

### 3 Avoidable Mistakes People Make When Choosing a Senior Living Community

Moving into a senior living community could be the second largest transaction one makes in his or her lifetime. It's important to get it right; otherwise, a family may have to search for a new place, again, or risk depleting all their loved one's assets. Here's a list of three mistakes people make when searching for and choosing senior living communities.

1. **They don't consider that their cost of care could increase.** Many communities charge rates depending on the level of care that the resident requires. It's common for a resident's level of care to increase as he or she ages. As a result, costs are likely to increase during a resident's stay at a senior living community, and by how much is something people generally do not consider. When selecting a community, it is a good idea to select one well within your income limit to avoid costs overrunning assets or income.

So, by how much should one account for costs increasing over their course of his or her care needs? It depends on the client's age, diagnoses, level of care at the start of residency, and the home, among other things. This is a question we will help families account for in our process to find them the best place for their loved ones.

2. **They don't find communities that specialize in their loved one's care needs.** While some people may consider nursing homes and senior living communities all the same, those that are familiar with the industry know that they are very different. Not only are those two settings of care different, there can also be differences in the level of care at nursing homes and senior living communities. Meaning, not all nursing homes and not all senior living communities do the same thing. When selecting a home for a loved one, to maximize value, it's important to choose a home which offers care tailored to your loved one's needs. Homes can differ on what they specialize in based on diagnosis, such as people with dementia, or ambulation level.

When residents are properly matched with a home based on their level of care, they have a better chance to maximize the value of the home. For instance, a resident who is ambulatory who only needs medication management would probably be overpaying if he or she moved into a home that is heavily staffed to care for people who need two Certified Nursing Assistances ("CNAs") to help them transfer from the bed to a wheelchair. In order for the home to be able to afford to pay its CNAs, it must charge its residents a premium above its rental expense. As a result, an ambulatory person will likely be paying for care he or she does not need. That's why it's important for people to search and choose homes that are tailored to their loved one's needs.

3. **They don't negotiate with the communities.** In our opinion, many people don't negotiate because they don't know that they have considerable buying power over the providers or are frightened at the sign of confrontation. It bears repeating, moving into a senior living community, and hence signing a contract to do so, is likely the second largest purchase one will make in their lifetime. Negotiate!

To negotiate well, one has to know his or her negotiating position. When working with clients, we combine three things to develop a negotiating position: (1) our analysis of the client's situation; (2) number of communities to choose from; and (3) knowledge of market indicators. By following this strategy, we have been successful helping many of our clients lower their costs.

If a family is successful at avoiding these three mistakes, they have a much better chance of giving their loved one the quality of life they intend. While any family can come up with a solution on their own, we strongly suggest they seek expert advice to avoid mistakes that naturally come with trying something new. We're happy to set up a free consultation to talk about your circumstances.

Best Wishes.

