

Choosing a Continuing Care Retirement Community (CCRC)



Choosing a CCRC is a big decision and one that is probably unique from other decisions you have made in life. It is a lifestyle, financial, housing, and healthcare decision all wrapped up into one. Making an informed decision could help secure your future regardless of unforeseen health situations. Here are a few important aspects to consider in your decision process:

- All CCRCs are not created equal. There are five main types of contracts—and multiple variations of each—offered by CCRCs across the country. You should have an understanding of each type so you can determine which is most suitable for your unique situation, and which is most compatible with long-term care insurance you may own.
- Many CCRCs require an entry fee, although a growing number are beginning to offer rental contracts. Under a traditional, declining-balance contract residents do not recoup any of the entry fee after the first few years of occupancy, typically anywhere from one to four years. Other CCRCs offer refund options, often called “return-of-capital” contracts. Under this arrangement some portion of the entry fee will be refunded if the resident moves out or at death, no matter the length of occupancy. All things being equal a return-of-capital contract will require a higher entry fee than a traditional contract. Prospective residents considering a refundable contract need to be clear about the stipulations for receiving a refund.
- The community’s financial stability is important to ensuring that it can fulfill its long-term commitment to provide healthcare to residents. Take time to understand the community’s financial stability, history of operations, and experience of the board and management.
- The ultimate reason for choosing to move to a CCRC is the peace of mind that comes with knowing that you will live in a community that can provide for your future healthcare needs. Therefore, it is important that the community provides the type of care you would expect to receive. Be sure to inquire about quality of care, awards and recognitions, ratings, record of complaints, staff turnover, and other indicators.