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Many older people are afraid that they'll outlive their money, leaving them with few resources to pay for care at home or in a retirement facility.

Long-term care insurance is one option, but several new continuing-care projects are rolling such insurance and real estate into life-care contracts.

Under these arrangements, residents pay the building a monthly fee and an upfront entry fee (usually at least partially refundable) for an apartment and a capped fee if assisted or nursing care are needed.

As with all insurance, the details get complicated. But life-care contracts basically lock in the price of future care. It is not available at all continuing-care projects, and it varies where it is offered, with some providing a limited number of days of health care at a certain price, for example.

Friendship Village in Schaumburg, Ill., is one. Residents pay an entry fee that is 90 percent refundable and receive a 10 percent discount on assisted-living and nursing care along with 90 days of free health care in the nursing/assisted section of the building.

In other projects, you pay as you go. This is the model at the big Erickson retirement communities: Sedgebrook in Lincolnshire, Ill., and Monarch Landing in Naperville, Ill.

"With life care, you might end up paying for something you don't need," said Tom Neubauer, senior vice president of sales at Erickson, in Catonsville, Md. "With our model, you only pay for what you need."

Though Classic Residence by Hyatt offers life-care contracts only at its upscale projects, including the Glen in north suburban Glenview, Ill., the concept seems to be picking up steam.

"People are betting that they will be in one place, and if they need more care, they will be able to moderate the monthly fee," said Bill Sciortino, senior vice president of operations at the Chicago-based operation.

That's borne out in two new communities, *GreenFields of Geneva*, Ill., and the Admiral at the Lake that offer the contracts.

GreenFields, developed by Friendship Senior Options, will have fewer units along with the life-care contract. Cathy Ritter, vice president at Friendship Senior Options, says response has been good.

The Admiral at the Lake, developed on Chicago's North Side by Greystone Communities Inc., has fixed the monthly fee for assisted-living and nursing care at \$3,195 a month, subject to annual increases based on building expenses. Experts say a life-care contract can make particular sense for someone without children or other relatives. They also suggest it for couples. A life-care contract also can be a substitute for long-term care insurance -- with some caveats, said Sidney Blum, a financial consultant at GreenLight Fee Only Advisors LLC in Evanston, Ill.

Those who want a life-care contract will be screened to make sure they can live independently.

"If you wait until you need the care, you can't get in," Blum said.

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***Highlights: GreenFields of Geneva***