



Welcome!

The Truth about Paying for Retirement Living

So many questions and so little time! We realize that when attending seminars, it can sometimes feel as though you are drinking water from a firehose, so feel free to use this worksheet as a tool to help you prepare for the audience Q & A portion of the program at the end. Remember... **every question is a GOOD question!!!!**

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My burning question starters:

I was wondering... I am curious about... I had this friend who wanted to know...
What if... I've always wanted to know... I heard... Would you clarify...

My burning question(s) / Notes:

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The Truth about Paying for Retirement Living

Myth: Most people are completely prepared. They have planned where they will live and how they will fund their long-term care as they age.

Truth: More people spend more time discussing acceptable dinner plans than planning for how they will fund adequate living arrangements as they get older.

Myth: It will be cheaper to buy or modify a “forever house” equipped for our long-term care needs than to move to a community setting.

Truth: Extended caregiving can take a toll on family members and friends. It’s okay to ask for help.

Myth: Not-for-profit communities are less expensive than for-profit communities.

Truth: Fees are similar regardless of ownership type. How money is allocated is based on the respective leadership decisions. Not-for-profits usually have a benevolence fund of some kind.

Myth: The stated price on company marketing materials are the prices people will be charged.

Truth: Everything is somewhat negotiable. Communities with higher demand can justify negotiating less.

Myth: The money we have saved and the equity in our home will be our legacy.

Truth: How you’ve lived and who you are will become your legacy.

Myth: My kids will easily figure it out when needed. They will know what to do. Medicare will cover it.

Truth: Many adult children (and grandchildren) experience guilt, shame, resentment, and financial hardship around providing the “right” care for their parents. And, Medicare won’t cover it.

Myth: There is a magic bank account in the sky that will pay for the healthcare and housing for people when they are older so I need not worry about it.

Truth: There are 8 primary sources of funding for retirement living.

Private pay / Self-insure
Long-term care insurance
Veteran benefits
Reverse mortgage

Faith based foundations and groups
Family
Medicare / Social Security
Medicaid



According to Genworth, Northern Nevada private nursing home fees are close to the national average at \$307 per day / \$110,592 annually*. California is \$40 per day more than Northern Nevada.

Medicaid reimbursement rates to nursing centers in Northern Nevada are approximately \$150 per day. Medicaid nursing homes are very limited in the area due to the cost and low reimbursement rates.

Independent living senior communities (with meals included) in Northern Nevada area range from \$2,000 - \$5,000 per person (avg. \$2,800). Cost varies according to size, location, amenities.

The cost of senior living in Northern Nevada is comparable to the National average of \$48,000 annually. This is BASE rent. Cost of care can be from \$1000 to \$3000 additional per month depending on level of care.

Rents increase on average 3-7% annually for both assisted living and independent living.

According to Genworth, 7 out of 10 people will require long term care in their lifetime.

Subsidized or income-based independent senior living apartments/homes often have waiting lists as long as 2 years (or more). Most do not offer meal plans but do offer organized social activities and some transportation.

The cost of staying at home and hiring in-home care (\$25-\$30 per hour/8 hours per day) is typically more than the cost of living in an assisted living or memory care community.

The cost of staying at home (paying privately) for 24-hour care is far more expensive than living in an assisted living or long-term care (nursing) community.

Those without means to pay privately can apply for funding through the state's Medicaid program. Any assets must be used for care prior to qualifying for the benefits.

For those without the means to pay privately and who do not qualify for other types of assistance, Medicaid is the "default" means to pay for nursing care should it be needed.

Palliative and hospice care is paid by Medicare and is available wherever you reside.

** Semiprivate room, private is more expensive*