make as a leader: He could succumb to fear, or he could embrace his guiding philosophy of making bold decisions rooted in love. Standing firmly in their commitments, Silverado's leadership quickly mobilized to face the challenges head on, placing the safety of residents and caregivers at the forefront of their decision-making process.

Their first course of action was to align with each other and their trusted advisors to prepare a unified message – one that reinforced their steadfast dedication to care and showed that these unfounded accusations did not reflect who they were as an organization. When selecting advisors, it was crucial for leaders to find individuals who not only understood the political nuances of the situation, but also shared a genuine understanding and belief in Silverado's mission and purpose.

Despite the uncertainty, leaders maintained consistent communication with all stakeholders involved to ensure that Silverado team members, residents and their families had a clear understanding of the proactive steps taken to safeguard the organization and the people under their care. Even in moments of ambiguity

where they didn't have all the answers, leadership communicated with honesty and courage, choosing love over fear and trusting others to do the same.

"It's the courage to make leadership decisions that ultimately yield positive results. It requires transparency and the courage to acknowledge that perfection isn't always attainable here," Shook said.

Leadership's Resilience and Reinforcing the Mission

Navigating the team through the complexities of this crisis demanded not only great skill and adaptability, but also a commitment to leading with courage and compassion. Shook, alongside his fellow leaders, focused on the future, knowing that there were significant risks in each step forward. Even when the path wasn't clear, their approach was defined by a resolution to continue to make decisions that best served residents and team members. They recognized the impact that the charges against Silverado would undoubtedly have on the team's morale and sought ways to reassure them of their purpose-driven and life-saving work performed every day. These charges would not ever demean the value of Silverado's heroes.

"We were concerned for our team members, as we didn't want people disengaging or giving up hope, but recognized that might be their initial reaction," Shook said.

Through an open and honest dialogue, they continuously reminded their dedicated team of each person's importance and meaningful contribution to their collective mission. Through a shared purpose, team members found the solidarity and power to rise above the accusations and instead, focus their energy on what was most important: showing up and providing the best care possible for residents. The prioritization of team members serves as a true testament to the resilience and strength of Silverado's culture.

Strengthened Culture and Collective Resilience

After enduring nine months of public scrutiny, October 2023 brought the dismissal of all criminal charges against Silverado and its leaders. From executive leadership and clinical staff to housekeeping and facility maintenance teams, each individual contributes to the organization's culture and resilience. Their strength is grounded in a shared belief that every person deserves a good life, honor and respect — a belief that is executed daily with love and dignity.

Silverado's ability to instill trust through transparent communication, especially in times of great fear and uncertainty, has been instrumental to rising from these challenges stronger and more united. No matter the situation, Silverado communities will persevere because of their people. They will continue to prioritize the needs of those they serve, placing them front and center of all they do.

A Legacy of Love Greater Than Fear

Silverado's journey through adversity shows the transformative power of "love greater than fear." This industry pioneer is poised to overcome any future challenges and will always answer the calling to care for others. The legacy of Silverado lies not just in the care provided, but in the resilience, courage and love of its people, setting the standard for the industry.