



Spotlight on CCRCs by the New York Times

A New York Times story in February, 2016, highlighted the growing complexity confronting this generation of seniors when choosing a "continuing care" retirement community as their home for retirement years.

<http://www.nytimes.com/2016/02/27/your-money/the-everything-in-one-promise-of-a-continuing-care-community.html>

Summary by Sally W. Soest, Education Committee, WACCRA

The wide variety of independent living contracts offered by Continuing Care Retirement Communities (CCRCs) is mind-boggling to prospective buyers. Writer John Wasik points out that CCRCs range in character from nonprofit religious organizations to for-profit businesses. Payment models vary from lump-sum buy-in and variations on that theme to fee-for-service. Contracts vary from state to state as well as within a state. Deposits can run up to \$1 million or more. The levels of care offered, the duration of stay, and costs can be extremely difficult to understand, compare, or predict. And the financial statements of the organization or corporation can be impossible for a non-professional to evaluate.

We as consumers face important challenges, comparing exceedingly important apples to oranges, which vary from state to state.

- Only 30 states have any regulations governing continuing care retirement communities.
- Disclosure of financial information is highly variable and seldom regulated
 - Will a given business model survive the test of time?
 - Bankruptcy has occurred in at least 20 instances
- There is seldom rigorous oversight to ensure that regulations are followed
- Nursing centers in some facilities are not Medicare certified

The NY Times writer urges prospective residents to visit and compare multiple communities, ask questions of staff and residents, ask about food service, cost and quality of higher levels of care, evaluate facility upkeep, and security. Ask appropriate state agencies about records of complaints.

“Since there’s no governmental agency clearinghouse on CCRC reviews, unfortunately, you may have to rely upon anecdotal information,” said one chief executive of a state health care association.

For Washingtonians, regulation of the CCRC industry by WA state legislature is the goal of WACCRA. We deserve reasonable assurance that, when we select and place our future in a continuing care retirement community, it will live up to its promises to remain fiscally sound, comfortable, and predictable.