



# Senior Series

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and Ohio Aging Network professionals



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## "Homes" for Later Years

According to the 2000 U.S. Census, 1 in 8 Americans are over the age of 65. This figure represents 35 million seniors. By the year 2030, demographers predict that 1 in 5 Americans will be over age 65. This dramatic growth in older adults is primarily due to the aging of the Baby Boom population, born between 1946 and 1964.

As the U.S. aging population grows, questions surrounding housing choices that meet the needs of older adults become increasingly important.

### The Desire to "Age in Place"

In 2003, a study conducted by AARP found that 83% of people in mid-life own their homes and hope to remain in their homes as they age. This desire to "age in place" is not new, as many older homeowners frequently show a reluctance to relocate in later life. Most often the selling of the family home is the exception instead of the rule, and is usually a result of the death of a spouse, a medical disability, or a desire to be near family. When the decision to relocate is made, it is important for older adults to consider the many housing options available to them.

### Older Adult Housing Options

There are many housing options available for those choosing to downsize or who need varying degrees of personal or medical assistance. Some options are specific to individuals over the age of 65, and others are not. Some choices are costly, whereas others are more financially reasonable. Though many housing options exist, not all of them may be available in your local community. Selecting a housing alternative to meet your needs is a time-consuming project. Therefore, the key is to be a smart shopper by being aware of what you are looking for, what you can afford, and what options are available in the location you choose. The following are descriptions of a few of the most common housing options available to adults in later life.

### Age-Restricted Retirement Communities

A retirement community that is age restricted is similar to other neighborhoods except that all residents have a minimum age requirement. Usually the

minimum age restriction for at least one occupant is 55 years; however, the minimum can also be 60 or 62 for both occupants. Because these communities target healthy, active adults they may not always provide on-site amenities and services. In order to be competitive and attractive to retirees, however, some communities offer transportation, social and recreational activities, as well as other conveniences, such as on-site meals, banking, health screening, pharmacy, exercise rooms, and access to local shopping. Age-restricted retirement communities that are privately owned usually require monthly rental fees with varying lease terms, security deposits, and rental agreements. Age-restricted communities (i.e., larger properties with independent living units) are separate from “senior-only” apartments. These “senior-only” apartment complexes are frequently subsidized by the Department of Housing and Urban Development (HUD) and only accept low income seniors.

### **Assisted Living Facilities**

Assisted living facilities allow individuals the ability to maintain independence in later life, while enjoying varying degrees of assistance. Unlike skilled care, assisted living provides services based on one’s needs and desires. Most facilities offer dining (three meals a day), house-keeping, and transportation services. Additional services might include assistance with bathing and dressing, monitoring medication, and laundry services. Medical and/or nursing care is not provided.

Assisted living has become increasingly popular because of the personal assistance as well as the socialization

benefits. Often facilities serve meals in a dining room setting and provide multiple opportunities for social interaction. Assisted living facilities may stand alone with no affiliation to alternative levels of care or be a part of a Continuing Care Retirement Community (CCRC) that provides a continuum of residential long-term care. Assisted living facilities are usually licensed by the state department of health. The average national cost of residing in an assisted living facility in 2004 was \$2,524 (per month) and \$30,288 (per year).

### **Board-and-Care Homes**

Board-and-Care homes, also known as Adult Foster Care Homes or Adult Family Homes, are for seniors who require supervision and personal care assistance but need no medical care. A Board-and-Care facility is essentially the same as an assisted living facility but on a smaller scale (i.e., fewer residents and more limited staff). Board-and-Care homes are often located in residential neighborhoods and have between two and twenty residents, depending on local zoning ordinances. These facilities typically provide a room; three meals a day; supervision; personal assistance with bathing, dressing, medication monitoring, and mobility; and daily personal contact with staff.

Some homes are licensed for specific populations, such as seniors with mild cognitive impairment or Alzheimer’s disease. Many Board-and-Care facilities are not licensed by the state department of health and those that are licensed are often monitored sporadically. As a result, quality of care is an important issue to consider. Potential residents should check on

licensing requirements for their state. A Board-and-Care home can cost from \$350 to \$3,000 per month depending on quality and types of services provided.

## **Continuing Care Retirement Communities (CCRC)**

These residential long-term care communities, sometimes called life care communities, offer a continuum of services to their residents. Housing types include independent living, assisted living, and skilled nursing care. Each of the housing options are available on the same property so that a resident can move from one housing type to another as needs change. Usually a membership fee (or an endowment) is required with fees ranging from \$20,000 to \$400,000. Some fees are partially refundable according to prearranged, published terms. In addition to the membership fee, residents must pay monthly fees to cover services and amenities; these can range from \$200 to \$2,500. Many CCRCs guarantee lifetime continued care and shelter for as long as the resident lives in the community.

## **Cooperative Housing**

Unlike some of the other housing options discussed, Cooperative Housing is not specific to older adults. This housing arrangement is designed so that independent living adults are homeowners as well as cooperative shareholders in a housing property (e.g., a building or multiple buildings with grounds) and are responsible for governing the property's operations. The purpose of a Cooperative Housing arrangement is to provide residents with the same economic benefits

of single-family home ownership (e.g., equity preservation/appreciation, deductibility of interest and/or real estate taxes, and control of operations) at the lowest practical cost. Cooperative Housing may be ideal for an older adult wanting to remain in control, but also wanting the benefits of close neighbors with similar interests.

## **Elder Cottage Housing Opportunities (ECHO)**

An ECHO cottage, often called a “granny flat,” is a temporary, manufactured home that is located on the same property (with a separate entrance) to a single-family home. The purpose of an ECHO arrangement is to enable an older adult to have privacy and independence yet be in close physical proximity to a family member or other supportive individual. ECHO cottages can be very cost-effective since they are low-cost (or perhaps leased) and are removable and reusable. Zoning commissions do not always allow for ECHO housing, so local ordinances must be considered.

## **Skilled Nursing Facilities (SNF)**

Skilled nursing facilities, often referred to as SNFs or nursing homes, provide residents with twenty-four hour medical care and rehabilitation services. The long-term care (LTC) supplied by skilled nursing facilities usually involves a range of personal, social, and medical services to individuals with physical or cognitive limitations. These facilities might be free standing, part of a CCRC, or a unit connected to a hospital. Most often, SNFs provide long-term care but can also be appropriate for acute or short term

care to those recovering from an illness or surgical procedure. The average daily cost for skilled nursing care was \$150 in 2002; however, this cost varies significantly by region and state. For more information about the cost of skilled nursing facilities, what to look for when locating a skilled nursing facility, and information about quality of care, visit the AARP website at [www.aarp.org](http://www.aarp.org).

## Shared Housing/Homesharing

Shared housing is not just for college kids. Older, unrelated persons who are independent but do not wish to live alone may be interested in a shared living arrangement. Seniors who wish to form strong friendships with others by living in a family-type boarding atmosphere may also be interested in homesharing. Usually this arrangement involves shared dining, living, and recreational rooms, while maintaining a private bedroom. Expenses for food, utilities, housing costs, and transportation are commonly shared between housemates. The National Shared Housing Resource Center (at <http://www.nationalsharedhousing.org>) can provide valuable information to those who want to learn more about the idea of shared housing.

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<http://ohionline.osu.edu>

If relocating to a new "home" is in your future, make a list of any needs you might have or services you might benefit from. Also, list your desires for privacy, social interaction, or location. Although leaving a familiar home environment may be difficult, this change can also provide access to new friends, new experiences, and a home setting that is easier to manage.

## References

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