



Moving into a retirement facility is a life-altering decision

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So, you finally decided to make the move out of your home after many decades and are considering relocating to a retirement community. While your children may think they finally convinced you that you need a different style of living, maybe you just got tired of mowing grass, fixing toilets, washing windows and shoveling snow.

On the other hand, many people must move out of their homes into some type of long-term care facility due to a physical or cognitive chronic disability or decline that arises suddenly.

Whatever the reason, moving out of your home is a significant change on many levels, including financial, physical and emotional. Given the high stakes, let's look at some things to look out for and how to help make this transition smoother.

1. The planned transition: "Retirement community" is a term used very loosely to describe a variety of living situations. Some communities only offer one level of care, such as independent living, personal care or assisted living. Others offer a variety of care settings so the person can age in place from independent living through skilled nursing care and/or memory support on the same campus.

Continuing care retirement community is a special term under the law that allows a resident to "buy in" to a care plan for his or her lifetime, so that the risk of increased care costs is shifted to the community and away from the resident.

When beginning this transition, it is important to visit and investigate various communities ahead of a crisis and get a feel for how life would be there. A prospective resident should consider the types of assistance offered, what is included in the monthly fee and what types of additional services are charged a la carte.

Inevitably, there is a pile of complex documents that will need to be reviewed before signing.

When buying into a community, there is usually a substantial upfront fee. There are various options to choose from which give the resident the right to a refund of a portion of the entrance fee or none of the entrance fee. It is important to consult with an elder law attorney as well as the resident's financial planner to figure out the best option to finance the entrance fee and future care costs. Whether or not the prospective resident has long-term care insurance can become a critical element.

In addition, residents need to be aware of rights and liabilities under the contract and whether they would ever have to move out of the community and under what circumstances.

2. The crisis admission: Unfortunately, many people end up in a long-term care facility as the result of an acute medical event. Typically, after a hospital stay, a person is given several choices for discharge to a long-term care facility.

This selection should be made carefully because the facility could end up being the place this person lives for the rest of his or her life.

Generally, health insurance such as Medicare or Medicare Advantage plans will cover the cost of rehabilitation in the long-term care facility for the first several weeks. After this coverage disappears, the resident will need to figure out how to afford to pay for care. (See our prior columns on [VA benefits](#) and [Medicaid](#).)

In either scenario, it is extremely important for those involved in the decision-making and admission process to obtain the advice of an attorney before signing any contracts. It is important to understand terms such as "responsible party" and what that means as far as financial obligations for adult children as well as people who are acting under the authority of a power of attorney and/or health care directive.

Whether it's a gradual transition from home to a retirement community or an unexpected medical event, these are significant life changes that impact the resident as well as his or her family. It is important to understand the options and consequences before signing on the bottom line.

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