

# A Guide to Understanding Senior Living Pricing



*From funding sources to aging at home, a look at what older adults should know about senior living.*



PRESBYTERIAN  
SENIOR LIVING



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# Introduction

Misconceptions about the pricing and affordability of senior living are numerous. Some people believe a life plan community is only for the wealthy. Others think that only low-income older adults qualify for sliding scale senior housing. The reality is that Presbyterian Senior Living (PSL) has housing options for older adults of every socioeconomic background.



There are also sources of funding where older adults might find financial assistance with the costs of senior living. Some aren't well known and may be overlooked. These programs can range from working with a life settlement company to the Aid and Attendance benefit for veterans and their surviving spouses. These funding sources can make housing more affordable for those who qualify.

A common desire among seniors is to age in place. It's important, however, to carefully consider the pros and cons of aging at home. Often older adults believe it will be less expensive to stay at home than to move to a senior community. But it is also crucial to remember that, even when a mortgage is paid in full, a senior will still need to budget for utilities, property taxes, lawn care, and household repairs. As their ability to maintain their home and personal care declines, there will be added expenses. Home modifications, in-home caregivers, transportation costs, and housekeeping are just a few.

In addition to the financial costs of living alone during retirement, seniors should also consider the importance of their mental and physical well-being as they age. Part of the value of moving to a life plan community or affordable senior housing is the ability to socialize and stay connected. Residents also benefit from healthy meals, fitness activities, and on-site caregivers. These amenities help seniors avoid the many health risks associated with isolation, which can include depression, cardiac disease, diabetes, and more.

When all of these factors are taken into consideration, it is easier to understand the affordability and value offered by a senior living community.

## Inside this Guide



In this guide, we'll explore a variety of topics related to the costs of senior living. From price ranges for different types of housing to financing solutions, we'll answer some of the most commonly asked questions. We'll also discuss affordable senior housing, and take a look at the costs associated with aging at home.



## How Much Does Senior Living Cost and What is Included?

When older adults and their families begin the search for a senior living community, one of the first things they discover is how different pricing structures can be. While some communities offer all-inclusive pricing packages, many more have a base fee with level-of-care charges and optional amenities assessed separately.

Adding to the confusion, is that every community offers slightly different features and amenities in their base fee. When comparing one community with another, be sure to clarify what is and isn't included. Also, ask about any additional fees that may be expected each month.

While each Presbyterian Senior Living community has slight variations in their services and amenities, most tend to offer the following levels of care:

- **Independent Living:** This maintenance-free living is offered in a variety of settings. Amenities typically include basic cable hookup, utilities, dining plans, chaplain services, beauty/barber shop, recreational activities, and the Thrive Wellness program which is unique to PSL. High speed internet access is available. Resident Investment Fee (one time lump sum) Pricing begins at \$12,000 and the recurring monthly fee begins at \$900.
- **Senior Rental Apartments:** For older adults interested in a monthly rental arrangement, this is an option. Senior rental apartments afford older adults with a comfortable lifestyle, as all maintenance tasks are provided. Water, sewer, and trash are also included. Rental fees start at \$800.
- **Assisted Living/Personal Care:** In addition to the amenities listed above, most communities also offer housekeeping and laundry services, as well as staff on-site 24/7 for assistance. Care charges are assessed individually and can include medication management. High speed internet is available. Base fee pricing starts at \$150/day. Care charges typically begin at \$20/day.
- **Memory Support:** This specialized care is for those with Alzheimer’s disease or another form of dementia. Memory support includes the amenities and services offered in assisted living, adapted for the unique needs of adults with memory loss. The base fee for memory support begins at \$235/day. Charges for individualized care start at \$25/day
- **Skilled Nursing and Rehabilitation:** In long-term care, residents generally benefit from a choice of dining plans, housekeeping, laundry, chaplain services, activities and social events, a beauty/barber shop, and music therapy. Staff is on-site around the clock. Rooms are generally private or semi-private. Daily base fee pricing starts at \$400, with care charges assessed based on need.



# What Types of Payment Do Senior Living Communities Accept?

In addition to private pay from an older adult or their family's personal funds, life plan communities and other types of senior living communities accept various forms of financing. Here are some of the most common payment sources for senior care:



- **Aid and Attendance Benefit:** Seniors who are veterans, or the surviving spouse of one, may qualify for a benefit known as Aid and Attendance. This income source is in addition to the veteran's regular pension and is intended to help pay for senior care. Congress adjusts the benefit amounts on a regular basis. In 2021, a qualifying, single veteran was eligible for up to \$1,936 a month, a surviving spouse for \$1,244, and a married veteran for up to \$2,295 a month. Learn more by visiting [VA Aid and Attendance Benefits and Housebound Allowance](#).

- **Life Settlement Funding:** Some older adults have life insurance policies they no longer need. If a home is paid for and children are grown and gone, a senior may have outgrown a large life insurance policy. For them, the money can be better utilized to finance senior living. This is where a life settlement company comes in. These companies buy life insurance policies from seniors at a price that is greater than the cash surrender value but less than face value. Before proceeding with a sale of a life insurance policy, ask a trusted financial advisor or elder law attorney for advice on which life settlement companies to consider.

- **Long-term Care Insurance:** Another potential financing option is long-term care insurance. Some families mistakenly believe these policies can only be used to pay for nursing home care. While that may be true of some older policies, newer ones may have provisions for in-home care services and assisted living. This type of insurance typically pays a daily or monthly benefit, often with a benefit maximum. Review the policy or call the broker for clarification on coverage.
- **Short-term Bridge Loans:** For many people, a house is their greatest financial asset. To make the transition to a life plan community, some seniors may need the proceeds from the sale of their house. Or they may need to wait for an investment account to mature in order to liquidate and pay for a move. This is where a short-term bridge loan can be useful. These loans allow a senior to borrow money against assets and use it to finance senior living. If the older adult's personal bank doesn't make these types of loans, there are companies that do.
- **Medicaid and Medicaid Waiver Programs:** Another avenue to explore is Medicaid. These funds are typically used when an older adult needs long-term care in a skilled nursing and rehabilitation center. Depending on the state, however, there might also be waiver programs that allow Medicaid money to be used for assisted living. For example, in Pennsylvania, Medicaid doesn't pay for assisted living. But there are Department of Aging waivers that help with financing domiciliary care homes and adult foster care. Other states offer additional assistance to Supplemental Security Income (SSI) for people who are living in non-nursing residential care.







## What is Affordable Senior Housing?

Affordable senior housing at PSL is designed to give older adults of limited means an opportunity to live in a supportive community environment. Rents, along with minimum and maximum income limits, are set at the federal level. The income limits vary according to the number of persons in the senior's household. It's important to know that assets aren't factored into the equation, only income.

Because each apartment within the community has different income limits, the senior's income-eligibility will be determined as it relates to the available apartment. If an applicant does not meet the income requirements for a particular available apartment, they may retain their current place on the waiting list as long as their household income is not less than the minimum or more than the maximum income limits for the community.

# Is it More Expensive to Move to Senior Living or Age-in-Place at Home?

When their house is mortgage-free, an older adult might assume the costs associated with aging in place in their home will be lower than moving to senior living. On top of utilities, homeowner's insurance, lawn care, and other routine costs, there will be additional expenses.

Home care can be utilized for meal preparation assistance, personal care, and light housekeeping. But this comes at a cost. In [Pennsylvania home care services cost](#) an average of \$24 an hour. As needs increase, it's easy to see how these expenses can quickly add up.

Here are some additional factors to take into consideration:

- **Home Modifications:** From installing a barrier-free shower to widening doorways, creating an accessible kitchen, and improving lighting, the senior's home will likely need modifications as their health and mobility declines. For an older house, these renovations can be expensive.
- **Transportation:** The ability to access transportation is another factor to take into account over the long term. When a senior gives up driving, how will they get to appointments and run errands? Rural seniors might find a lack of transportation to be a real barrier.



- **Caregiver Financial Loss:** When a senior makes the decision to age at home, loved ones often pitch in to help. These family caregivers might have to cut back on their work schedule or quit work entirely. The resulting loss of income, health care coverage, and long-term retirement investments might be significant.
  - **Selling in a Crisis:** If an older adult experiences a crisis that makes living alone no longer an option, they may be forced to sell their home and move in a hurry. In addition to the stress of moving on short notice, there is the impact a quick sale has on the home price. A senior might not receive as good of an offer as they would if the move were done in a more thoughtfully planned manner.
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## Take the Next Step

At Presbyterian Senior Living (PSL), there are senior housing solutions that meet every need. From independent living to personal care/assisted living, memory support, and more, you'll find PSL communities throughout Pennsylvania, Maryland, Ohio, and Delaware. Contact one of our communities to learn more.

[View Our  
Community List](#)



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