



**What Are My
Care Options?**

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Transforming the Aging Experience

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Life Plan Communities—also known as Continuing Care Retirement Communities (or CCRCs)

A life plan community offers both independent living residences and access to higher levels of care, should there be a need for them, right on one campus. Life plan communities are lifestyle-infused environments that offer access to recreation and leisure programs, fitness programs, and culinary services.

Life plan communities usually provide the following:

- Independent living, typically in apartments or houses.
- Peace of mind if health needs change with priority access to services like assisted living, memory care and skilled nursing.
- A multitude of opportunities for lifelong learning, growth and wellness.
- Home and lawn maintenance.
- Most utilities.
- Housekeeping services.
- Specialty transportation services.
- Security services.
- Dining options.
- A variety of amenities, such as fitness centers, pools, gardens and performing arts centers.
- A host of programs, such as continuing education classes, cultural experiences, fitness and wellness classes, art programs and much more.

The costs and fees associated with life plan communities varies by community type. Entrance fees are a one-time up-front fee, which locks in access to advanced levels of care, helps to lower your monthly fees and supports the community operations. Most communities provide a choice between a non-rebatable (or fully amortized) entrance fee and a rebatable entrance fee. Entrance fees vary by community but typically reflect the area's real estate values. Another type of fee commonly associated with life plan communities are monthly fees. These are not the same as "rent". Monthly fees cover your residence as well as maintenance, cable and utilities, flexible dining options, housekeeping services, transportation services, fitness and wellness programs, classes, events, and more.



Life plan communities also typically require the purchase of a residency agreement, which is linked to the residence on campus. Below is a summary of the different type of life plan community contracts:

- **Extensive Life Care Contract:** This type of contract provides a sense of stability and predictability. What is paid monthly while living in independent living will be what is paid if a higher level of care is needed. Extensive life care contracts protect assets by covering future care costs.
- **Modified Life Care Contract:** This type of contract is similar to an extensive life care contracts, but instead of covering all future health care needs for the same monthly rate, they have step-up pricing for higher levels of care; however, costs are typically discounted well below the going market rate.
- **Fee-for-Service Contract:** This type of contact offers housing, amenities and health care services on a pay-as-you-go schedule and are often favorable to those carrying private long-term care insurance.
- **Rental-Only Contract:** These are month-to-month rental contracts that cover your residential and service expenses but are not considered continuing care contracts.

All life plan communities are licensed by the state in which they reside. All providers offering continuing care contracts in California must first obtain a certificate of authority and a residential care facility for the elderly (RCFE) license. In addition, CCRCs that offer skilled nursing services must hold a Skilled Nursing Facility License issued by the California Department of Public Health.

The California Department of Social Services is responsible for the ongoing oversight of continuing care providers. The Department's Community Care Licensing Division has two branches that participate in the regulation. The Adult and Senior Care Program monitors continuing care providers for compliance with the Community Care licensing laws and regulations regarding buildings and grounds, accommodations, care and supervision of residents, and quality of service. The Continuing Care Branch is responsible for reviewing and approving applications to operate a CCRC and monitors the ongoing financial condition of all CCRC providers and their ability to fulfill the long-term contractual obligations to residents.

Multi-Level Retirement Communities (MLRCs)

A multi-level retirement community offers both independent living residences and access to higher levels of care, should there be a future need, right on the same campus. Homeownership and rental options may also be available.

MLRCs typical provide the following:

- Independent living, generally in apartments or houses.
- Access to services like assisted living and memory care.
- Home and lawn maintenance.
- Most utilities.
- Housekeeping services.
- Specialty transportation services.
- Security services.
- Dining options.
- A variety of amenities, such as fitness centers, pools, gardens and performing arts centers.
- A host of programs, such as continuing education classes, cultural experiences, fitness and wellness classes, art programs and much more.

The costs of multi-level retirement communities vary by community and care level. Most multi-level retirement communities are month-to-month rentals. There is usually a one-time move-in and deposit for all rentals located on the campus. Entrance fees vary by community but typically reflect the area's real estate values.

All multi-level retirement communities are licensed by the state in which they reside. All providers in California offering assisted living and memory care must first obtain a certificate of authority and a residential care facility for the elderly (RCFE) license.





Independent Living

Independent living is a type of residential community specifically for adults over the age of 55. These retirement communities cater to older adults who want to move to a community that offers a low-stress lifestyle and opportunities for socialization. These communities vary from 55+ retirement communities to stand-alone independent living communities. These are either typically standalone homes for purchase or apartments to rent. The average cost for a monthly rental in an independent living community in California is approximately \$2,800. The average cost to purchase a home in a 55+ community is dependent on the area's real estate values.

All communities vary on the amenities and services they offer but routinely provide access to services like security services, lawn and house maintenance, laundry, transportation, programming, and dining options. These types of communities do not offer medical care or personal care services.

Assisted Living

Assisted living is part of a continuum of long-term care services that provides a combination of housing, personal care, and health care customized to support individuals who need assistance with activities of daily living that promotes independence. Assisted living communities are regulated by the state in which they reside, and in California, under the Residential Care Facility for the Elderly (RCFE). Administrators of these communities must be licensed, and ensure their community upholds the regulations in place.

Assisted living provides assistance with activities of daily living such as dressing, bathing, assistance with medication management and monitoring nutrition or accommodation for a specialized diet. Assisted living communities can distribute over the counter and prescribed medications, however, residents must be able to self-administer their own medications with assistance from a team member. All residents living in assisted living must be able to direct their own care in accordance with their abilities. In addition to care, support, and medication management, many communities offer a large variety of services, including dining options and recreation services. Some communities may also offer short-term or respite stays.

Assisted living is provided in freestanding communities, near or integrated with skilled nursing communities, as components of continuing care retirement communities, or at multi-level retirement communities.

In California, assisted living communities are licensed by the Department of Social Services. The DSS is responsible for issuing the initial license for communities and for renewing existing licenses. All assisted living communities in California must have a licensed administrator and a designee to be available when the administrator is not present. Licensed nurses or appropriately skilled professionals can be hired to provide medication administration or incidental medical services. All assisted living communities in California must have a minimum 75% ratio of residents aged 60 or older, and may only accept younger individuals who have care needs that are compatible with other residents.

Assisted living communities must complete a preadmission assessment of an individual's cognitive and physical abilities and their interests and preferences. They must also obtain medical assessment results, signed by a physician, to verify the person can receive an adequate level of care in the community.

Within two weeks of moving into an assisted living community, staff must meet with a new resident and their family to create a personalized care plan that details strategies to maintain or enhance the individual's mental, social and physical well-being.

The monthly cost of assisted living in California can range from \$4,500 to \$9,500 approximately. Generally, assisted living is paid for privately but California does offer an Assisted Living Waiver Program, which is paid partially by Medi-Cal.

Medi-Cal does not cover the full cost of assisted living directly, but the program does offer a waiver to cover long-term care services for older adults who are eligible for skilled care, but could have their health and personal needs met in an assisted living community. In order to be eligible for this program, the person must meet certain financial requirements as well as meet certain requirements with their Activities of Daily Living (ADLs). Here is a list of communities across California that currently accept the Medi-Cal Waiver.



Board and Care

Board and care communities are licensed communities that support 4-15 individuals and are predominantly located in residential neighborhood homes. Board and care communities are regulated by the State under the RCFE license and administrators are required to uphold all licensing standards. These communities offer non-medical care and support individuals who are typically 60 years and over with their activities of daily living.

Dementia Care

Assisted living communities in California that provide memory care or dementia care are categorized as residential care facilities for the elderly (RCFEs), and include board and care homes with up to 15 residents and assisted living communities with 16 or more residents.

These communities are licensed as non-medical communities, and are not required to have doctors, registered nurses or certified nursing assistants on staff. However, many communities have nurse oversight. Communities that support residents living with dementia must comply with specific licensing requirements to ensure the state's standard of care is met. RCFEs that offer memory care must have a plan of operation that includes the following: program philosophy, assessment process, both preadmission and ongoing, areas where memory care is provided, building design features, available services, regular programming, policies in place to meet the changes the resident may experience, staff qualifications and training and program review procedures.

Memory care communities, just like assisted living, provide assistance with activities of daily living such as dressing, bathing, assistance with medication management and monitoring nutrition or accommodating to a specialized diet. Memory care communities can distribute over the counter and prescribed medications, however, residents must be able to self-administer their own medications with assistance from a team member. All residents living in memory care must be able to direct their own care in accordance with their abilities. In addition to care, support, and medication management, many communities offer a large variety of services, including dining and recreation and leisure programming. Some communities may also offer short-term or respite stays.

Memory care is provided in freestanding communities, near or integrated with skilled nursing communities, as components of continuing care retirement communities, or at multi-level retirement communities.

In California, memory care communities are licensed by the Department of Social Services. The DSS is responsible for issuing the initial license for communities and for renewing existing licenses. All memory care communities in California must have a licensed administrator and a designee to be available when the administrator is not present. Licensed nurses or appropriately skilled professionals can be hired to provide medication administration or incidental medical services. All memory care communities in California must have a minimum 75% ratio of residents aged 60 or older, and may only accept younger individuals who have care needs that are compatible with other residents.

Memory care communities must complete a preadmission assessment of an individual's cognitive and physical abilities and their interests and preferences. They must also obtain medical assessment results, signed by a physician, to verify the person can receive an adequate level of care in the community.

Within two weeks of moving into a community, staff must meet with a new resident and their family to create a personalized care plan that details strategies to maintain or enhance the individual's mental, social and physical well-being.



Skilled Nursing

Skilled nursing care provides a high level of medical care that must be provided by or under the direct supervision of licensed health professionals, such as registered nurses (RNs) and physical, speech, and occupational therapists. These services can be necessary over the short term for rehabilitation from an illness or injury, or they may be required over the long term for those who need a high level of care on an ongoing basis due to a chronic medical condition.

Skilled nursing care provided in any setting (including the home) for any duration must be ordered by a doctor to be covered by Medicare, Medicaid, the U.S. Department of Veterans Affairs (VA) or private health insurance.

Skilled nursing care is commonly used for short-term rehabilitative stays or transitional stays. The goal is to get well enough to go home.

What services are Medicare-covered in short-term skilled nursing?

- Semi-private room (a room you share with other patients)
- Meals
- Skilled nursing care
- Physical therapy (if needed to meet your health goal)
- Occupational therapy (if needed to meet your health goal)
- Speech-language pathology services (if they're needed to meet your health goal)
- Medical social services
- Medications
- Medical supplies and equipment used in the facility
- Ambulance transportation (when other transportation endangers your health) to the nearest supplier of needed services that aren't available at the SNF
- Dietary counseling
- Swing bed services

A doctor or other health care provider may recommend services that are not covered by Medicare. If this happens, the patient may have to pay some or all of the costs.

What is the difference between Medi-Cal vs. Medicare?

Medi-Cal, California's Medicaid program, is a joint federal and state program that provides health care coverage for families and older adults who are low-income, blind or disabled. Medi-Cal covers a wide array of long-term care services through more than 20 different programs.

Medicare is a federally funded and administered S/B program that pays for health care services for US residents who are 65 years of age or older or who have long-term disabilities. There are no income eligibility requirements for the program. Medicare covers a much more limited set of long-term care services than Medi-Cal, including short-term nursing home care (for up to 100 days), home health (limited to individuals who are homebound who need skilled nursing or therapy services on a part-time basis or hospice).

Does Medicare Cover Short-Term Stays and Long-Term Care in Skilled Nursing?

Short-term stays in skilled nursing centers are at least partially covered by Medicare for up to 100 days after a qualified stay in a hospital. Medicare Part A deductibles cover the first 20 days per benefit period. After that, the patient typically pays a share of the cost for each additional day of your stay. Patients normally start paying the full cost of care after 100 days unless the patient has supplemental private insurance or long-term health insurance care.

Medicare does not cover long-term care in a skilled nursing center, though Medicaid or private long-term health insurance may. Medicaid, on the other hand, covers both short-term stays and extended stays in skilled nursing centers for older adults with limited assets and are low income who have a medical need for acute care.





What is a Qualified Stay in a Hospital?

Medicare will cover a short-term rehabilitation stay in skilled nursing center with a qualified stay in a hospital. What is determined a qualified stay? The patient needs to be admitted in the hospital for a total of three (3) inpatient days. Observation services are not covered as part of the inpatient stay.

Patients must enter the skilled nursing center within a short time (generally 30 days) of leaving the hospital and require skilled services related to their hospital stay.

If a patient discharges from a skilled nursing center and re-enters the same or another skilled nursing center within 30 days, another 3-day qualifying hospital is not required.

What is Long-Term Care in Skilled Nursing?

- Consists of any non-medical care that can reasonably and safely be provided by non-licensed caregivers.
- Can take place at home or in a nursing home.
- Involves help with daily activities like bathing and dressing. In some cases where care is received at home, care can also include help with household duties such as cooking and laundry.
- May be covered by Medicaid if care is provided in a long-term skilled nursing setting and not at home.

Who Needs Long-Term Care?

Health care providers typically assess the need for long-term care services by the level of assistance or support needed with “activities of daily living” (ADLs) such as eating, dressing, and taking a shower or bath, and “instrumental activities of daily living” (IADLs) such as preparing meals and taking medications.

The vast majority of individuals who need long-term care services receive these services in the home but individuals may also access these services when residing or living in a skilled nursing setting.

Who Provides Oversight of Skilled Nursing in CA?

The California Department of Public Health, Licensing and Certification Division, with district offices throughout the State, is responsible for licensing SNFs and providing facility inspections to ensure compliance with licensing standards.



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