

THE  
*Lifecare*  
ADVANTAGE



North  Hill

# Introducing THE LIFECARE PROMISE

The North Hill Lifecare Promise simply means that you have lifetime access to full-service residential living, enhanced living, memory care and nursing care in a single, caring community for a predictable fee.

The Lifecare Option is a residency agreement that can significantly reduce out-of-pocket costs for long-term care, should you ever need it. Those who have chosen The Lifecare Option at North Hill can attest to the financial value, peace of mind and enhanced quality of life that it offers. Other options are available as well.

North Hill was the first community in Massachusetts to offer Lifecare, and The Lifecare Promise is central to our commitment to being the leading provider of the most progressive, personalized services to older adults in the Northeast.

As a Lifecare community, North Hill is structured to support a vibrant lifestyle and seamlessly provide a range of services and settings needed to meet future health or personal needs. Lifecare helps answer those “What ifs?” in life, ensuring you and your family have the confidence and security that you will receive exceptional health care right here at North Hill.

Navigating your long-term care planning can seem complicated and confusing. With that in mind, this guide is designed to help you better understand the value of The Lifecare Option.

## PART I: FREQUENTLY ASKED QUESTIONS

### *What is Lifecare?*

The Lifecare Option offers comprehensive financial and care coordination to address unforeseen short- and long-term needs. While traditional health insurance and Medicare may cover medical expenses and hospital stays, significant out-of-pocket costs related to personal care, in-home supportive services and long-term care may not be covered.

Should your health care needs change while you reside at North Hill, The Lifecare Option ensures that you receive the supportive living services covered in your residency agreement for as long as needed, without any annual or comprehensive limit. You pay your current monthly fee plus the cost of additional meals and any medical or surgical supplies.

The Lifecare Option is a proven investment that has provided tremendous value to thousands of North Hill residents over our 30-plus year history. More than a solid plan to protect your assets, it provides you with a personal advocate who knows you, your family and your preferences.

The dedicated and experienced North Hill team coordinates any services you may need — from short-term rehabilitation after a hospital stay to long-term care, memory support or end-of-life care. Through The Lifecare Option you can live comfortably in a service- and amenity-rich community with friendly neighbors and personable team members, knowing that any changes to your health will be fully supported by people you know and trust.

## *What does it cost?*

The Lifecare Option at North Hill includes a one-time Lifecare fee and an ongoing monthly fee which covers our all-inclusive hospitality, maintenance and health and wellness services. We encourage you to discuss your personal plan with a North Hill Team Member.

## *Where are the services provided?*

North Hill offers a full continuum of services to residents who choose The Lifecare Option. You can receive personalized care at Vista Terrace Enhanced Living and Memory Care, and at Pines Edge Health Center, our state-of-the-art Health Center and Skilled Nursing Facility, which has 72 private rooms. These neighborhoods are designed following the “small house” model to provide residential-style living, in contrast to the more typical institutional care environments.

## *Why do people choose The Lifecare Option?*

### **FINANCIAL BENEFIT**

Lifecare limits your exposure to the financial risks associated with transitional, health-related support services or long-term care. The typical cost of long-term care in Metrowest Boston ranges between \$140,000 and \$190,000 per year. While long-term care insurance policies may provide some coverage, each plan is different. Many only cover a fraction of the daily cost and most have lifetime limits. Purchasing North Hill’s Lifecare Option limits this risk, covers the full cost of care, and ensures your assets will not become vulnerable to rising health care costs.

### **PERSONAL CARE COORDINATION**

Many people make investments in long-term care insurance and are comforted by the financial value they may offer. But a less obvious challenge that occurs when an unforeseen health issue arises is that of navigating the

fragmented and cumbersome health care continuum. North Hill residents who choose The Lifecare Option take comfort in knowing that the long-standing North Hill team members who know them personally will develop a plan and coordinate services covered in the residency agreement that they may need. Our team members are committed to understanding and honoring your unique and individual preferences to every extent possible – a level of service that even the best of long-term care insurance policies cannot provide. There is no need to check eligibility for benefits, review elimination periods and costs of care, seek out a provider who has availability, submit paperwork to an insurer, make arrangements for home maintenance and coordinate logistics such as transportation. The Lifecare Option is a better and simpler solution.

### **PEACE OF MIND**

You and your family will enjoy the peace of mind that comes from having a comprehensive and solid plan with an experienced health care organization. The knowledge that you have prepared for life’s “What If’s” is both a financial and emotional gift to yourself and your loved ones. Over the years, we have watched people who deeply espouse the personal value of self-responsibility find great satisfaction in having made the choice to invest in Lifecare.

### **TAX ADVANTAGES**

The Lifecare Option offers tax advantages. Your Lifecare fee and a portion of your monthly service fees may be deducted as medical expenses from your federal income taxes, depending on your circumstances. This amount changes year-to-year and depends upon the overall health care utilization of North Hill residents. Consult your tax advisor for specific benefits.

## *Does Lifecare create financial predictability?*

At North Hill, it does. With The Lifecare Option, residents do not pay a higher fee if and when the long-term care benefits outlined in our residency agreement are needed. A major benefit of Lifecare is the predictability of costs. You pay a one-time entrance fee, a one-time Lifecare fee and a monthly service fee that includes your apartment, one dining experience per day, utilities and all the services and the amenities we provide. Like all communities, incremental adjustments to the monthly service fee are typically made annually.

How can I cover all my costs in the future? North Hill has successfully provided Lifecare to people for over 30 years. Our investment strategy and prudent financial management have ensured continued success and our ability to offer this lifetime coverage.

## *Are there health requirements for Lifecare?*

Yes, there are health requirements for residency at North Hill and for selecting The Lifecare Option. Similar to long-term care insurance, by offering The Lifecare Option, North Hill is underwriting the potential future long-term care costs of residents. You will need to demonstrate evidence of adequate physical health. Our health care assessment team will require five years of medical records, a meeting with our Medical Director and other health care specialists. It is important to take advantage of The Lifecare Option when your health is strong.

## *When does my coverage begin?*

At North Hill, our continuum of health care is available to you on the first day of your residence. Should you need Enhanced Living, Memory Support or Skilled Nursing services, your coverage begins as soon as it is needed, no approvals or delays (sometimes known as an elimination period) are required.



## **PART II: UNDERSTANDING THE FINANCIAL BENEFITS OF THE LIFECARE OPTION**

In order to fully understand the advantages of The Lifecare Option, it helps to compare what it would cost if you ever need long-term care services and had to pay market rate. The Lifecare Option helps to cover the costs associated with services provided in Vista Terrace Enhanced Living and Memory Support, and Pines Edge Health Center neighborhoods. These services include: assistance with activities of daily living (commonly known as ADLs), offering 24-hour skilled nursing services and a therapeutic, memory support environment.

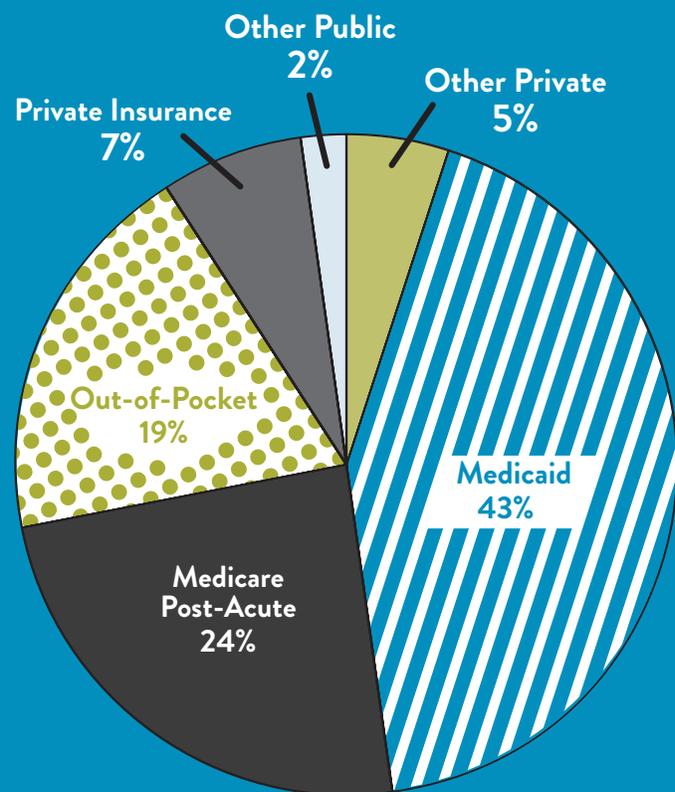
## *Available Refund Options*

A portion of your entrance fee and Lifecare fee may be refundable depending upon the contract you select and the length of your residency at North Hill. We offer a variety of options to meet diverse financial and planning goals. Please consult your North Hill Team Member and residency agreements for detailed information about refund options.

## Medicaid is the primary payer for long-term care

Total in 2009 = \$240 billion

NOTE: Total LTC expenditures includes spending on nursing home, home health services, and home and community-based waiver services. All home and community-based waiver services are attributed to Medicaid. Total excludes residential care facilities for intellectually disabled, mental health, or substance abuse. SOURCE: Georgetown University Long-Term Care Financing Project, "Long-Term Care Financing Policy Options for the Future" June 2007.



### MEDICARE

For qualifying individuals, Medicare may pay for up to the first 100 days in long-term care facility, but certain co-pays or other costs are not covered by Medicare and are the responsibility of the resident. Some individuals purchase supplemental insurance policies which cover the co-pays or other costs. Medicare coverage for the full 100 days is contingent upon the resident's continued satisfaction of eligibility. Additional information is available at [www.medicare.gov](http://www.medicare.gov).

### PRIVATE LONG-TERM CARE INSURANCE

This insurance is also privately paid and varies widely by policy. Coverage is subject to elimination periods, policy maximums, and may not increase to accommodate the escalating cost of services. The North Hill Lifecare Option does not have limits/maximums on the length of benefit coverage or a maximum benefit dollar amount.

### SELF-PAY AND OTHER

Some simply pay out-of-pocket for as long as they can, or rely on the assistance of family members, which can be an undue and stressful burden.

### MEDICAID

Medicaid is a state and federally funded program for low-income individuals. The Massachusetts Medicaid program is known as MassHealth and requires that individuals or spouses meet both a limited-asset and low-income test prior to receiving benefits for long-term care. Additional information is available at [www.mass.gov/eohhs/gov/departments/masshealth](http://www.mass.gov/eohhs/gov/departments/masshealth).



## Do You Know the Potential Chance of Needing Long-Term Care?

# 70%

of all people 65+ years of age will need some type of assisted living or nursing home care.

SOURCE: U.S. Department of Health and Human Services, National Clearinghouse for Long-Term Care Information, [www.longtermcare.gov](http://www.longtermcare.gov).

## What Are The Basic Costs of Long-Term Care in the Boston Area?

	Daily Costs	Monthly Costs	Annual Costs
<b>Assisted Living</b> (costs per person)	<b>\$233</b>	<b>\$7,000</b>	<b>\$84,000</b>
<b>Nursing Home</b> (costs per person)	<b>\$470</b>	<b>\$14,000</b>	<b>\$168,000</b>

SOURCE: John Hancock Cost of Care Survey, conducted in 2011 by Life Plans, Inc., based in Waltham, MA.

### Some Important Questions to Consider

1. How long will your assets last if you need help from a long-term care provider?
2. Are you financially prepared to cover the cost of an extended stay in either an assisted living or nursing home setting if needed?
3. What if two of you need the services? How will that impact the spending down of your assets?
4. How can you best protect your assets?
5. How does The Lifecare Option protect your assets?

## Protecting Your Assets

To help illustrate the value of The Lifecare Option, we have provided two examples that demonstrate the realized savings should you need an extended period of nursing care. Since each situation is unique, we strongly suggest that you discuss your individual situation with a North Hill Team Member.

### SHOULD YOU REQUIRE NURSING CARE\*

	Sample North Hill Monthly Service Fee	Average Monthly Cost of Local Nursing Home	MONTHLY SAVINGS w/Lifecare Option	ANNUAL SAVINGS w/Lifecare Option
One Person	\$5,000	\$14,000	\$9,000	\$108,000
Couple	\$6,670	\$28,000	\$21,330	\$255,960

*\*This chart is an example only. Savings will vary depending on the size and style of apartment you choose. Prices are estimates only and do not include the cost for medical supplies, additional meals or customary annual increases in the monthly service fee.*

- At North Hill, you continue to pay only your monthly service fee for your apartment should a health challenge arise. Column 3 shows the difference between a sample North Hill monthly service fee and the estimated cost of a typical nursing home for one month. Column 4 shows the annualized savings between the real cost of nursing care, a sample North Hill monthly service fee and the preservation of your estate.
- For more information or questions regarding our examples, contact a North Hill Team Member to discuss your personal Lifecare benefit analysis.

### LONGER CARE, GREATER SAVINGS\*\*

	If Stay is One Year	If Stay is Two Years	If Stay is 3 Years
One Person	\$108,000	\$216,000	\$324,000
Couple	\$209,700	\$419,400	\$629,100

*\*\*Annual savings are estimates and will vary. Variable costs and customary annual increases in the monthly service fee are not included.*



**Call 781-433-6524 to find out more  
about The Lifecare Promise at North Hill.**

We are committed to providing the highest quality care with peace of mind and personalized delivery. You can continue to enjoy the high quality lifestyle you desire with greater financial security.



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