



ALL-IN-ONE
**FINANCIAL
PLANNING**

GUIDE

FOR SENIOR LIVING





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Introduction



It's been said that despite its inevitability, getting old is the one thing that seems to catch everyone by surprise.

We believe that Walker Methodist communities offer more in the way of comfort, care, and value than any other senior living options you may consider. We specialize in lifestyle, housing and healthcare services for older adults, and we encourage you to learn all you can by meeting with staff, **touring communities**, or visiting with residents and **asking** how satisfied they are living in their community. At Walker Methodist, we're happy to have residents as friends and we would love to have you as neighbors, too.

At Walker Methodist, our mission is Life. And all the living that goes with it. Enhancing the lives of older adults through a culture of care, respect and service. Enhancing the lives of seniors is a mission we honor each day.

We've built our communities around the values of respect, imagination, and collaboration. Our commitment to seniors began over [70 years ago](#) and over the years, our commitment has only strengthened as the levels of care we offer our residents continues to evolve. When an individual or family makes the decision to move themselves or their loved one to a senior living community, the question of funding the lifestyle often arises. However, before doing anything, it is best to understand what the real financial implications of your decision will be.



With the transition to senior living comes a few unknowns, and naturally, financial planning is a topic of concern. For most Americans, senior living expenses are frequently paid out-of-pocket using funds from a combination of resources. As a way to alleviate some of the concern, confusion, or fear that can accompany change, we've created this All-in-One Financial Planning Guide as a resource for older adults and their families.



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Planning Needs for Senior Living



By the year 2020, one in six Americans will be a senior; the baby boomer generation will swell the senior population from 39 million to 53 million within 10 years. This unprecedented growth in senior population will come at a cost, as the The Centers for Medicare and Medicaid Services estimate 60 percent of people over the age of 65 will need some form of long-term care.

Although long-term care becomes mandatory for many people, most wait too long to prepare their financial needs as an older adult. Being proactive now means taking that first step toward planning finances so the future can be a little more clear, or secure. There is no substitute for steadfast planning or for the advantages such planning can offer.

One of the first steps in financial planning for senior living is determining what type of care you need or want. The term senior living is broad; it includes all of the following options:

- Independent living
- Assisted living
- Memory care
- Continuum care retirement communities
- Transitional care
- Long-term care
- Retirement communities

Each of these options differs in levels of support individuals can receive. **Independent living** eases your burdens and grants you maintenance-free homes with access to unlimited social events. Think of the home you're in now, just on a smaller scale. These apartment homes give you freedom and security to live as you always have. Additional services are always available when you're ready for them. **Assisted living** communities are equipped with healthcare and personal services 24 hours a day, as needed for each resident. If you need specific assistance with medication or rehabilitation-type activities, you can have peace of mind while still participating in a wide array of programming and socialization.

Memory care is a distinct form of senior care for residents with Alzheimer's or other forms of dementia. Staff members attend to residents' needs with medication, bathing, grooming, eating, dressing, and other daily activities.

Continuing Care Retirement Communities combines independent living, assisted living, and skilled nursing homes in a tiered approach to the aging process.

Transitional care, short-term, and respite care is available for individuals recovering from surgery, illnesses, or injuries. Physical, occupational, and speech therapies help assist in recovery and the transition back to your home. **Long-term care** provides comfort and supervision with the option to participate in social events and residential dining, as funded by Medicaid.

Retirement communities offer housing complexes designed for older adults.



The benefits that come with senior living communities are plentiful, just as there are options as illustrated above. We firmly believe that age shouldn't be a reason to hold individuals back from living life to the fullest. Your families can have peace of mind knowing that you are safe, happy, healthy, and well-loved by our family. Not sure what type of senior housing or services you or your loved one needs? That's where Walker Methodist can help. Our culture supports burden-free senior living, as it appeals to individual desires and needs.

At Walker Methodist, we value all of our residents, both individually and collectively. When an individual or a family makes the decision to move to one of our communities, we understand that this is a major decision for them. In each case, we have created an environment that promotes resident satisfaction and happiness. We want it to be their decision for all the right reasons.

Here are some basic questions that can help you and your family begin to consider whether a move to senior living is the right move, and the impact the transition will have:

- What should we expect at a senior living community?
- Why is this the right move for me at this time?
- What is the lifestyle like in a senior living community?
- Whichever community I choose, would I like to have involvement, socialization with friends and family, and assistance from Walker Methodist staff and volunteers?
- What activities can I engage in?
- Am I healthy and mobile now, do I anticipate needing help in the near future?
- Can I still drive and own my car, is provided transportation going to be my choice?
- What is my financial situation?
- Am I receiving all of the benefits to which I am entitled?

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EVERYTHING YOU NEED TO KNOW ABOUT FINANCIAL PLANNING FOR SENIOR LIVING

Once you and your loved ones have answered these questions, you'll have a clearer idea of the type or style of senior living you prefer or levels of care you'd like. Now, it's time to think about paying for it. As for funding your lifestyle on either an initial or ongoing basis, there are numerous ways to afford your move, from using personal funds to government benefits to private sources. Personal funding sources can include:

- Your regular income from retirement plans, pensions, annuities, and Social Security
- The sale of stock or bonds
- The equity in your current home or real estate
- Assistance from your family
- Life settlement from the sale of an insurance policy, or converting the plans into cash

Next, consider whether or not you qualify as part of a special interest or special needs group. Typical groups that people can qualify for include Veteran assistance and HUD (Housing and Urban Development) senior housing subsidies. Other important components of financial planning for seniors are listed below.

Long-term care insurance (LTCI) is a policy individuals buy specifically for their own needs. Often, it's used to pay for care in nursing homes, at home, and in the community. LTCI gives people more options to decide how they want to be taken care of, and what their expressed desires are for transition. If you are thinking of LTCI, there are a few things to consider:

1. You must qualify. Not everyone is guaranteed coverage, due to health changes as you age. It's best to look into LTCI before you retire (think your 50s). Health qualifications can vary by insurer.
2. LTCI is more affordable than most people anticipate. Make sure you inquire about premium increases as you age and encounter health issues.
3. Rates can vary significantly from one insurer to another – do your homework! Get the facts about waiting periods, benefit periods, and maximum cap on benefits paid.
4. You're only going to buy LTCI once. It's a financial and emotional consideration you should take time discussing with your family.



The financial planning accomplished at this stage of your life directly impacts the choices you're able to make down the road. Similarly, legal planning at this stage of your life can work to your favor as you age, too. No one wants to make decisions under pressure, or when faced with a crisis.

Elder law attorneys focus on the legal needs of seniors. They handle general estate planning issues, and counsel clients about planning for incapacity with alternate decision-making documents, like living wills and power of attorney. They can help you plan for possible long-term care needs, establishing your transition plan, and navigating your choices for communities. Having an elder law attorney will help you with peace of mind, ease your family's worries, and protect your financial interests and assets.

Medicare is a federal health program administered by the US government. It provides health insurance coverage for people over 65, and those with certain disabilities. Seniors who receive Social Security benefits before age 65 are automatically enrolled in Medicare – however, it is only coverage that extends to hospital charges, physicians’ charges, and outpatient treatment. Medicare does not pay for “custodial care” which is care for individuals who need assistance with daily activities such as bathing, dressing, eating, and transferring to beds or stools.



Medicaid is a jointly funded, federal-state health insurance program for low-income and high-need people. Depending on the situation, it covers children, seniors, disabled, and others who are eligible to receive federally assisted income programs like Social Security or welfare. Medicaid coverage benefits for long-term care are very limited, paying only for skilled care deemed “medically necessary”. In short, seniors must have exhausted all other assets – depleting all their funds, and selling any assets before Medicaid will consider coverage for senior living.

Veterans’ Assistance is financial assistance for assisted living for veterans in the form of a pension called the Aid and Attendance Benefit. This program can provide up to approximately \$2,000 per month in assistance, however, eligibility is complicated and there can be extensive wait times for approval.

If you think broadly about the phrase financial assistance for senior living, then several other options exist, including those covered above. One last consideration for financial assistance is government housing programs for seniors from **HUD**, the U.S. Department of Housing and Urban Development. HUD housing has specific requirements for qualification. For individuals 62 and older, they must have very low income (50% of area median) to be considered for the subsidy.

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CHECKLIST FOR SENIOR LIVING BUDGETING



Since many families pay for senior living from their savings, they are in a state of continuously diminishing resources.

Most assistance programs determine eligibility based on an individual's resources. Therefore, the assistance available to an individual is constantly changing. In other words, the longer a person resides (or is projected to reside) in a senior living community, the more assistance options that become available to them.

As a way to approach the subject of senior living financial planning, go over this checklist. There is so much information to consider and keeping everything in one place will help you begin the process.

1. Prepare an Expense Sheet – see *Walker Methodist's Monthly Cost Worksheet* below

This includes all your monthly income and expenses. It will provide a good handle on expenditures and highlight potential areas that can be cut down or eliminated.

2. Update Your Estate Plan

It's common for seniors to draft a will and then leave it sit. This mistake often means seniors' estates go to the wrong people or their families incur extra legal fees. Revisit your will and other estate planning measures on a regular basis – we recommend yearly - to ensure beneficiaries and estate executors remain constant, as desired.

3. Assess Your Debt

If you still owe on your home or have medical or credit card debt, look into programs to consolidate payments.



WALKER METHODIST MONTHLY COST

WORKSHEET - *To use when comparing senior living to staying in your home.*

The cost comparison worksheet is designed to provide help for estimating the monthly costs of senior living versus your current home. Not all items may be applicable to your situation. The items below are included in our monthly base rate.

Compare Your Monthly Costs



MONTHLY LIVING EXPENSES:	CURRENT HOME/ APT. EXPENSES:	WALKER COMMUNITIES:
Housing		
Mortgage/Rent	\$ _____	\$ _____
Property Tax	\$ _____	\$ Included
Utilities		
Electric & Gas	\$ _____	\$ Included
Water/Sewer	\$ _____	\$ Included
Trash Collection	\$ _____	\$ Included
Cable TV	\$ _____	\$ _____
Security System	\$ _____	\$ Included
Maintenance		
Building/Apartment	\$ _____	\$ Included
Outside Grounds	\$ _____	\$ Included
Linen, Towel, & Personal Laundry	\$ _____	\$ _____
Weekly Housekeeping	\$ _____	\$ _____
Health/Wellness		
Emergency Call System	\$ _____	\$ _____
Registered Nurse Available 24/7	\$ _____	\$ _____
24/7 Supervision By Trained Staff	\$ _____	\$ _____
Meals	\$ _____	\$ _____
Recreational Programs		
Live Entertainment	\$ _____	\$ Included
Daily Exercise Program	\$ _____	\$ _____
Daily Activity Programs	\$ _____	\$ Included
Programs Designed For Those With Memory Impairment	\$ _____	\$ _____
TOTAL	\$ _____	\$ _____

*Inquire at each community.

Possible monthly charges: Beauty Shop, Incontinence Supplies, Telephone Service, Medications, and Health & Beauty Products

For a full comparison of all Walker Methodist communities, please visit www.walkermethodist.org/our-communities/





Conclusion



WalkerMethodist.org

As we age, our bodies and minds change. For some, the changes are gradual, allowing for individuals and their loved ones to plan the next steps. For others, change comes about more suddenly and often requires immediate lifestyle or care modifications.

Walker Methodist wants to assure you that no matter your situation, we have the community, support, and encouragement you're looking for.

There are many reasons for choosing to call a senior living community home. Those individuals with good health who are able to live independently may still want a lifestyle change from owning a home. Senior living communities provide an alternative to dealing with issues such as maintenance, stairways, household upkeep, preparing meals, and safety. Our communities offer the added benefit of the camaraderie of neighbors, activities, and opportunities to enhance your independence.

When you're ready, Walker Methodist is here to welcome you home.



RESOURCES

www.homewatchcaregivers.com

www.seniorliving.org

www.payingforseniorcare.com

www.agingcare.com

www.aplaceformom.com

www.bayfieldassistedliving.com



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