

Continuing Care Retirement Community Options Are Growing

By Bernard A. Krooks, Esq. | 08/01/07

As continuing care retirement communities (CCRCs) gain in popularity, the payment options are growing as well. [CCRCs](#) offer a spectrum of care, from independent housing to assisted living to round-the-clock nursing services, all on one campus. According to an article in the New York Times, the new payment options mean selecting a CCRC has become more complicated.

CCRC residents must pay a large entrance fee plus a monthly fee, but the amount of each fee and what it covers can vary, depending on the contract. There are three basic CCRC contracts: life contracts, which cover unlimited long-term nursing care at little or no increase in the monthly fee; modified contracts, which include a specified duration of long-term nursing care, beyond which fees rise as care increases; and fee-for-service contracts, in which residents pay a reduced monthly fee but pay full daily rates for long-term nursing care.

Communities typically offer several variations on each contract. Some CCRCs give residents the option of paying a higher entry fee, which remains refundable. Part of the entry fee will be refunded either to the resident when the resident moves or to the resident's estate once the resident dies. At some other CCRCs, entrance fees are refundable for a period of time, and then become nonrefundable. Still other communities may require residents to purchase their residences. What the monthly fee covers can also vary. Some places include housekeeping and meals, and others don't.

All these choices mean that CCRC contracts have become much more confusing. There is help available. At <http://www.ccrdata.org/> you can find a directory of CCRCs and sort them by location, price, long-term health coverage, and refund plans. In addition, once you have selected a CCRC, you should have a lawyer review the contract before signing it. Deciding on a CCRC is a once-in-a-lifetime choice, and it is a decision that should be made carefully.