

# Continuing Care Retirement Communities (CCRC)

Understanding Contract Types

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# CCRC Contract Types

- Type A
  - All Inclusive Lifecare Contract
- Type B
  - Modified Contract
- Type C
  - Fee-For-Service Contract
- Rental Contract



# Lifecare and LTC Insurance

Do you have Long-term Care Insurance?

Yes?

At the time you enter into health services your policy will start to defray costs in a Type A.

No?

Your health care costs are held down when living at a Type A to protect your assets.

# Contract Type A: Lifecare

- All Inclusive Payment Structure
  - Buying a Continuum of Care
    - Independent Living, Assisted Living, Memory Care
- Insurance-Like Benefits
- Potential Tax Deductions
- Limited Additional Costs
- Low risk





# Contract Type B: Modified

- Partially or Semi-Inclusive
- Varying Monthly Fees Outside of IL
  - Depends on length of stay
    - No increase for “x” amount of days
- Limited Tax Benefits
- Medium Risk



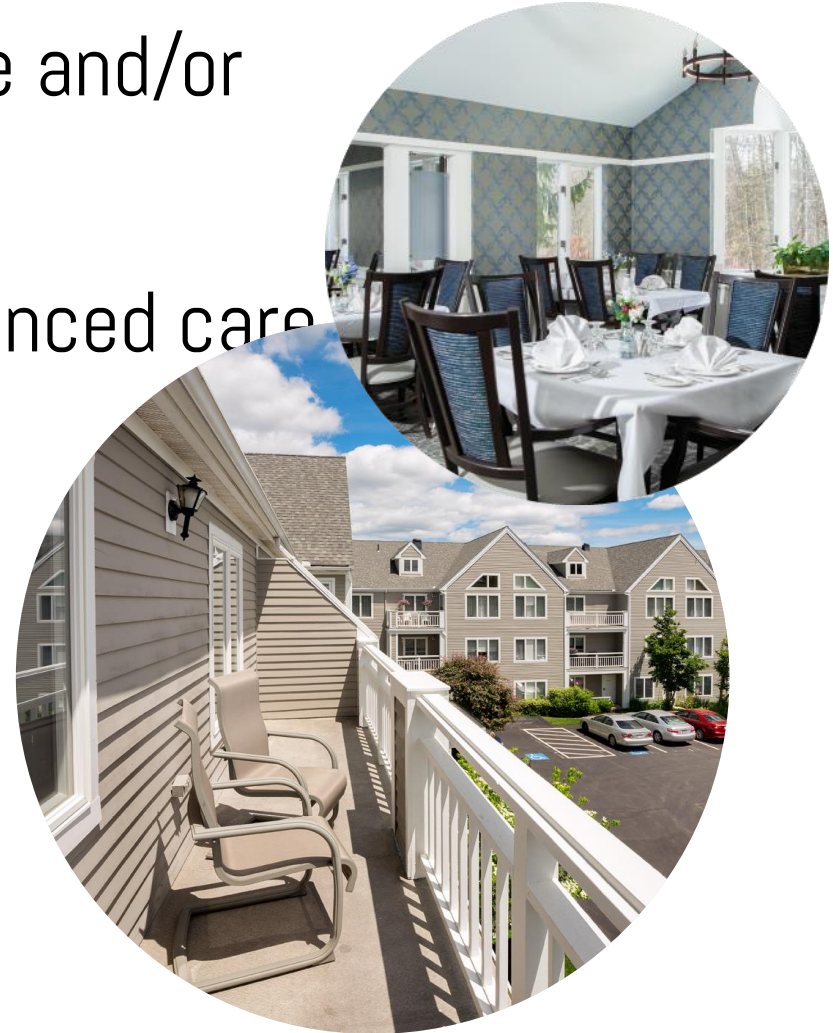
# Contract Type C: Fee For Service

- Pay Market Rate for Each Level of Care
  - Or % discount if on same campus
- Variable Costs
- Limited Tax Benefits
- Risk Shifts to Consumer



# Rental

- No Guaranteed Access to higher levels of care and/or higher levels may not be available.
- Monthly Rental Fee is much higher when advanced care is needed
- Limited Tax Benefits
- Transient Population
  - No entrance fee = higher turnover in residents
  - Different service offerings and lifestyle





# CCRC Payment Structure

- Two Part Payment Structure
  - Entrance Fee
    - Partially Refundable or Non-Refundable
  - Monthly Service Fee
- Rental Communities Differ in Structure



# Qualification

- Application

1. Health Review
2. Financial Review

*\*Applications and related reviews  
will vary from community to  
community.*





# Differentiating CCRCs

- Continuum On-site
- Key Words
  - Enhanced living
  - Assistance in living
- Licensing on All Levels
- Not Forced to Move As You Age





# Cost Comparison

## MEMORY CARE

- Average Monthly Fee  
in Greater Boston Area
  - $\$9,500 \times 36 \text{ months} = \$342,000$
- Average Monthly Fee  
at New Pond Village
  - $\$4,500 \times 36 \text{ months} = \$162,000$

TOTAL SAVINGS  
PER AVERAGE  
LONG-TERM STAY

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$\$5,000 \times 36 \text{ months}$   
=  
**\$180,000**

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# Cost Comparison Continued

## ASSISTED LIVING

- Avg. Monthly Fee for Freestanding Assisted Living Community in Boston Area
  - $\$7,450 \times 36 \text{ months} = \$268,200^*$
- Avg. Monthly Fee at New Pond Village
  - $\$4,500 \times 36 \text{ months} = \$162,000$

\*Facts and statistics courtesy of the Genworth 2019 Cost of Care Survey Massachusetts. Skilled nursing costs based on a private room. Assisted living costs are for a one-bedroom, single occupancy. Commons costs based on a one-bedroom, single occupancy apartment.

TOTAL SAVINGS  
PER AVERAGE  
LONG-TERM STAY

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$$\begin{aligned} &\$2,950 \times 36 \text{ months} \\ &= \\ &\mathbf{\$106,200} \end{aligned}$$

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# Costs for Couples in Type A Life-care

## CARE SCENARIO

- Both move to Independent Living
  - $\text{MSF} = \$4,500 + \$1,200 \text{ (2nd)} = \$5,700$
- One moves to assisted living while one stays in IL apartment
  - $\text{MSF} = \$5,700$
- Both move to AL or any combination of assisted living and memory care
  - $\text{MSF} = \$5,700$





# Cost Comparison Continued

- Can Save You Thousands in Health Care
- Important Tax Benefits
- Provide Estate Protection
- Peace of Mind
- Age In Place on Your Own Terms
- Value of Long Term Care Insurance



# Tax Benefits of Type A: Lifecare

- 4 Potential Deductions
  - 10% of the PRIMARY entrance fee (one time deduction)
  - Second Person Entrance Fee (one time deduction)
  - Portion of Monthly Service Fee (annual deduction)
  - 100% of Monthly Fee in Assisted Living (annual deduction)

# The Benchmark Difference

- Largest Senior Living Provider in New England
  - 50+ communities and growing
- Three Lifecare Communities
  - New Pond Village (Walpole, MA)
  - The Commons in Lincoln (Lincoln, MA)
  - Edgehill (Stamford, CT)
- Privately owned since 1997





# Peace of Mind Lives Here

At New Pond Village, our Lifecare plan offers greater predictability. The vast financial benefits and priority access to the full continuum of care will make you feel secure in your retirement living. Lifecare offers independence when you want it and care when you need it, including:

- **Independent Living**
- **Assisted Living**
- **Memory Care**



# Superior Services & Amenities

Most of your living expenses are covered by the monthly service fee, including:

- Full interior maintenance of your home
- Beautifully landscaped grounds
- Housekeeping
- Linen service
- Meal plans that offer restaurant-style dining in multiple locations
- Electricity, heat, air-conditioning and water
- Concierge services to medical appointments and recreational outings
- Life enrichment programs
- Emergency call system
- Snow removal





# Vitality Lives Here

- Outdoor walking paths
- Verdant gardens
- Raised garden beds for resident planting
- Fitness center
- Billiard room
- Vibrant library
- Woodworking shop





# Choice Lives Here

- Computer and business center
- Village club
- Professional beauty salon/barbershop
- Well stocked Country Store
- Guest suites for families
- Craft room
- Greenhouse



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# Thank You

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Questions and Answers, Available Apartments, Schedule a Virtual Visit Today





**NEW POND  
VILLAGE**

*A Benchmark Lifecare Community*