

## Planned community offers fixed-fee care

# Texas developer and New Hampshire not-for-profit promise attention for seniors who prize stable prices

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A Texas developer of retirement communities has targeted Carmel for a style of assisted living new to the Indianapolis area that offers on-site health care for the unusual arrangement of a fixed monthly fee.

Greystone Communities Inc. has partnered with New Hampshire not-for-profit Mayflower Communities Inc. to develop The Barrington of Carmel on 19 acres at Guilford Road and 116th Street.

Planners are in the pre-sales phase and need commitments on 120 of the 171 independent-living units, or 70 percent, before construction can begin, according to state laws governing these types of not-for-profit projects. Greystone aims to begin building late this year and be finished in early 2011.

Greystone Communities differentiates its developments, including The Barrington, from other local senior complexes by convenience of on-site health care at a predictable price. Many senior housing options, known in the industry as continuing care retirement communities, require residents to pay more as their health care needs increase.

Dr. Pat Healey, co-director of St. Vincent Center for Healthy Aging, said he is unaware of any senior community in the Indianapolis area with a model similar to The Barrington's, mainly because of the expense risk.

Nationwide, however, offering health care at a fixed rate is an attractive option that has existed several years, said Steve Maag, director for assisted living and continuing care at the Washington, D.C.-based American Association of Homes and Services for the Aging.

"There are a lot of seniors who are comfortable with it because they know, in essence, they will be taken care of for the rest of their lives," Maag said. "They already know what they have to pay for."

Greystone has developed more than 100 retirement communities since 1982, including one in Bloomington.

Barrington residents will pay a monthly service fee ranging from \$2,295 to \$4,895—depending upon the size of the apartment—in addition to the cost of the unit. The monthly fee covers health care expenses regardless of how much a resident's health may decline as well as the cost of meals, housekeeping, underground parking, security and other amenities such as wellness programs.

Residents of the Stratford at West Clay, a continuing care retirement community that opened in March near the upscale Village of West Clay in Carmel, pay \$2,000 a month for similar services.

Nancy May, Greystone's marketing manager, likened Barrington's fixed-fee structure to a shared-risk insurance pool.

"The advantage of 'life care' is that it's a predetermined expense for any care you would need in the future," she said. "If a [resident transfers] to skilled nursing or memory care, they pay the same and save tens of thousands of dollars over the market rate."

Still, St. Vincent's Healey said the monthly charges seem high compared with other communities and may provide the cushion Mayflower needs to offer complete care at one price.

The three-story Barrington will feature 171 independent-living, 44 assisted-living and 30 skilled-nursing units. In addition, it will house 18 “memory-support” units to aid Alzheimer’s and dementia patients.

Apartments range from one to three bedrooms and from \$279,900 to \$648,900. Residents who commit now are refunded 95 percent of the unit price when they die or move to another location. The refund offer will be cut to 90 percent after construction begins late this year.

While the refundable fee may seem unusual compared to traditional homeownership, the arrangement is typical within the senior-living industry.

With the additions of the Stratford and Barrington, wealthy Hamilton County is proving attractive for developers looking to capitalize on the nation’s aging population.

The demand is driven by active seniors who are living longer, said Patricia Polis McCrory, a partner at the local office of Cincinnati-based law firm Frost Brown Todd LLC. McCrory spent 10 years on the board of the north-side Marquette Manor, and represents nursing homes and assisted-living facilities.

“They wanted the pool; they wanted the jogging track; they wanted the gym,” she said of Marquette Manor residents. “But they also wanted ... apartment living and the availability to have top-quality nursing care.”

Senior-living advocates support projects such as The Barrington and Stratford, yet lament the lack of options for those who can’t afford the pricey arrangements.

Indiana has 51,000 nursing-home and 14,000 assisted-living beds, and 1.2 million Hoosiers older than 60.

Stephen Smith, president of the Indiana Health Care Association, is concerned the state will lack capacity to serve its seniors. But he’s equally worried about a potential shortage of affordable housing.

“There would likely be no incentive for a developer to build one of these based on a Medicaid model,” he said of projects such as The Barrington. “They would have to be private-pay.”

A recent study puts Indiana among the 10 worst states in the country for nursing home care.

The Centers for Medicare and Medicaid Services, of Baltimore, found that 28 percent of the state’s 500 nursing homes earned the lowest rating, and more than half offer below-standard care. Staffing shortages are among problems driving down the quality of care.

Overall, the Association of Homes and Services for the Aging says more than 60 percent of today’s seniors will need some level of long-term care in the future—with the average length of nursing home stay at 2-1/2 years.



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## The Barrington

**What:** a retirement community where residents pay a set monthly fee for health care services

**Location:** intersection of Guilford Road and 116th Street in Carmel

**Owner:** Mayflower Communities Inc., a New Hampshire not-for-profit

**Developer:** Irving, Texas-based Greystone Communities Inc.

**Time line:** Construction is set to begin late this year and end in early 2011.

**Units:** 171 independent-living, 44 assisted-living and 30 skilled-nursing units, as well as 18 “memory-support” units

**Unit costs:** \$279,900 to \$648,900

**Monthly fees:** \$2,295 to \$4,895, depending upon size of unit

*Source: Greystone Communities Inc.*