

How to Decide: Aging in Place vs. Assisted Living

Evaluate the pros and cons

When those diagnosed with life-threatening illnesses are asked by their doctors to make lifestyle modifications, only 9% make changes.¹ They find it too hard to change even when they know it's good for them. Likewise, many people may resist change, especially when that change could affect where they'll live as they age.

Why We Like to Age in Place

Ninety percent of people plan to age in their homes.² Why? We're comfortable in our homes. We like our routines, privacy, and freedom that comes with home ownership. At home, we don't have to ask if we're allowed to have a dog or a cat. We enjoy having lots of space to spend time with friends and family. We don't like the thought of being crammed into a small living place and having to get rid of lots of our stuff. And those of us who like to cook would be disappointed having to do it exclusively with a microwave.

Many people are confident in their ability to age in place. They don't feel they'll need support because they see themselves younger than they actually are. Sixty percent of adults 65 and older say they feel younger than their age. Of those surveyed between the ages 65 of 74, a third say they feel 10 to 19 years younger than their age.³ As a result, people in their 40s, 50s, and even 60s can find it hard to anticipate the physical ailments ahead. This mindset can push the thought of moving to an assisted living community or nursing home off the table.

The Health Risk of Aging in Place

Since most homes weren't built for aging people, aging in place can increase health risks. As people age into their 70s, 80s, and 90s, their risk of falls, and resulting injuries, in their homes increases. One in four people over age 65 falls each year.⁴ More than 300,000 people are hospitalized each year from broken hips, and 95% of these fractures are a result of a fall.⁴ Most of these falls occur in the home for a variety of reasons, including clutter, loose rugs, limited access to railings and grab bars, or poor lighting. A broken hip can force people to consider moving to an assisted living facility.

We Feel Young—Of Course We Can Age in Our Homes



60% of Adults 65 and older
say they feel younger
than their age

Among respondents ages 65 to 74...

34% say they feel
10 to 19 years younger
than their age

Among adults 65 and older, 60% say they feel younger than their age, compared with 32% who say they feel exactly their age and just 3% who say they feel older than their age.

Source: Pew, "Growing Old in America: Expectations vs. Reality," 06/09. Most recent data available.

The Social Risks of Aging in Place

Loneliness can be the most severe outcome from aging in place.⁵ As we age in place, our mobility and access to transportation can decrease. This can result in going out less frequently to participate in social activities, which can lead to isolation. During a six-year study, the loneliest people in the study were nearly twice as likely to die as the least lonely.⁵

Our Homes Aren't Ready for Aging in Place

For people with no mortgage (or a low mortgage) and enough income to cover expenses, aging in place might seem like a no-brainer. But we need to think farther into the future and evaluate if our homes will be a good place to live as we age.

A recent study from the Joint Center for Housing Studies of Harvard University found that less than 25% of homeowners age 55-plus have a bedroom and full bathroom on the first floor of their homes, a way to get into the house without steps, and no steps between rooms—universal design features that make life easier for all ages.⁶ The house that works today may not work as well in the future. Home modifications may be needed. Not doing the necessary modifications could put you or a loved one at risk for an accident that could ultimately cost more than the modification, and could result in significant health issues.

The Cost of Home Modifications

The cost of home modifications can get pricey. But, when compared to the cost of assisted living, they may be worth it. To get a better idea of types and expense of home modifications you may need, meet with a certified aging in place specialist (CAPS). The CAPS program was developed by the National Association of Home Builders in collaboration with AARP. To find a CAPS professional near you, visit nabh.org/caps.

The expense range of home modifications varies greatly. The amount of modifications needed can depend on your needs. Basic modifications can cost up to \$10,000,⁷ including installing:

- Grab bars
- Sturdy handrails along stairs
- Replacement rugs
- Better lighting
- Lever-handled doorknobs

More extensive modifications can cost up to \$100,000 or more, including:⁷

- Removing (or reducing the height of) steps
- Widening hallways
- Adding a ramp
- Lowering cabinets
- Installing no-step showers
- Installing a generator to protect against power loss

For deeper insights on aging in place solutions, check out The Hartford's [Simple Steps to Stay Independent](#) web page. You'll find a consumer-friendly PDF called [Simple Solutions: Practical Ideas and Products to Enhance Independent Living](#).

Since the range of expenses for home modification is so great, and the impact on the quality and safety is significant, it makes sense to involve a CAPS professional to create a holistic aging-in-place plan.

If you're remodeling your homes, consider making age-friendly adjustments, such as widening doorways and corridors, eliminating walls to accommodate wheelchairs and scooters, or even creating space in a multistory home to add an elevator later. The additional costs during a remodel can only cost an average of 5%.⁸

Our Homes Aren't Ready for Aging in Place



Less than

25%

**of homeowners
age 55-plus have:**

- ✓ A bedroom and full bathroom on the first floor of their homes
- ✓ A way to get into the house without steps
- ✓ No steps between rooms

**These are universal design features that
make life easier for all ages**

Source: Homeowners Get Ready to 'Age in Place,' The Wall Street Journal, 5/31/15. Most recent data available.

The Cost of Aging in Place Support

As we age in their homes, at some point we may need help getting things done, e.g., housekeeping, laundry, heavy lifting, lawn care, gutter cleaning, grocery shopping, changing light bulbs, and air filters, and more. Fifty-two percent of those age 70 and older say that their health makes it hard for them to do home maintenance or repairs.⁹ We may be able to hire people to help with these activities.

Similar to home modifications, the cost of home-care support can vary. Apps like Hello Alfred (monthly fees start at \$279/month) and Task Rabbit (hourly rate) can help us get things done, but they're only available in certain locations. For other apps sites and devices to help you get things done as you age, check out hartfordfunds.com/hometech.

If we end up needing more support, expenses will be higher. Between 50 and 70 percent of people over the age of 65 will eventually need significant help with their day-to-day tasks and overall care.⁷ The average monthly cost of a homemaker is \$3,994, assuming 44 hours of care per week.¹⁰ Homemaker service includes household tasks that people can't complete on their own, including cleaning house, cooking meals, or running errands. The monthly cost of a home health aide is \$4,099.¹⁰ They offer more extensive personal care than family or friends are able to or have the time or resources to provide.

Can Support From Family and Friends Help Keep Costs Down?

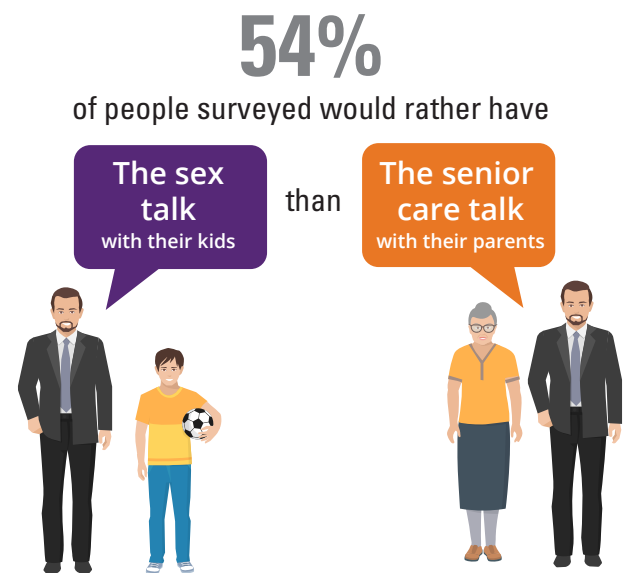
Support and care provided from family can be cheaper. However, family members often pay the price. Many take time off from their careers or retire early. The average lost lifetime wages and benefits of an unpaid family caregiver is almost \$304,000.⁷ And half of all family caregivers pay at least \$5,000 per year out of pocket, year over year, for things like food, medication, and bills for their aging loved ones.³ The stress of caregiving on family members can lead to burn out. While family members might be willing at first, they might grow very tired of helping out over the years.

Low or no-cost support may be available. Try to find local social service agencies, senior centers, and private companies that can provide transportation and meals, either at a center or delivered to the home.

Discussing the Possibility of Assisted Living

There can come a point where we can't care for ourselves, or it's not safe for us to live in our homes. Then assisted living can be a good solution. Determining when that point comes is usually a family decision, but families tend to procrastinate this decision. Fifty-four percent of people surveyed would rather have "the bird and the bees talk" with their kids than "the senior care" talk with their parents.¹¹ Most people don't like the idea of adult children trying to push them out of their homes and into assisted living.

We Really Don't Like Discussing Senior Care



Source: How Senior Care Impacts Families Financially, Emotionally and in the Workplace, Care.com, 2016. Most recent data available used.

While it's not an easy topic to discuss, it's better to discuss it sooner rather than later, when your options for insurance or care may be fewer and the costs may be higher.

The Cost of Assisted Living

The average national monthly cost of assisted living is \$3,750, and a private room in a nursing home is \$8,121.¹⁰ Assisted living facilities provide personal care and health services for people who may need assistance with activities of daily living (walking, feeding, dressing, toileting, bathing, and transferring). The level of care provided is not as extensive as that which may be provided in a nursing home. Nursing homes provide higher levels of supervision and care than in an assisted living facility. They offer personal care, room and board, supervision, medication, therapies, rehabilitation, and skilled nursing 24/7.

Each assisted living community has its own pricing model, but monthly costs typically cover:

- Taxes
- Insurance
- Utilities
- Repairs
- Appliance repair or replacement
- Meal plan
- Recreation and entertainment
- Fitness center
- Library
- Beauty salon/barbershop
- Craft workshop
- Scheduled transportation

Finding prices for assisted living can be challenging because of the complexity of individuals' needs. It's rare to find baseline pricing online. To get accurate pricing, you and your family should visit a community, get a full tour, talk with the residents, and then have a conversation with the facility staff about your needs and financial resources.

Health Advantages of Assisted Living

Assisted living communities are designed for mobility and accessibility while also offering expert care and medical attention, if needed. Residents are served three meals a day that are tailored to the specific health needs of seniors. Maintenance is taken care of, so the risk of falls are reduced, e.g., there's no need to climb up on a chair to change a light bulb.

The Social Advantages of Assisted Living

Assisted living offers socialization through planned activities and outings, such as field trips, dancing, and cultural events. Daily living in the common areas also offers fun and socialization for seniors. Plus, there's a better chance to stay engaged living in a community of people of similar age dealing with similar issues.

To summarize, we've covered:

- Aging in place: Cost, social, and health impact
- Assisted living: Cost, social, and health impact

Plan for Change

Change is hard. However, taking action and making plans for tomorrow can actually make tomorrow easier. At some point, we'll probably have to decide whether to age in place or move to an assisted living community. Some people will refuse to discuss the possibility of moving, while others will be more open. Consider discussing your options with a financial advisor. They can help you anticipate your senior housing needs including, health, cost, and social impacts of those decisions.

Next steps:

1. Discuss senior housing options with your financial advisor
2. Google search CAPS professionals and meet with one
3. Visit an assisted living community, get a full tour, talk with the residents, and then have a conversation with the facility staff about your needs and financial resources.

Sources:

¹The neuroscience of change: Why it's difficult and what makes it easier, Langley Group, 5/23/12. Most recent data available used.

²Can You Afford to Age in Place? AARP, 2017

³Growing Old in America: Expectations vs. Reality, Pew Research Center, 6/29/09. Most recent data available used.

⁴Important Facts About Falls, Centers for Disease Control and Prevention, 2/10/17.

⁵An Advisor's Guide To Aging in Place vs. Community Living, wealthmanagement.com, 6/29/17

⁶Homeowners Get Ready to 'Age in Place,' The Wall Street Journal, 4/9/18

⁷Reasons Why Aging in Place May Not Be Cheaper, myLifeSite.net, 8/15/16

⁸6 Things You Must Know About Aging in Place, Kiplinger, 5/15. Most recent data available used.

⁹New Survey From The Hartford And MIT AgeLab Finds Homeowners Age 50+ Delay Home Maintenance, The Hartford, 4/4/18.

¹⁰Compare Long Term Care Costs Across the United States, Genworth, 2017

¹¹How Senior Care Impacts Families Financially, Emotionally and in the Workplace, Care.com, 2016. Most recent data available used.

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