



Your Complete
Guide to the Cost of
Senior Living



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se·nior liv·ing noun

1 : a term for a range of supportive living environments for older adults.

The time has come that you or your loved one feel ready for a change. It may be a change of scenery or a change in the level of support needed. But either way, you have questions.

As senior living professionals, we answer these questions every day. That's why we put this guide together—to help answer some of the most pressing concerns and common questions that older adults and family members have when planning for support systems to help maintain independence.

The following pages will tell you about different senior living options, services offered and typical cost ranges. There are checklists to help guide conversations. We've also included how to contact a senior living counselor who can help answer any further questions.



You're taking an
important step!

Let's get started.



How much does senior living cost?

It's the first question that usually comes to mind when planning for senior living options. Unfortunately, there's no easy answer. Cost depends on many factors unique to your family's preferences and situation. But a little advance planning can go a long way. Here are a few things to think about to start estimating the cost of senior living for you or your loved one.

Support Services

First, are support services currently needed? These might be amenities such as transportation, housekeeping and dining. Are there immediate and pressing physical or cognitive limitations that require extensive support, or is it likely they may not be needed for the foreseeable future? How much or how little support is required will greatly impact the cost of a senior living option.

In-Home vs. Senior Living Community

Is the plan to remain in the house with the assistance of a caregiver, or move to a community with personal support services included? This might be the most important question to ask since it determines a whole host of additional considerations that will influence budget. We'll cover this in more detail starting in the next section.

Location

Where will you be looking? Is the hope to stay close to the current location or move and live closer to family? Is there another location close to other family members and friends who can help provide support? Regional costs of living affect not only real estate prices but also services and employment costs, all of which contribute to the total cost of a senior living option.

Veteran Status

Are you or your loved one a veteran or a survivor? **VA Aid and Attendance** or **Housebound benefits** add monthly payments to monthly VA pensions for qualified veterans and survivors. Learn more at va.gov/pension/aid-attendance-housebound.

Ask any prospective senior living community whether they offer additional discounts for veterans. For example, Five Star Senior Living offers veterans **5% off monthly rent**. This discount never expires and is in addition to federal programs like Aid and Attendance. A Five Star sales director would be happy to tell you more (see p. 14).



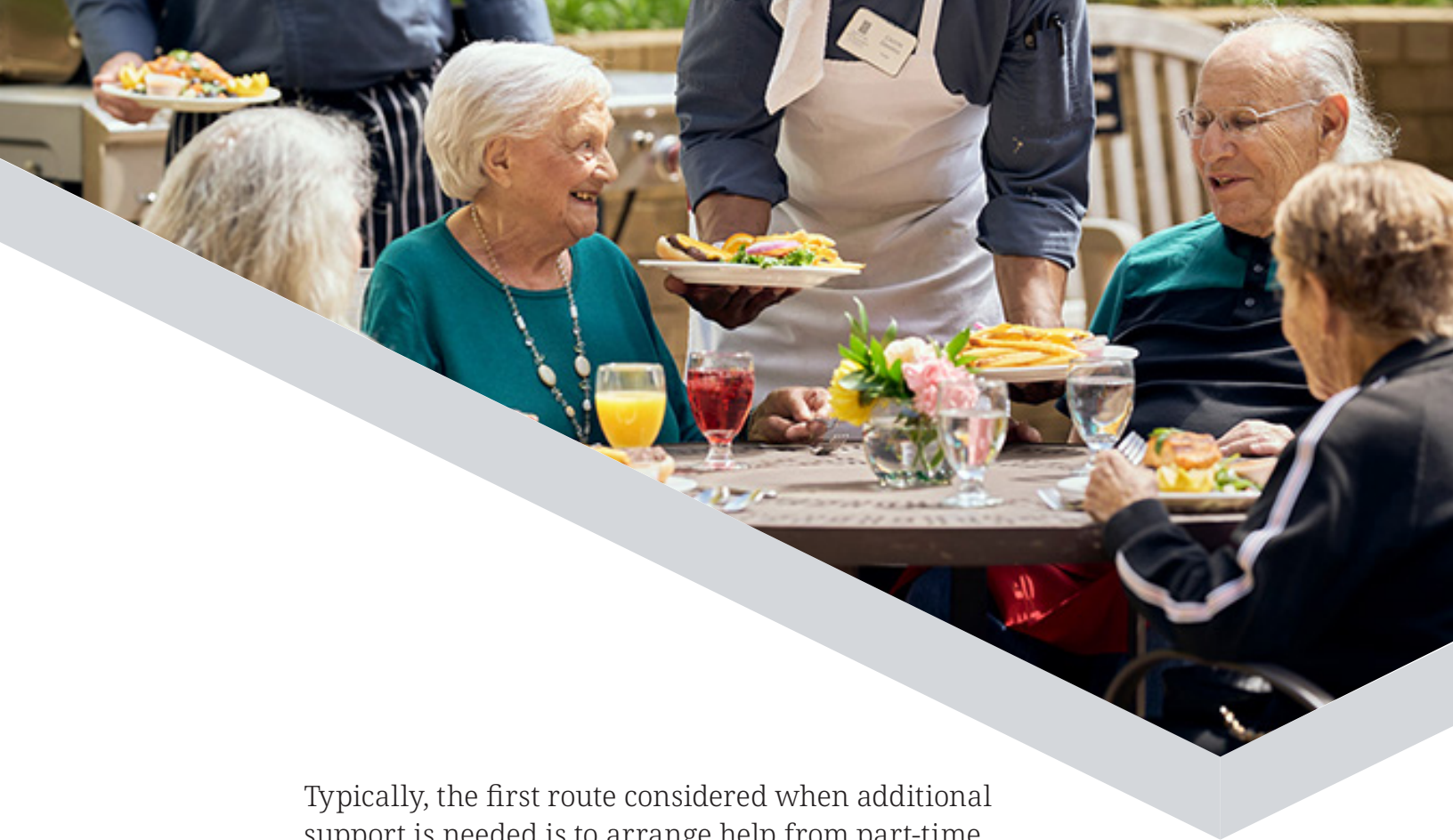
The Future

Remember, too, that healthcare costs go up every year. Just how much is impossible to predict, but it's a good idea to factor this in as you estimate your options and their costs.



The Costs of In-Home vs. Senior Living Community Services

You've done some preliminary thinking and now you're starting to plan. The first big decision to make is whether you prefer to have services provided in the current home or to find a community that can provide them as they are needed. Let's take a look at the potential costs involved with each.



Typically, the first route considered when additional support is needed is to arrange help from part-time caregivers. They may include friends, family members or paid professionals. Beware, though: The cost of an in-home support team can vary greatly and isn't always obvious. Let's take a closer look to understand why.

Types of Services

First, consider the many types of services needed, not just now but in the foreseeable future:

- >> Transportation for shopping, groceries and other errands
- >> Meal preparation and cooking
- >> Managing medication and/or health regimens
- >> Assisting with exercise and/or physical therapy
- >> Organizing and arranging social activities
- >> Housecleaning, home maintenance and repairs
- >> Seasonal maintenance of home and property
- >> Help with basic physical needs and/or cognitive support

In-Home: What It Costs

When the Child Is the Caregiver

A key question for adult children who act as caregiver is whether they can care for their parent on their own. If the daughter or son lives locally and has the time and resources, they may be able to provide some support themselves.

This is an admirable choice and one that many people pursue. It can also be challenging, especially if the caregiver is also raising children of their own. They become part of the “sandwich generation”—adults who feel squeezed between the older and younger generations, each competing for support and attention.

Also, although being a family caregiver may seem “free of charge” on the surface, there are in fact many costs to be aware of, both immediate and long-term. They include:

- >> Financial costs of supplies and transportation
- >> Cost of time off work—both unpaid time off and missed career opportunities (your hourly rate or salary, plus missed raises or promotions)
- >> Self-care, including sleep, exercise and nutrition
- >> Time spent with children, spouse and other immediate family members
- >> Missed vacation and travel with family and friends
- >> Increase in unpaid work, including housework, meal preparation, shopping, transportation, medicine management and grocery shopping
- >> Loss of social activity, leisure time, hobbies and the like

When You Hire In-Home Care

For many people, acting as the primary caregiver to a parent is not a realistic option. In this case, they may turn to part- and full-time caregivers to provide the services mentioned previously. This option comes with its own set of factors to consider, such as:

- >> Hourly rates or salary for in-home caregivers (\$13 to \$25 per hour)
- >> Hourly rates or salary for potential specialist care (\$25 to \$50 per hour)
- >> Backup care: Who will be on call? (\$15 to \$30 per hour)
- >> Minimums: Most agencies have a minimum of 4 hours—be sure to ask about this
- >> Supervision: Are the caregivers licensed and bonded? Have they had drug screenings and criminal background checks?
- >> Additional support: Are there other family members nearby who can help share daily responsibilities? If not, are they able to travel if needed? Is there anyone who can share the cost of care, whether it's in the form of financial help, time or energy?
- >> Logistics: Time and energy needed to schedule and coordinate a team of caregivers



Senior Living Communities

The alternative to in-home care is a senior living community. There are many different types of communities offering a wide variety of services, amenities and care. Here's a look at the costs across a variety of community types.

Senior Living Community: What It Costs

There are two main financial costs of senior living communities: a buy-in fee and a monthly rental fee. Not all senior living communities have a buy-in fee, so ask about this when exploring your options.

A rental fee is the main financial cost to consider. Here's a look at what the fee typically covers in most senior living and senior care communities:

Usually Included

Basic services in most senior living communities typically include:

- >> Housekeeping
- >> Home and property management
- >> Dining services
- >> 24-hour, on-call team
- >> Activities and social events, which may include:
 - Transportation to organized or individual activities
 - On-site offerings such as recreation, games, entertainment, arts and education

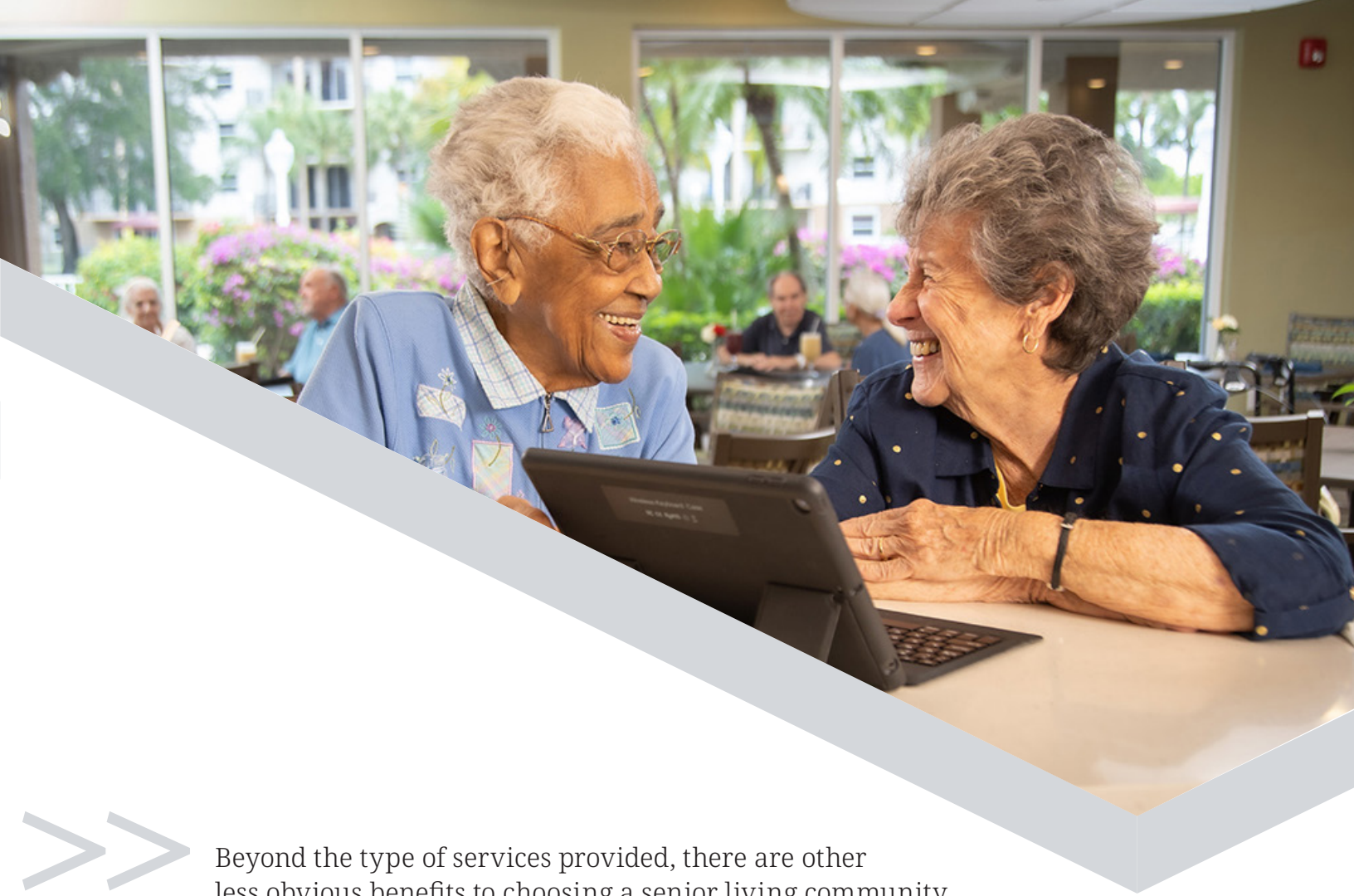
Level of Care Considerations

“Level of care” refers to levels of help with activities of daily living, such as medication management and assistance with personal care and grooming. Assisted Living and Memory Care communities can have either level of care fees or bundled services fees. Ask any community you're talking to about their particular fee structure. (Bear in mind that different fee structures can make it hard to comparison-shop senior living communities; it is not unlike comparing apples to oranges.)

May Be Covered

The extent of services covered in the rental fee will vary depending on the type of community chosen as well as any factors unique to the community itself. However, the general breakdown below is a good guide to what you can expect from the most common types of senior living communities.

COMMUNITY TYPE	INDEPENDENT LIVING	ASSISTED LIVING	MEMORY CARE	CONTINUING CARE RETIREMENT
Average monthly cost	\$2,000 to \$6,000	\$3,000 to \$8,000	\$4,000 to \$10,000	\$2,500 to \$10,000
Housing & utilities	■	■	■	■
Home and property maintenance	■	■	■	■
24/7 security	■	■	■	■
Dining services	■	■	■	■
Activities	■	■	■	■
Personal medication & health care management		■	■	■
24/7 on-site nursing			■	■



Beyond the type of services provided, there are other less obvious benefits to choosing a senior living community. One of the greatest is the peace of mind that comes from knowing there are professionals on hand 24/7 to help ensure that a resident's evolving needs are met.

Or consider something as simple but important as dining services. The greater value goes beyond the food itself. Having a professional team with culinary expertise serving balanced, healthy meals tailored to the nutritional needs of older adults brings a multitude of health benefits.

A senior living community also provides social interaction that might not occur when living home alone. Joining a walking club, sharing a meal with friends, gathering for evening games—all priceless.

These are just a few examples of how the services provided at a senior living community can hold hidden value.



Financing Senior Living

Now for the big question: How will you cover the costs of living and ongoing support? The first step is developing a realistic budget for today and the foreseeable future.

What Does Long-Term Care Insurance Cover?

Many long-term care insurance policies pay for in-home care and assisted living care as well. If your parent has a long-term care insurance policy, contact the provider to find out details specific to their individual coverage.

While long-term care policies seldom reimburse for independent living, they frequently will reimburse for services provided to keep a resident appropriate for independent living, such as medication management or personal care from an agency.

What Do Medicare and Medicaid Cover?

Medicare covers medical costs, such as hospital stays, short-term rehab, physician visits and lab testing. Unfortunately, assisted living care costs are not considered medical in nature and are therefore not covered by Medicare. In some states, Medicaid can be used to cover housing-related costs for low-income seniors who meet eligibility requirements. You can get more specific information on these benefits and other coverage details from your state's Department of Health or Department of Aging.

The Centers for Medicare and Medicaid Services (CMS) offers more information at www.cms.gov.

Companion Living

Some Assisted Living communities offer Companion Living. This is a shared suite option that will have a lower monthly fee for rent. Level of care charges will still apply. (Not only does this option save money; it offers the added benefit of a built-in friend.)

Family Contributions

Often when there is a gap between what the parent can afford and the cost, the adult children will step in to contribute.

Location: Floor Plans and More

Pricing is normally based on floor plan and square footage. Some communities price their residences according to location, view and apartment upgrades. Be sure to consider these options, as residences with smaller footprints, lesser views and fewer upgrades will still include the same services, features and amenities, but at a lower price point.

What Can I Write Off?

Some senior living expenses may be deductible on both federal and state taxes. Find a tax accountant in your area who can advise on federal and state income tax laws; professional guidance can ensure that you are aware of any write-offs available. Helpful tip: Most senior living communities, while not offering tax advice, will provide an annual statement summarizing charges.



What About the Rest?

Once you know what can be covered before the bill reaches you and what you can write off after it's paid, some number crunching will help determine your true final cost.

On the next page are some checklists to help determine your personal costs, including what kinds of specialists you should consult and what to ask them.

Questions?

Contact a Senior Living Counselor

Now that you know more about your senior living options, we're ready to help you explore further. Whether you have questions about our communities or just general senior living considerations, we are happy to help.

Reach out to a senior living counselor today:

Contact us or find a community at
[FiveStarSeniorLiving.com](https://www.fivestarliving.com)
or call 210-315-8956.



1. What to Ask Medical Providers

■ Talk to your physician (or your loved one's) about physical, cognitive, and mental health status.

- What concerns are the most urgent?
- What is the cost of current medications?
- What preventative care is recommended and what are the costs associated with it?
- Is there likely to be assisted living or memory care needed in the near future?
- What long-term genetic or family history concerns will impact care?

■ Talk to a doctor in the area where you're looking for services about the cost of assisted living or memory care. They can help determine what might be typical for someone of your parent's age and current condition.

- What are typical rates for outpatient services?
- What kinds of services are typically covered by regional care communities?
- Any recommendations or thoughts on specific communities?

Note: Senior Living communities will do an assessment for care needs and can provide you with what is called a Level of Care schedule, which will indicate the care needed and the fees for this care.

2. What to Ask an In-House Service Provider

- What is the average hourly rate for an in-home service provider?
- What is minimum number of hours?
- Are team members drug tested and given criminal background checks?
- What type of training is provided to the caregivers?
- How do they ensure consistency of staffing?
- What supervision is provided?
- What services are not included in the hourly rate of professional part-time care?
- What are the additional costs of medical specialists? Are they able to provide references or contact information for specialists with whom they typically work so that you can get an estimate of these potential additional costs?
- How much time and money does it cost to oversee the caretaking team?

Note: On top of the costs of hiring in-house professional services, be sure to include in your budget the ongoing costs of keeping the home:

- Property taxes
- Normal and deferred maintenance
- Homeowners insurance
- Food and entertainment
- Vehicle maintenance and transportation

3. What to Ask a Senior Living Community

- Ask about a buy-in fee. If there is one, is it refundable? What are the conditions of a refund?
- Ask about the terms of a rental agreement. What type of notice is required?
- Ask whether the following costs are included in monthly fees or come with additional costs:
 - Laundry
 - Pets
 - Transportation
 - Enrichment activities
 - Basic or premium cable
 - Parking
 - Internet access

Note: Senior Living communities will have yearly cost of living increases. Ask what the average has been the past few years. (While it would be nice if there were no yearly increases, remember that these help ensure consistent quality of services, amenities and care. Communities face rising costs, too.)