

Enriching the Lives of Seniors

Continuing Care Retirement Communities

A Guide Book

For the Connecticut Consumer

**Prepared by the
Connecticut Continuing Care Residents Association
With Support by
LeadingAge Connecticut and
The Commission on Aging of the Town of Greenwich**

Table of Contents

| Topic | Page |
|---|-------------|
| Introduction | 4 |
| Cultural Aspects of a CCRC | 4 |
| What is a CCRC? | 4 |
| Why Do Seniors Choose a CCRC? | 5 |
| Location Is Important | 6 |
| Organization History and Structure | 7 |
| Facility and Grounds | 8 |
| Types of Housing Units | 9 |
| Community Culture and Structure | 10 |
| Financial Aspects of a CCRC | 12 |
| Questions for the Prospective Resident | 12 |
| Kinds of Ownership | 12 |
| Types of CCRC Contracts | 12 |
| Costs to Enter a CCRC | 13 |
| Tax Consequences | 14 |
| CCRC Operational Oversight | 14 |
| Examining the Disclosure Statement | 14 |
| Key Financial Ratios and Data | 15 |
| Disclosure of Personal Financial Affairs | 16 |
| Affordability | 17 |
| Failure to Pay Monthly Fee | 18 |
| Refundable Entry Fees | 18 |
| The CCRC's Future Plans | 18 |
| Resident, Management, Owner Relationships | 18 |
| Staying Current | 19 |

Table of Contents

| Topic | Page |
|--|-------------|
| CCRC Health Services | 21 |
| Introduction | 21 |
| Health Services: Immediate and Long-Term Perspectives | 22 |
| Fitness and Wellness | 23 |
| Primary and Emergency Health Care | 23 |
| Home Nursing Care | 24 |
| Assisted Living Care | 24 |
| Memory Support Care | 25 |
| Skilled Nursing Care | 25 |
| Palliative and Hospice Care | 26 |
| Final Word About Health Services | 27 |
| Best Practices | 28 |
| Connecticut CCRC Facilities | 29 |
| Key Resources | |
| Acknowledgments | 30 |

Strategy

- *Achieving a secure and happy retirement requires much forethought. Where to locate, how to assure access to needed services and care, choices on how to expend leisure time, and how to handle finances all must be well thought out. One option is to choose a continuing care retirement community (CCRC).*
- *When choosing a CCRC many attributes should be weighed, including the CCRC's fiscal strength, location, amenities, quality of care provided, and culture of the community. A carefully prepared strategy for acquiring and evaluating this data will help to assure well informed decisions.*

Introduction

The purpose of this Consumer Guide is to provide important information to help readers make an informed decision as to whether a life care community in Connecticut may be right for them, and if so, which one.

The guide is organized under the headings listed in the Table of Contents. The sidebar on each page contains a list of strategies and action steps.

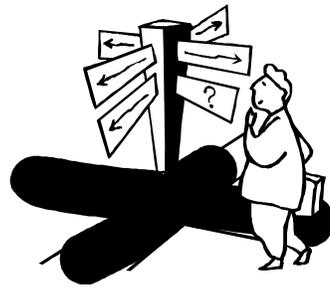
Cultural Aspects of a CCRC

What is a CCRC?

CCRCs are communities that offer a continuum of care for older adults. These communities have a contractual obligation to the consumer to have the resources necessary to provide the services outlined in the contract. In the continuum of care CCRCs usually include different types of housing to accommodate the resident's needs.

- Independent living apartments, cottages, or efficiencies
- Assisted living apartments or support services in an independent living unit
- Skilled nursing for short and long term care
- A unit for those with memory impairment

Typically people move into independent living in their seventies when they are still driving, traveling and even working. This



allows individuals to maintain their independence while providing the assurance that when more assistance and health-related care is needed, it will be there. A person in independent living can take advantage of the many social activities and other services that are available: meals, housekeeping, cultural activities, fitness programs and other amenities.

There are variations in how services are funded at senior housing communities that offer continuing health care on the premises or nearby. Become familiar with the terms in the contract offered to you. At some communities, when a resident moves

from independent living to a higher level of care the monthly fee remains largely unchanged, although there might be additional charges for extra services. At other facilities a higher monthly fee may apply based on the resident's health care needs. Or, a pay-as-you-go policy with charges based on the going outside fee-for-service rates may be applicable. (See page 12, *What Are the Different Kinds of Contracts . . .* and page 21, *CCRC Health Services.*)

Why Do Seniors Choose a CCRC?

CCRCs offer many advantages for older adults. They eliminate the stress of having to take care of a home and grounds. CCRC residents no longer have to worry about raking leaves, shoveling snow, or doing home repairs. CCRC residents live in a stimulating environment with congenial people. There is an additional advantage of wellness programs, meal service as desired, and various levels of living assistance and health care that are available when needed.

There are also family reasons for moving to a CCRC. Older adults can provide their children and grandchildren with the assurance that "Mom and Dad" are in a safe and supportive environment where help is available when needed. For couples there is the advantage of remaining together on the same campus even if one of the spouses needs a higher level of care, either temporarily or permanently. For the person who lives alone, the benefit of having people around and not feeling isolated is enormous. The decision to move into a CCRC reduces the burden of how older adults will meet their future health service needs and may protect their assets from the escalating costs of long-term care. Many people have found peace of mind in making this decision.



When residents move to a CCRC they pay a significant entrance fee and a monthly service fee. These costs vary according to the type of housing selected, size of the living unit, whether there will be one or two people occupying the living space, and the type of contract selected. The monthly fees may include meals, housekeeping services, a fitness center, and other services and amenities. They are likely to increase at an

Strategy

- *CCRC facilities are marked by their differences. With a family member or friend, make several visits to those that most interest you. Ask lots of questions. Get clarity about the types of contracts offered.*
- *You may not always be driving or care to drive when the weather is inclement. Ask if transportation is provided and how the cost is covered.*

Strategy

- *Connecticut has 17 CCRCs located throughout the state. Your choice is a personal one. Ask a family member or friend to help prioritize proximity characteristics that will be most important to you.*

average annual rate of a few percentage points per year based on the facility's operating increases and the rate of inflation.

It is advisable not to wait too long to start your exploration. Plan to make the decision before you need to move, while you are still in good health and of sound mind. CCRCs have volume purchasing power. You may be able to contain an otherwise greater increase in retirement living costs by acting promptly. There are often waiting lists. Getting your name on one or more with a small refundable deposit is a good idea.

Examples of Common Amenities and Services

Personal

| | |
|---|---|
| All utilities except telephone / internet | Beauty salon / barber shop |
| 24-hour security personnel | Appliance maintenance |
| Flexible meal service | Exterior upkeep, snow removal, etc. |
| Housekeeping services | Scheduled transportation, doctor visits, shopping, concerts, etc. |
| Community / living unit upkeep | Social, cultural, educational and recreational activities |
| Property taxes | Pastoral care |
| Washer and dryer | |
| Automobile parking facilities | |
| Basic TV service | |

Community

| | |
|---|----------------------------------|
| Indoor swimming pool | Billiard room |
| Full service branch banking | Hiking / walking trails |
| Postal service | Library |
| Exercise facilities | Full service dining room, café |
| Outdoor recreation, croquet, bocce courts, etc. | Computer room with internet |
| Convenience store | Woodworking shop |
| | Gardening /greenhouse facilities |

Health Care

| | |
|---------------------------------|---------------------------------|
| Wellness clinic | Access to primary care services |
| 24-hour emergency system | Medication management |
| Home care in independent living | Physical therapy services |

Location Is Important

Connecticut is a small state with a variety of landscapes, from beaches on Long Island Sound to hiking trails in the foothills of the Berkshires. Connecticut has major cities, rural areas and many charming towns. Most people who move into CCRCs do so because of the proximity of family/friends and familiarity with the area. Others move into Connecticut from other states

to be closer to family.

Below is a list of some proximity considerations in choosing the location of a CCRC. Connecticut has 17 CCRCs in different parts of the state. As a small state, it is never a very long distance from any one area, but traffic can be a factor. It is practical to think in terms of being within twenty minutes of activities, people, or places that are important to you.

Prioritize the following list in terms of items for which proximity is particularly important to you:

1. Family and friends
2. Physicians: primary care, specialists, dentists
3. Hospitals
4. Cultural activities: theatre, music, museums, colleges
5. Athletic/outdoor activities: golf, tennis, hiking, beaches
6. Shopping: malls, grocery stores, pharmacies
7. Airports and railroad stations
8. Major highways and local transportation, taxis, bus
9. Close to major metropolitan areas: Boston or New York
10. Other personal proximity priorities

Organization History and Structure

CCRCs have different organizational structures. Although most CCRCs are non-profit, today there are a growing number of for-profit organizations with their own investment and operating procedures. At least one CCRC has two facilities in the state, and some own facilities in other states. Understanding this is important for two reasons. First, whatever the structure there are financial implications. Secondly, understand where headquarter decisions are made, and policies are formulated, and the process whereby residents can have a voice.



Strategy

- *Opting to reside in a CCRC is a major financial commitment. Share with your financial and legal advisors what you learn about the organization's history and structure, and pass this guide on to them. Not all advisors are familiar with how CCRCs operate.*

Strategy

- *CCRC monthly fees vary by type of housing unit and level of care. Make sure you know the fee for the unit you prefer, what it includes, and how the fee may be adjusted for inflation and levels of care.*
- *Couples should inquire what the fees will be if one member moves to another level of health care.*

Here are some basic questions to ask at the initial meeting with the marketing staff:

- Who is the owner, sponsoring organization or service provider?
- Who comprises the decision and policy-making body, and where are they located?
- Does the organization own other facilities in the state?
- Does it own other facilities outside of Connecticut?
- Is this a profit or not-for-profit entity?
- Is there a mission statement or a statement of operational philosophy?
- How many apartments/rooms are there for each level of care?
- What is the occupancy rate for each level?
- What is the length of the waiting list for independent living, and what is the average wait for the type of unit you desire?
- Is the facility accredited?
- What is the age of the facility?
- How many acres are there? Is there potential for expansion?
- Are there plans for new construction or renovation?
- How will these be financed?
- How long has the CEO or top Administrator been here?
- What experience does he/she have in managing CCRCs or other multi-service organizations?

There are other important financial questions you will need to ask, which are discussed in the section on financial aspects.

Facility and Grounds

When you visit a CCRC and the marketing department takes you on a tour of the buildings, ask to see the grounds as well. See all you can, inside and outside, and ask lots of questions. Both your living unit and the common areas will be your home if you decide to move to a CCRC. Not all the items listed below may be important to you. Here are a few things to observe and inquire about:

- How well is the exterior of the facility being maintained?
- What is the condition of the grounds, landscaping, etc.?
- Are there areas where residents may do some gardening?
- Is there a greenhouse?
- How is snow removal handled: in parking areas, on the cars,

- on the roads, entranceways, and sidewalks?
- Are there spaces dedicated to outdoor activities: croquet, horseshoes, putting greens, hiking trails?
- Does the facility include a fitness center? A swimming pool?
- Is there a bank on campus? A post office?
- Are the common areas attractive and welcoming?
- Check the auditorium, workshops, library.
- Visit the dining areas, formal and informal.
- What is the policy for pets?
- Are there guest rooms available for family and friends?
- What other amenities does the physical plant offer?

Types of Housing Units

The marketing department will show you a variety of living units that they feel will meet your needs. Make sure you look at the location in relation to where other activities occur. Some people prefer to be close to the dining room and common areas; others like to have more privacy even if the walk is a little longer. If the campus has cottages that are farther from the main area, residents may have to walk to the main building for dining and other activities.

You might not move again so it is important for you to find a living space you enjoy and that does not encumber you. Be sure to ask what changes you may make in your living unit. It is easier to take care of these things before the move. Usually the CCRC organization will repaint, re-carpet, and install new appliances as needed. There may be a cost to upgrade from standard selections.

Below is a list to consider:

- Is there a choice of carpets, kitchen flooring, and paint colors? Cost?
- Check the condition of the cabinets. Do they need to be replaced?
- Is there a microwave?
- Cable TV, internet access, WiFi?
- Washer and dryer: in living units or shared?
- Housekeeping: how often? Included in monthly fee?
- Can you build in more shelves, bookcases if you need them?

Strategy

- *Each CCRC has a unique culture. Establish opportunities to meet with staff members and residents who are in a position to inform you about the way of life.*

Strategy

- *Some CCRC residents seek opportunities to be involved in the structure and governance of their community. If that is likely to be among your interests, scrutinize what is available to you.*

- **How are repairs handled: a clogged sink, broken icemaker, a leak in the ceiling?**
- **Parking: how much? Where located? Covered/uncovered?**
- **Where is the visitors' parking for my unit?**
- **Is extra storage available for seasonal clothing, bicycles, garden tools, shop tools?**
- **What size are the rooms? Square footage of the living unit?**
- **Are floor plans available for the different housing units?**
- **Is a homeowner's or renter's insurance policy needed?**
- **What help is available on the day a new resident moves in?**

Community Culture and Structure

The move into a CCRC is unlike other transitions. From the onset, it is of a more permanent nature and may involve leaving a home of many years, a familiar neighborhood, friends and family. There are many advantages and usually people feel great relief from not having to cope with meal preparation, home repair, contractors, and housekeeping. It is a major lifestyle change. You are moving into a more structured way of life, with scheduled meals and various activities. While you



always have the choice of participating in various aspects of community living, it is an adjustment back to a life that more resembles an on-campus college existence. You are also moving into a community where people are all roughly the same age. This can be more relaxing than being in active and noisy environs. Most people who move into CCRCs celebrate the warmth of the people as one of the best benefits of the move. It is important to check

out the communities you are considering.

We recommend you pay several visits to the communities that interest you. When you visit, do not just talk to the marketing people: ask to meet residents as well.

Most CCRCs have guest rooms where you can spend one or two nights. Marketing can arrange for you to have some meals in the dining room with residents who may have similar interests and who may share your political and social values. This can provide a wonderful opportunity to find out what residents appreciate about the community, what activities they enjoy and why they decided to come. It is also an opportunity to experience the meal service.

Make sure you see all the levels of care: independent living, assisted living, skilled nursing, and the memory-impaired unit. Ask questions about these levels of care, as you never know when you might need additional support, even if only temporarily. The section on health care will discuss some additional issues and questions (see page 21).

All CCRCs in Connecticut have their own associations for independent living residents. Councils or boards elected by the residents have committees that should be responsible for programs and cultural activities of interest to the members. There may be resident-run libraries, thrift shops, etc. Other council committees work with issues pertaining to the administration of the facility, and the services the organization provides. This enables staff and residents to work together on issues such as health care, buildings and grounds, dining and in-house communications. These areas will vary by community. It is important to check. You can ask for an opportunity to talk to members of the resident council or the association.



Although not everyone is interested in becoming part of the structure and governance of the independent living community, many who have previously been part of governance efforts, a block association, apartment or condo association, or local government may enjoy becoming involved in this new community. Joining the association helps new residents get to know people and use their experience and skills. In addition to council-related groups, all the CCRCs have other activities, often started by residents, such as a book club, bridge group, poker, quilting or creative writing group, which are worth exploring.

Strategy

- *To be involved in the structure and governance of a vibrant CCRC can be a life-enriching experience. If this is of interest, ask whether you can attend a residents' council or association meeting or a cultural program.*

Strategy

- *Entry cost, monthly fees, and miscellaneous charges vary from one CCRC facility to another. Ask a lot of questions to pinpoint what you are expected to pay.*

Financial Aspects of CCRCs

Questions For You As a Prospective Resident

Considering a CCRC will present you with a financial structure that is unlike anything else you may have encountered in the past. The financial condition and performance of the CCRC over both the short and long term should be your primary concern since the contract extends to your death or departure from the CCRC. Of equal concern is your financial health and whether you can afford this new living arrangement for the time you hope to live here.



What Kinds of Ownership Are There?

Most CCRCs are owned by not-for-profit sponsors while the rest are owned by for-profit companies. This latter form has been increasing in recent years.

What Are the Different Types of Contracts That You May Encounter?

A CCRC contract is a financial investment and your money may be at risk. Take the time to become conversant with the important financial provisions and terms in the contract offered to you. Consult an attorney or other professional experienced in matters relating to an investment in a CCRC.



Costs associated with residing at a CCRC vary by type of contract. There are three types of CCRC contracts, namely:

Type A: All-Inclusive Contract – involves entry fees and a standard monthly service fee for all levels of care for life, including independent living, assisted living, and nursing care.

Type B: Modified Contract – involves entry fees and monthly service fees with a guarantee of access to higher levels of care, usually at a reduced rate or for a set period of time before market rates come into play.

Type C: Fee-for-Service Contract – involves entry fees and monthly service fees with a guarantee of access to higher levels of

care paid for at prevailing market rates, involving additional costs to the resident.

What Are the Costs I Will Incur to Enter a CCRC?

Your initial cost is the entry fee. Entry fees vary from one CCRC to another and even within the same facility. In some cases there is a refund offered in the amount of the entry fee less 2% thereof for each calendar month from the date a Residency Agreement is signed to when the resident terminates it. In other cases there are contracts that call for a portion, perhaps 50% to 90%, to be refundable to the estate or other designee of the resident. This payment is considered to be a loan to the facility and is usually at no interest.



You should ask what portion of the entry fee is refundable, if any.

The ongoing cost for you will be the monthly service fee. Monthly service fees for Types A, B, and C contract plans vary by the type of contract, size of the living unit, range of services included, and number of occupants.

The highest monthly service fee at the outset may be Type A, while the lowest monthly service fee at the outset may be Type C. But remember that as soon as your care requirements increase, the cost of Type C climbs while Type A remains stable. Fundamentally, the question to ask yourself is: Do I desire to insure or self-insure my expected comprehensive, long-term health care costs?

Most contracts do not make the resident an owner of any of the real estate or facility. A contract that provides only housing on a rental basis is not a CCRC.

Connecticut legislation permits CCRCs to provide a program of coordinated long-term care, which helps healthy, active seniors to stay in their homes as they age and their health needs change. Designed to meet future health care needs either in one's home or on a CCRC campus, members usually pay a one-time entry fee and a monthly fee that basically remains the same over one's lifetime. These programs may be available in some communities.

Strategy

- **Connecticut CCRCs are regulated by the State Department of Social Services. CCRCs must provide a Disclosure Statement. However, basically you are on your own. Ask questions on issues that concern you, and enlist assistance from friends and advisors with experience in these matters. If a CCRC has a Resident and/or Budget and Finance Committee ask for an opportunity to speak with a member.**

Strategy

- *CCRC Disclosure Statements provide a wealth of information to guide you in making informed decisions about applying for residency. Utilize them to the fullest extent possible.*

Are There Special Tax Consequences For What I Pay to the CCRC?

Part of your monthly service fees and part of the non-refundable portion of your entry fee may be considered medical expenses for federal income tax purposes. The portion of these fees that may qualify will vary. Inquire about CCRC notification to residents on this matter and consult a qualified tax expert.

Who Oversees the Operation of CCRCs?

Regulation of CCRCs in Connecticut is the responsibility of the Connecticut Department of Social Services (DSS). Title 17b of the State Statutes and the Connecticut Regulations sets forth the reporting requirements required of CCRC owners and providers. The



DSS does not guarantee the security of your investment or the financial solvency of the CCRC owner. Other states may utilize different agencies for this oversight responsibility.

In order to carry out its responsibility, the DSS requires the owner or provider to submit a comprehensive report each year called a “Disclosure Statement.” You should be provided with a copy of the latest such statement. Your careful and thorough review of this report is more important than anything else to your understanding of the financial and operating health of the CCRC. This document should be reviewed by competent accounting and legal resources engaged by you before any contract for occupancy is signed by you.

What Should I Look for in the Disclosure Statement?

The Disclosure Statement is the most important document that you can obtain before committing to residency in a CCRC. The content of this Statement is specified by the DSS in the Connecticut Statutes and related regulations. The Statement contains financial, statistical and other information about the facility, the ownership, and the management.

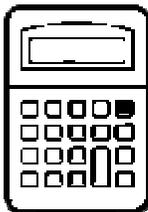
The financial information in the Statement includes audited financial statements, projections of future operations and cash flow, anticipated residency percentages, and many other data.

You may not be familiar with the usual content of financial statements and how it may be used. You also may be confronted with

different forms and classifications of resources depending upon whether ownership is not-for-profit or for-profit. You should make use of the expertise of a professional who can interpret these statements and data for you, and to enhance your own capabilities.

What Are the Key Financial Ratios and Data I Should Inspect?

The financial viability and success of a CCRC is, for the most part, linked to the occupancy level of the independent living units.



Since people move in, then may transfer to a higher level of care, and others pass away, or less frequently, move out, the percentage of occupancy varies from month to month. The Disclosure Statement should show the current occupancy rate for the most recently completed fiscal year and the anticipated rates for the next five years. The marketing personnel you speak

with should be able to tell you the current occupancy at the time you are visiting the CCRC.

Questions you should ask are:

- What is the present monthly fee and what has it been over the past five years?
- What should I expect in the way of increases in the monthly service fee in the next five years?
- What is the percentage of occupancy in the independent living units now, what has it been for the previous five years, and what is it expected to be in the next five years?
- Does the facility operate within its means or does it incur a deficit?
- If it has been incurring deficits, what steps have been taken to avoid that result in the future?
- Does the owning enterprise have sufficient cash and other current assets to meet all current liabilities?
- If not, will the owning enterprise overcome this insolvency condition in the coming year?
- What is the level of debt service the owning enterprise has to pay and what portion of the monthly service fee does it represent?
- When does the existing debt have to be repaid?
- If refinancing is required shortly, what steps have been taken to achieve this goal and how successful have they been?

Strategy

- *Some fiscal information is more important than others. Be informed on the kinds of commonly accepted data and ratios that are reliable and easily understood. Persist in obtaining this information, then examine it thoroughly.*

Strategy

- *Entry fees and monthly service charges are the primary source of CCRC revenue. They are subject to change. Determine what they are currently, the history of increases, how the increases compare with other CCRCs being considered, and how they are likely to increase in the future.*

A Type A CCRC is obligated to provide certain levels of health care in the future. The terms are set forth in the Residency Agreement, another very important document you should read carefully and have reviewed by competent counsel. The obligation for future health care services imposes a current liability on the owner that needs to be determined by an expert. A member in good standing of the American Academy of Actuaries who is independent of ownership and management should make the computation. The independent auditor who has examined the published financial statements needs to accept the representations of the actuary. Ask whether these requirements have been met. Look at the audited financial statements and accompanying notes to determine what has been done about this liability.

Many of the questions you should ask can be answered by information in the Disclosure Statement. The marketing people you meet can answer other questions. Whatever the source of the answers, be sure to ask the questions.

What Information Must I Present to the CCRC About My Financial Affairs?

When you decide to sign a contract with a CCRC you will be questioned about your personal finances to determine whether you have sufficient assets to continue meeting the monthly service fee. Your



assets and liabilities as well as your monthly investment, annuity and retirement income should be disclosed. When you sign the contract you are required to make a deposit. You should determine carefully what terms apply to the deposit in case you change your mind or cannot obtain the money for the entry fee in the time called for in the contract. Many people rely on the sale of their present homes to meet the outlay required by the entry fee and sufficient time must be allowed for the sale of your home. Ask how the CCRC will handle any unexpected delay in meeting the payment requirements of the entry fee.

Strategy

Is a CCRC Affordable For Me?

Estimate the adequacy of your finances to accommodate present and projected future costs of living at a selected CCRC and covering other living expenses. Ask if the CCRC has a formula to determine affordability for their community. The key factors in any analysis are the amount and sources of monthly income, the amount of assets available to produce required income, and life expectancy.

Among CCRCs there is a commonly utilized formula to establish affordability. Multiply the monthly fee by a factor of 1.5 to 2.0 x 12 months. Projections of future income adequacy are addressed by adding an inflation estimate of 4% to 6%.

The following is an example based on a multiple of 1.6 x the monthly fee. John, 77, and his wife, Mary, 72, net \$300,000 from the sale of their residence. Their prospective Life Care Residency Agreement calls for a \$275,000 entry fee and initial monthly service fees of \$4,500 for a two-bedroom independent living unit and 30-meal plan. Their total monthly income from Social Security and a corporate pension is \$6,200.

The couple's total monthly living expenses are estimated to be \$7,200 (\$4,500 x 1.6), \$1,000 greater than their income. The difference has to be withdrawn monthly from their \$500,000 of liquid assets consisting of bank savings, a brokerage account and an IRA. Assuming a 3% return annually and withdrawing \$1,000 monthly, John and Mary would not deplete their liquid assets within their lifetime.

It is likely John and Mary can afford the entry fee and monthly service costs at their chosen CCRC. However, they need to anticipate inflation and other increases in living costs as they grow older, perhaps including higher health care expenses. To place this point in perspective, assume they actually make monthly withdrawals of \$4,000 from the date of CCRC residency. In this event, the couple would deplete their assets in about 12 years.

- *Fundamental to considering CCRC residency is the question, can I afford it? Generally, together with the applicant's pre-existing health condition, CCRCs make this determination before an application for residency is approved. Determine the CCRC's standard for establishing affordability, and what happens if you are unable to keep up with rising costs. Seek assistance from independent, competent advisors to guide you in determining the correct answer.*

Strategy

- *You may want to assure a whole or partial return on your entry fee as an inheritance for family members or other parties. Before you sign a Residency Agreement explore the refundable entry fee options available to you, how refunds are calculated, and the CCRC's history for delivering refunds on a timely basis.*

What Happens if I Cannot Pay My Monthly Service Fee?

The Residency Agreement that is included in the Disclosure Statement should be the one that you have to sign when becoming a resident. Ask whether this is so. Ask what provision is made if you cannot continue to pay all or a part of the monthly service fee. For-profit and not-for-profit CCRCs often have different ways of coping with this exigency.

When My Residency Contract Ends, Who Receives the Refundable Entry Fee and When?

The balance of the refundable entry fee is repaid to you, your family or other party that you designate. The payment may be made within a set time period after the housing unit is occupied by a new tenant, or within a set period of time after the living unit is unoccupied by you but not yet occupied by a new tenant. Some CCRCs may pay immediately. Ask what the arrangements for this repayment are at this CCRC.

What Should I Know About Future Plans For the CCRC?

As a CCRC ages, its need for new features and facilities begins to emerge in the CCRC market. New people coming into the CCRC may expect new or different services than the CCRC currently offers. Most marketing staff and owners are alert to these changing tastes. To meet these new requirements the owner may be planning a comprehensive capital expenditure in the near future. You should inquire about such plans and how they will affect the monthly service fees.

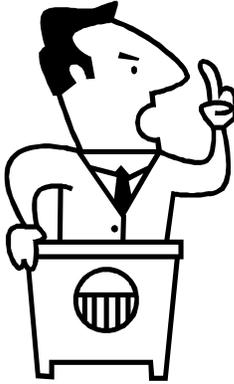
Now That You Are A CCRC Resident

After moving into a CCRC, your focus changes and your interests will reflect your new status as a resident.

What Should Be the Relationship Among Residents, Management and the Owners?

Communication and mutual respect are the hallmarks of CCRC behavior. After moving into the CCRC you will be anxious to

know about what is happening at the facility and what control the residents have over these matters. Trends in changes in services and fees are of paramount concern.



Keep in mind that residents are tenants, not owners. They have no legal basis for demanding any special relationship or control over operations, budgets, building plans, etc. Keeping up with day-to-day developments is your responsibility and it will be an interesting occupation. You can offer your experience and thoughts about the life of the CCRC community and help others and yourself by doing so. In order for you to participate, there must be a mutual effort at two-way communication.

Competent experienced owners and managers know that failure to communicate effectively with the residents is a recipe for disaster. Experienced owners will see to it that there are periodic meetings with the residents during which their questions can be answered and plans for the future can be shared. In many cases owners engage another party for the management of the facility and this intermediary party is expected to facilitate frequent communication.

What Should Residents Do to Stay Current?

All CCRCs in Connecticut have a residents' association or council with officers elected by the residents. The residents' association or council is a very important part of the successful communication among all parties concerned. Monthly meetings open to all residents provide a forum for dialogue about the latest activities and plans for the community.



There are many committees that are created under the sponsorship and responsibility of the association's board of directors. For financial matters, there is a finance committee that reports to the board of directors. This committee performs an important role in meeting frequently with management, and at times with the owners, to discuss matters such as the preparation of the operating budget for the coming

Strategy

- ***Personal insurance needs are apt to change for an individual or couple moving to a CCRC. Review provisions in the prospective Residency Agreement that specify the kinds of insurance you are obligated to carry. With your insurance company representative, go over your health, disability, long-term care, and other insurance to determine what you may wish to add, eliminate or change to maintain appropriate protection. For example, it may be appropriate to change from a homeowner's to a renter's policy.***

Strategy

- ***Paramount to financial outcomes and complete resident satisfaction with residency in a CCRC is regular and effective communication with the owners, administrators, and department managers. Determine how that process works. Consider the opportunities to participate. It is your new home.***
- ***In a well run CCRC facility the management team is visible and accessible to individual residents and to resident organizations in the community. Inquire from staff and residents how this process works and if it is effective.***

year, the actual operations of the current period versus the current budget, and other questions that may arise in finance committee meetings concerning the financial status of the enterprise.

By allowing the finance committee to closely review and question the steps involved in creating the new year's budget, the owner can truthfully advise the residents that this process has taken place and that no serious questions about the proposed budget exist. This technique plays an important role in creating harmony among all parties.

It is not uncommon for not-for-profit CCRCs to have at least two residents sit as members, or at least observers, on the governing board of the owning entity. Although there are cases in the nation where such an arrangement exists with respect to a for-profit owner, there are no such arrangements in Connecticut.

CCRC Health Services

Introduction

A Continuing Care Retirement Community (CCRC) resident is the beneficiary of a continuum of guaranteed lifetime



health services in the most viable setting for security and wellbeing. Residents are able to prolong an independent living status and enhance their senior years with community-based activities and services. Should a change produce a need for well-planned personal assistance and higher levels of medical care, assisted living, skilled nursing, and perhaps specialized services such as memory support and hospice care, these are provided.

More often than not, all the services are delivered on a single campus.

The manner in which resident needs for health-related living assistance and medical care are provided varies significantly from one CCRC to another. This includes the span of services, their quality, funding, and protection afforded residents who invest their savings to acquire health care protection for their senior years.

To help assure that you select a CCRC that best meets your personal health-related assistance and medical care requirements, it is essential to have a general understanding of how continuing care organizations function and to have an awareness of questions that need to be answered. Otherwise, residents risk making a critical financial investment to secure continuing care health services that may not produce a satisfactory return.

Generally, the health services a CCRC is obligated to provide and how they will be funded are specified in a Residence and Care Agreement, or similarly titled document or resident handbook. Depending on the type of contract, the costs of health services may be largely funded by the resident's entry fee, continuing payment of a monthly service fee, and an agreement to maintain specified health insurance coverage. Or, only a specified amount of health care may be guaranteed (e.g., a



Strategy

- *Health-related living assistance and medical care services vary from one CCRC to another. Determine what is right for you by identifying the types of services offered, when and where they are provided, and the associated additional costs. Take time to personally inspect the facilities where the health services are provided.*
- *Health services a CCRC is obligated to provide should be spelled out in a resident contract or handbook. Review carefully with your family members or caretaker.*

Strategy

- *Primary health care, i.e., preventive and curative medical and mental health protection, including emergencies, may largely remain the responsibility of the CCRC resident. If your personal primary care physician would no longer be conveniently accessible, or is unable to come to the facility, check out nearby alternatives available to you.*
- *A Fitness Center presents a means to enhance personal wellness through physical activity programs. Inspect the center and ask about its programs and the qualifications of its staff members.*

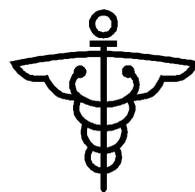
specific number of days in the health center per year or per lifetime). Often, primary health care and independent living assistance beyond a limit for temporary disability remain the resident's responsibility to be paid by the resident's health insurer, out-of-pocket, or a combination of both.

Residents' out-of-pocket costs are shaped by their personal health insurance, long-term disability protection, and the outcome of decisions when they move from a basic level of service to another, such as from independent living to assisted living. This process involves not just the resident but also a family/friend caregiver, a personal family physician, and the CCRC staff. Thus, it is advantageous that the prospective resident and designated caregiver acquire complete familiarity with health services provided, how transition from one level of service to another occurs, and additional costs the resident may incur. Avoid a tendency to focus only on independent living amenities and immediate health resource requirements, and consider needs that may arise in the future and how their payment can be anticipated.

This guide to CCRC health care resources presents immediate and long-term perspectives organized by type of care: fitness and wellness, primary and emergency, home nursing, assisted living, memory support, skilled nursing, hospice and palliative. Appraise each type of care and compile a list of questions that you wish to direct to CCRCs that you are considering.

Health Services: Immediate and Long-Term Perspectives

As a CCRC independent resident, your health care needs fall into two broad categories. The first category is primary health care encompassing preventive and curative medical and mental health protection, including support in emergencies.



The second category is life care protection. For an entry fee and a regular monthly charge adjusted over time for inflation, CCRCs provide lifetime shelter, residential services and amenities that likely include a fitness center, access to a wellness clinic, assisted living, skilled nursing, memory support, and end-of-life hospice and palliative care. Depending on type of contract, future costs might not increase significantly as health care needs change over time.

Fitness and Wellness

CCRCs strive to improve the quality of life for all their members by presenting opportunities to develop and enhance personal wellness through physical fitness and activity programs appealing to a variety of interests and levels of function.

Inspect the Fitness Center to determine how well it is equipped. Ask if certified staff is available to provide group and individualized instruction for attaining fitness and managing stress. Inquire about programs such as massage therapy and nutritional counseling that may be important to you. Determine the fitness services that are part of the CCRC monthly service fee and those that carry additional charges.

Primary and Emergency Health Care

Generally, access and utilization of primary health care services to meet essential and curative needs works as it does prior to relocating to a CCRC. You remain responsible for selecting a personal physician and other health care providers. To improve access some CCRCs contract with independent providers to offer services on site. In any event, you may be required to maintain health insurance coverage or demonstrate a means to pay for health care services. Typically, residents are required to be enrolled under Medicare Part A for hospital services and for Medicare Part B physician care. You may also be required to maintain supplemental private coverage to pay Medicare's deductible and co-insurance amounts.



The CCRC's nursing staff, and in some instances security personnel, are trained and certified to appraise and initiate the assessment of emergency care if a resident experiences trauma or acute illness before or during transport to a health care facility. Most often, the resident is responsible for health care facility charges and related costs, such as ambulance fees.

An on-site CCRC Wellness Clinic may be available so residents may be examined and treated by a physician or receive assistance from nursing staff, e.g., blood pressure tests, dressing changes, injections. For the most part, these services are within the scope of primary care and patient charges may apply.

Strategy

- *Generally, CCRCs offer health care services in a resident's apartment, cottage or assisted living unit. Ask for a list of specific services available, the criteria for securing them, duration, charges and methods of payment.*
- *Out-of-pocket costs for primary and extended health care services are dependent on provisions in the CCRC contract. With an insurance expert, review your current personal health and disability insurance coverage to determine if you are over-insured or under-insured in the CCRC setting that you are considering.*

Strategy

- *Well-managed CCRCs strive to enable residents to maintain a maximum level of independence. Inquire about the process of transition from one level of care to another and standards to measure the need for support with essential activities of daily living. It is generally accepted that the critical activities of daily living are defined by a capacity to independently perform feeding, bathing, and dressing functions.*
- *Transition from independent living to an assisted living or skilled nursing facility is usually associated with some loss of social engagement. Determine the CCRC's practices to minimize this loss.*

Make known your primary and emergency medical care needs and expectations. Inquire about CCRC facilities and nearby community resources available to meet your requirements. Ask about fees associated with basic health services the CCRC provides.

Home Nursing Care

Generally, CCRCs provide health care services in a resident's apartment, cottage or assisted living unit under the authorization and direction of the resident's physician. Services are coordinated by a primary care nurse under the direction of the Supervisor of Clinical Services and rendered by RNs, LPNs, CNAs, therapists, and medical social workers.

The goals are to help patients reach the maximum level of function within the limits of their specific medical condition, or following surgery, to encourage recovery and return to a normal level of functioning.

Be sure to ask for a list of specific services provided, the criteria for obtaining services, the length of time services can be provided, charges and methods of payment.



Assisted Living Care

Typically, CCRCs provide several distinct levels of personalized care to assist with the activities of daily living. Their goal is to enable residents to maintain a high level of independence for as long as possible. Subject to an assessment by the Medical Director, a resident residing in assisted living may participate in trips and other activities with independent residents.



Independent residents moving to an assisted living unit usually continue to pay their regular monthly service fee and minor additional charges based on the level of services and assistance required. Medicare does not pay for assisted living but may cover some services such as physical therapy.

Transfer to assisted living facilities may be initiated in a variety of ways guided by assessments made by family members, a resident's physician,

the CCRC's Medical Director, and others as needed. A widely utilized standard for admission to assisted living is the need for support with more than two essential activities of daily living.

At a time in life when one is still active and fit, it might be difficult to give attention to health-related services that may be required later in life. Avoid such shortsightedness. Inspect the CCRC facilities you may utilize in the future. Inquire about standards for admission, the transition from one level of care to another and your obligation to pay for additional costs.

Memory Support Care

Ask what type of memory care is provided. For CCRC residents who are ambulatory but are experiencing dementia and whose safety is at risk if living unsupervised, there may be an on-site facility that provides comfort, reassurance, and memory support by professionally trained, compassionate staff in a safe and secure environment. The best of such facilities have a ratio of staff to residents that exceeds the average for all local memory care facilities and offers programs that are personalized to reflect the resident's unique abilities, interests, and personal history, and that sustain the highest possible level of independence.

The process for transition to a memory care facility and the determination of the resident's cost more or less mirrors that which occurs when a resident moves from independent to assisted living. Again, as with all CCRC health services, it is important to visit the Health Center, ask about its rating and history of compliance with regulatory requirements, become familiar with the transition process, and how service fees are determined.

Skilled Nursing Care

Transition to a CCRC Health Center occurs when a resident's health status necessitates a level of care where skilled nursing is provided 24 hours a day. Admission may be short-term, such as for post-operative or rehabilitation services, or long-term. The resident's personal physician makes the admittance decision with the resident, a family member or caregiver, and the CCRC's interdisciplinary health profes-

Strategy

- *Admission to a CCRC's Health Center is usually based on the availability of a bed. If none is available the facility is customarily obligated to arrange for admission to another facility and to pay the resident's fees not covered by insurances until an opening occurs at the CCRC's Health Center. Determine the CCRC's past record for effectively meeting resident needs.*

Strategy

- *The Connecticut Department of Public Health must license any skilled nursing facility within a CCRC.*
- *While not a condition for licensure, accreditation by the Commission on Accreditation of Rehabilitation Facilities Continuing Care Accreditation Commission (CARF-CCAC) or the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) is an eminent benchmark for the quality of services. Request the outcome of a CARF-CCAC or JCAHO survey that may have been undertaken.*

sionals.

Admission to the CCRC's facility may be based on the availability of a bed. If none is available, the CCRC is customarily obligated to arrange for admission to another skilled nursing facility and to pay the resident's room and board fees not covered by Medicare and other insurances until an opening occurs at the CCRC's Health Center. Among your inquiries, ask about the facility's record for bed availability.



Under Type A CCRC contracts, the full costs for skilled nursing services are funded by the resident's continued payment of their regular monthly service fee and premiums for health insurance. Thus, there is no substantial increase in the cost. Be aware that under Type B Modified and Type C Fee-for-Service contracts, the resident retains a large share of the financial responsibility associated with 24/7 skilled nursing care. The trade-off is lower entry and monthly fees.

Palliative and Hospice Care

Palliative Care is both a philosophy of care and an organized, highly structured system for delivering care. It expands traditional disease-model medical treatments to include the prevention and relief of suffering and support the best quality of life for residents and family members regardless of the stage of the disease or the need for other therapies. As such, it can be delivered concurrently with life-prolonging care, or as the focus of care.



Hospice Care is a special means of caring for individuals who are terminally ill, and for their families. It provides a team approach to expert medical care, pain management, and perhaps emotional and spiritual support tailored to the resident's needs and wishes. The focus is on caring, not curing. It may be provided in a resident's independent, assisted living, or skilled nursing unit. A resident, family members, and/or doctor can initiate participation in a hospice program.

As you seek to determine whether a CCRC is right for you, inquire about specialized services such as hospice care. Are they

provided by in-house staff or through a contract with an outside supplier? How does the CCRC nursing staff work collaboratively with the hospice personnel?

Final Word About Health Services

As a senior adult, there are many reasons why a CCRC is a model for living that is superior to others. Perhaps foremost, it liberates family members from overly burdensome responsibilities of making sure you are safe and secure with reliable assistance and health care support, as they are needed.

Add to this other major life-enriching benefits, among them, freedom from maintaining house and yard, relocation closer to family and friends, assurances of close proximity to a spouse when levels of health care might otherwise create an inconvenient barrier, extending one's years as an active, independent adult, provisions to ease concerns about outliving fiscal resources, and residing in a stimulating environment with vibrant, congenial people with whom you share common interests. All are vitally important.

Look ahead. In practice, amenities associated with an active, independent life style often receive too much attention at the expense of an equal or more important factor. That factor is a guarantee of access to high quality assisted living and skilled nursing care with predictable and affordable costs. Fundamentally, that is the reason most individuals become CCRC residents. In every respect, make sure the CCRC you choose is right for you today and for all the tomorrows to come.



Strategy

- *Reforms directed to enhancing the quality of health care and reducing costs are often under consideration. Inquire about management's plans to participate in changes that are emerging at the federal, state and local levels.*

Strategy

• Resident organizations have varying styles of involvement with the CCRC management and board. Some are societal groups or communication channels while others closely appraise the CCRC's management plan and operating budget. Learn how the CCRC obtains resident input and how residents, individually and collectively, are able to influence decision-making.

Best Practices

Continuing Care Retirement Communities that excel in performance adhere to standards for Best Practices. Best Practices help to assure residents' rights, high quality health care, and a gracious community environment with opportunities for members to participate in the CCRC's operational plans and governance. Highlights of Best Practices observed in many Connecticut CCRCs are displayed below. The list is not all-inclusive.

Provider/Resident Relationships

- The management team is visible and accessible to resident organizations and individual residents who wish to discuss personal concerns and proposals.
- The resident members and residents' association accept responsibility for staying informed on CCRC policies and procedures and collaborate with staff and administration to support initiatives that enhance the quality of life for established and new members in the community.
- The CEO gives monthly community briefings to independent living residents on subjects of interest to them, including policy issues, the community's finances, and future direction.
- The residents' association has at least two residents on the CCRC's governing board and has an opportunity to regularly engage with the CEO on issues of vital importance to the resident community.

Finance

- Prospective and current residents are regularly provided with understandable, independently audited documentation that the CCRC is financially sound and able to meet its commitments and obligations to community members.

Health Services

- Prospective and current residents are provided with a complete user-friendly explanation of health services, the process of transition through the levels of care, and the outcome of periodic independent health care facility audits.

Connecticut CCRC Facilities

| Connecticut CCRCs | Location | Telephone | Website |
|------------------------------|---------------------|--------------|--|
| The Arbors | Manchester | 860-647-7828 | www.arborsct.com |
| Ashlar Village | Wallingford | 203-679-6425 | www.ashlarvillage.org |
| Covenant Village of Cromwell | Cromwell | 860-635-2690 | www.covenantvillageofcromwell.org |
| Duncaster | Bloomfield | 860-726-2000 | www.duncaster.org |
| Edgehill | Stamford | 203-276-5556 | www.edgehillcommunity.com |
| Elim Park | Cheshire | 203-272-3547 | www.elimpark.org |
| Essex Meadows | Essex | 860-767-7201 | www.essexmeadows.com |
| Evergreen Woods | North Bran- ford | 203-488-8000 | www.branfordctbrightviewsenior living.com |
| The McAuley | West Hartford | 860-920-6300 | www.mchct.org |
| McLean Village | Simsbury | 860-658-3700 | www.mcleancare.org |
| Meadow Ridge | Redding | 203-544-1000 | www.meadowridge.com |
| Pomperaug Woods | Southbury | 203-262-6555 | www.pomperaugwoods.com |
| Seabury | Bloomfield | 860-286-0243 | www.seaburyretirement.com |
| StoneRidge | Stonington | 860-536-9700 | www.stoneridgeclcs.com |
| Watermark at East Hill | Southbury | 888-570-6659 | www.watermarkcommunities.com / easthill |
| Watermark at 3030 Park | Bridgeport | 203-374-5611 | www.watermarkcommunities.com/ 3030park |
| Whitney Center | Hamden | 203-281-6745 | www.whitneycenter.com |

| Resources | Telephone | Website |
|--|--------------|---------------------|
| Connecticut Department of Public Health | 860-509-8000 | www.ct.gov/dph |
| Connecticut Department of Social Services | 800-842-1508 | www.ct.gov/dss |
| CCRC Finances - ORANJ Guide For Resident Finance Committees | 973-672-8450 | www.oranjccrc.org |
| LeadingAge Connecticut | 860-828-2903 | www.LeadinAgect.org |
| National Council of the Aging, Inc. | 202-479-1200 | www.ncoa.org |
| National Senior Citizen Law Center | 202-289-6976 | www.nslc.org |

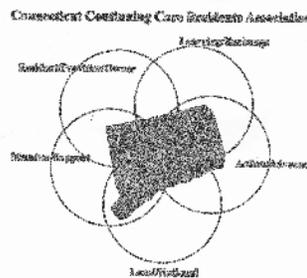
Acknowledgments

The Connecticut Continuing Care Residents Association (ConnCCRA) would like to acknowledge the contributions by this publication's principal authors: President Daniel D. Robinson, Meadow Ridge; Vice President Joseph H. Walton, Seabury; former President Billie T. Alban, Seabury; and editor-in-chief Cecilia Malin, Ashlar Village. Through participation in the affairs of local communities and active involvement in state and national resident associations, this team has long supported the rights of CCRC residents and promoted causes that enrich life for seniors.

ConnCCRA would like to acknowledge the contributions of Mag Morelli, President-LeadingAge Connecticut, her staff, the Presidents of ConnCCRA Residents Associations, their community residents, Connecticut CCRC Chief Executive Officers, and their staff members. Their expertise, knowledge, and willingness to share has been invaluable throughout the drafting and editing of this Consumer Guide for selecting a life care community in Connecticut.

A special thanks to The Commission on Aging of the Town of Greenwich for providing support that made publication of this Consumer Guide possible.

ConnCCRA is the only independent CCRC residents' organization addressing statewide policy and legislative issues. For more than a decade ConnCCRA has supported initiatives to bolster the rights and protection of CCRC residents.



Town of Greenwich

All rights reserved. This material may be freely copied and distributed



subject to inclusion of this copyright notice.