

Abstract: Traditionally, elderly people who didn't have the option of moving in with relatives moved into nursing homes. Recently, three common options have emerged: retirement communities, assisted living facilities and nursing homes. But perhaps the ideal living situation combines these three levels of care in one package: the continuing care retirement community (CCRC). This article reviews each level of senior housing and examines how a CCRC includes each.

Choosing a Senior Housing Facility Continuing Care Retirement Communities Offer Seniors Care and Financial Options

Traditionally, elderly people who didn't have the option of moving in with relatives moved into nursing homes. Recently, three common options have emerged: retirement communities, assisted living facilities and nursing homes. But perhaps the ideal living situation for you may be one that combines these three levels of care into a new, fourth package: the continuing care retirement community (CCRC). Let's examine each level of senior housing, how CCRCs combine all three and the financial implications.

4 Senior Housing Levels

Each type of senior housing provides different options and services. Today's four levels of care include:

Retirement communities. Also known as congregate senior housing, retirement communities are for seniors who are healthy and independent but wish to live among other seniors. Many of these residences serve meals in a common dining room and offer group activities and entertainment.

Assisted living facilities. Assisted living residences may be freestanding buildings that operate independently from other types of senior housing, or they can be affiliated with -- or even located in the same building as -- retirement communities or nursing homes. They offer 24-hour protective oversight and assistance for seniors who need help with basic activities of living such as personal hygiene, dressing, exercise or medication reminders.

Nursing homes. These facilities provide 24-hour skilled nursing services and on-site medical care by licensed physicians. Some provide specialized care for Alzheimer's patients.

CCRCs. These facilities offer a variety of living arrangements and services to accommodate residents of all three levels of physical ability and health. The care levels are often located in separate buildings on a CCRC campus, but sometimes they are a short distance apart -- usually within a few miles -- in nearby communities.

A key advantage of CCRCs is that as you age and need additional care, you can move to the next level of care without completely uprooting your life. You simply move to another facility on the same campus or in a nearby building.

Life Care Contracts

Most CCRCs offer life care contracts -- also known as whole life care agreements -- that virtually guarantee admission into a higher level of care when a change becomes necessary. In a typical arrangement, you pay an entrance fee from \$50,000 to \$750,000, depending on the size, location and amenities of the residential unit. In addition, there is usually a monthly rent payment of roughly \$2,000

to \$4,000. At the higher end of the scale, you will receive a refund of typically 90% of the fee when you leave the unit. When you transfer to another level of care, many CCRCs give partial refunds of the entrance fee and adjust the monthly rent based on the assistance or medical care the CCRC provides.

Some CCRCs also offer a straight rental plan that doesn't require an entrance fee. This plan usually involves a higher monthly rental rate and doesn't guarantee admission to the next level of care.

Life care contracts are in some respects better than long-term care insurance. Why? Because you don't pay until the day you enter the CCRC, rather than paying monthly premiums starting when you are in your 40s or 50s.

Remember, the government does not regulate CCRCs at the federal level, so there are few national standards. Make sure to shop around and compare the facilities, services and financial arrangements different CCRCs offer.

Carefully Consider Your Options

Today, you have many amenities and financial options to consider when choosing your senior housing arrangement. If you would like help assessing your long-term housing needs and costs, please give us a call. We can assist you in formulating a plan with which you can live and grow old gracefully.

A key advantage of Continuing Care Retirement Communities is that as you age and need additional care, you can move to the next level of care without completely uprooting your life.