12-C. Continuing Care at Home: Assessing Feasibility

Presented By:
Sarah Lentz Spellman, MAS, LNHA
Director, ThirdAge, a division of CliftonLarsonAllen
Monday, April 23, 2012

Panel Introductions

Sarah Lentz Spellman
Director, ThirdAge, a div of CliftonLarsonAllen

Pamela Klapproth
Vice President, HCBS
Seabury

Paul Winkler
President and CEO
Presbyterian Senior Care
Pittsburgh, PA

Renee Bernasconi
Vice President, Marketing
Seabury

Joan Krueger
Executive Director
Longwood at Home

Dave Bond,
Founder and Managing Partner
CCRC Actuaries
Baltimore, MD
What is Continuing Care at Home?

- Continuing care at home
- Lifecare at home
- “Retirement Community without walls”

Life Care at Home – Virtual Campus

- Home Health
- Home Care or Private Duty
- Hospice
- Home Maintenance & Safety
- Adult Day Program
- Social, Educational and Spiritual
- Assisted Living & Nursing Home

Care Coordination
What is Continuing Care at Home

- **Life Care Contract** – Entry fee and monthly fees for the guarantee of future care both at home or on campus (actuarially based pricing)

- **Ease of access** - “One stop shopping” - Full array of services offered in package

- **CARE COORDINATION**

- **“Virtual” communities** - social opportunities and supportive networks

- **Target Market**
  - Admission is limited to healthy and independent older adults
  - Target private pay market, but can reach lower socio-economic group
  - Older adults who want to stay home but want the security that a retirement community can offer

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History of Continuing Care at Home

- **1990**
  - (1) Friends Life Care founded in 1990 in PA

- **1998**
  - (2 & 3) First Programs in New Jersey and VA

- **2003**
  - (4, 5 & 6) First programs in Tennessee and Washington, D.C., second in PA
History of Continuing Care at Home

(7)
First program in Ohio

(8)
First Program in Connecticut

(9 & 10)
First programs in Kansas and Michigan
Legislation passes in NC

(11, 12, 13 & 14)
Programs in New Hampshire, Florida, New Jersey and Connecticut

Continuing Legislative efforts and program openings

2004 2009 2010

2011 2012 2013

Anticipate 6-7 new programs
Legislation efforts in VA, NY & CA
**Reasons for Development**

- Expand the organization’s mission.
- Meet the needs of future generations who do not want to leave their homes.
- Increase brand awareness.
- Tap into an underserved market – 90 - 95% of older adults who **choose not to** live on a CCRC campus.
- Relatively low start-up costs and virtually no capital costs.
- Increase revenue and improve financial position.

**Financial Benefits to Campus CCRC**

- Spread administrative costs over an additional program through shared services such as executive management, human resources, financial management, billing, accounts payable and receivable, etc.;
- Increased utilization/occupancy of assisted living and nursing home;
- Increased utilization/occupancy of nursing home for Medicare A short-term rehab stays;
- Rental payments for use of space and amenities; and
- A small number of increased move-ins to independent living.
CCAH Program Similarities

- Life Care – Guarantee of Future Service
- All are non-profit
- Based on Actuarial Studies
- Care Coordination
- Package of Services (not all packages are the same)
- One-Stop-Shopping Philosophy

Program Differences

- Size
- Sponsors
- Services included in “package”
- Provision of services (employee or sub-contractor, network or only campus)
- Margin/Pricing
- Pricing Plans and Financial Risk
- Access to CCRC Campus amenities
- Portability
- Licensure
- Geographic reach
- Corporate Status
- Accounting methods, e.g. use of membership fees
**Pricing & Contract**

- Components of contract are similar to campus with additional language re: decision making and benefits caps.
- Avg. entrance fee ranges from $14,000 to $56,000 (some programs allow for payment of entry fee over several years)
- Avg. monthly fee ranges from $200 to $500
- A variety of pricing plans including:
  - 100% of all services paid as needed;
  - a variety of co-pays for future services;
  - home care only;
  - long-term care insurance policy credit;
  - limited total life-time benefit amount;
  - refundable membership fee.

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**Market Feasibility – “Building a New Campus”**

**Market Research**
- Market Service Area
- Demographics
- Competitive Analysis
- Key Informants
- Program Demand (size)

**Primary Consumer Research**
- Telephone Survey

**Actuarial Study**
- Define Program
- Price
- Capital Investment
- Estimated Performance

**Primary Consumer Research**
- Focus Groups
Common Provider Concerns

- Will continuing care at home compete with my campus-based community?
- Liability insurance has to be more expensive for this type of program.
- It must be impossible to manage the quality of care in the home.
- It must be more expensive to care for someone in their home.
- All Elders living at home are lonely and isolated.
- “I have been telling consumers to live on my campus for 100 years. How can I modify that philosophy to include at-home services?”

Common Challenges

- Sales and Marketing - Successfully conveying the need for long-term care planning to the consumer and describing a complicated product
- Communicating benefits to campus residents
- Opening campus to at-home members
- Finding good quality, reliable care givers (whether they are employees or not)
Critical Success Factors

- Strong, entrepreneurial program manager
- Strong pre-development Market Research
- Admissions Process
- Aggressive Marketing Strategies
  - Direct Mail with Call to Action
  - Special Financial Offers
- Multiple Plan and Financial Options
- Reasonable Margins
- Dynamic “First Class” of Members
LeadingAge
PEAK Leadership Summit

12-C Continuing Care at Home:
Assessing Feasibility
Monday, April 23, 2012

Presbyterian SeniorCare

- Not-for-profit, faith-based organization established in 1928
- Largest provider of senior living and long-term care in western Pennsylvania
- A continuum of 56 senior living communities and/or programs at 44 locations across 10 counties of western Pennsylvania.
- First in Pennsylvania to earn accreditation as an Aging Services Network (CARF-CCAC) and third in the U.S.
**Presbyterian SeniorCare**

**Full Continuum of Long-Term Living Services**

- Adult day services / LIFE Program (PACE)
- Award-winning Woodside Place specialty dementia care
- Retirement community living / Longwood at Oakmont
- Home and community-based services
- Nursing care and rehabilitation services
- Personal Care
- Senior living communities / affordable service enriched housing
- Woodwell Hospice and Palliative Care Program

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**Longwood at Home**

- Established in 2002 as a non-profit affiliate of Presbyterian SeniorCare
- Continuing Care at Home in Pennsylvania
  - Friends Lifecare at Home
  - Licensed by Department of Insurance as a CCRC
- Market Study
  - Cadbury Continuing Care at Home model (New Jersey)
- Financial Feasibility Study by Arthur Anderson
- Presbyterian SeniorCare commitment of up to $1.5 million start-up capital
Why did we pursue Continuing Care at Home?

- Expand services consistent with Presbyterian SeniorCare’s commitment to older adults, i.e. “to be as independent as possible for as long as possible in the living environment of their choice” (previous Mission Statement)
- Create depth in Presbyterian SeniorCare’s care and service continuum
  - Care management
  - Development of HCBS portfolio/diversification

- Reach out to serve market of middle income retirees
- Provide revenue enhancement via management fee and promote utilization of Presbyterian SeniorCare’s programs/facilities
- Continue Presbyterian SeniorCare’s tradition of innovative program development by introducing new product to Pittsburgh market
  - Market study supported viability of one lifecare at home program for our MSA
Longwood at Home

“I am glad that I joined Longwood at Home. The Care Coordinator steps in for family... it is comforting to know that help is just a phone call away.”

-Mrs. Dorothy Fralic, member since 2004

Longwood at Home

“When Aunt Mary wanted to enroll in Longwood at Home I was skeptical, but she lived so far away from us and wanted to remain in Pittsburgh, so I reluctantly agreed. What would we have done without you! I am so thankful that you were such an important part of Aunt Mary’s last months. I am overwhelmed with gratitude and wish there was a program like this in Milwaukee for my mother.”

Niece whose Aunt was a member
STARTED WITH FOCUS GROUPS

Five Counties Targeted

MARKET RESEARCH

126,543 age- and income-eligible persons in 5 counties

Telephone survey conducted with 250 age- and income-eligible persons

Seven focus groups held throughout primary market area

103 persons in the seven focus groups
MARKET RESEARCH FINDINGS

* 65% of the participants in focus groups were interested in remaining in their homes for as long as possible
* 85.1% were very or somewhat concerned about their long term care arrangements
* 25% had already purchased a long term care policy

FUNDING

* $1,500,000 loan from Presbyterian SeniorCare
* As of June 30, 2008, the loan was paid in full
WHO IS LONGWOOD AT HOME?

- First and only in Western PA
- Not-for-profit, Faith-based organization
- Licensed by Pennsylvania Department of Insurance as a CCRC in November 2002
- Guarantees life-long commitment to provide services in home or facility, no matter how health needs change
- Enrolled 280 Members to date
- Currently 230 active members
- Affiliate of Presbyterian Senior Care
### NUMBER OF MEMBERS

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<th>Budget</th>
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<td>2012</td>
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### INCREASE IN NET ASSETS

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<th>Year</th>
<th>Cost</th>
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<td>2003</td>
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<td>2004</td>
<td>$(238,729)</td>
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<td>2005</td>
<td>$(33,288)</td>
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<td>2006</td>
<td>$21,209</td>
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<td>2007</td>
<td>$362,968</td>
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<td>$259,207</td>
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<td>2009</td>
<td>$190,356</td>
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<td>2010</td>
<td>$316,578</td>
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<tr>
<td>2011</td>
<td>$195,775</td>
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</table>
Longwood at Home

“Longwood at Home has been a Godsend for us… all of the staff and officers are just terrific!”

- Mr. & Mrs. O. Harry Gruner, members since 2003

2011 REVENUES

<table>
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<tr>
<th>REVENUE</th>
<th>ACTUAL</th>
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<tr>
<td>Resident Services</td>
<td>$2,090,227</td>
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<td>Investment Income</td>
<td>$17,426</td>
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<td>Total Revenue</td>
<td>$2,107,653</td>
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2011 EXPENSES

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<th>OPERATING EXPENSES</th>
<th>ACTUAL</th>
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<tr>
<td>Administration</td>
<td>$332,194</td>
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<tr>
<td>Care Management</td>
<td>$1,222,984</td>
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<td>Marketing</td>
<td>$356,700</td>
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<td>Total Expenses</td>
<td>$1,911,878</td>
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2011 CARE MANAGEMENT COSTS

- Lifeline 3%
- Assisted Living 12%
- Private Duty 55%
- SNF 11%
- Salary & Benefits 18%
- Transport 1%
STAFFING

- Director
- 3 Care Coordinators
- 1.75 Retirement Living Specialists
- Member Coordinator
- Marketing Assistant
- Medical Director
- Board of Directors

PROVIDERS

- 13 Skilled Nursing Facilities
- 7 Personal Care Facilities
- 1 Specialty Dementia Facility
- 1 Adult Day Care
- 22 Private Duty Agencies
SERVICES PROVIDED IN THE HOME

- Nursing
- Home Health Aides
- Homemakers/Companions
- Live-in Service
- Emergency Response System
- Meals
- Adult Day Programs
- Transportation
- Biennial Home Inspection
- Portability After One Year

MORE SERVICES PROVIDED

- Personal Care
- Nursing center
- Dementia care
- Referral services
- Social, Education and Wellness activities
  - Wellness expo
  - Quarterly Member Meetings
- New Member Tea
- Seminars
MEMBERS ENJOY SPEAKERS

PERSONAL CARE COORDINATION

* Scheduled visits
* Ongoing communication
* On-call 24-hour/7 days a week
* Gets to know member and member’s family
* Develops care plan
* Coordinates services
* Schedules caregivers
* Is member’s personal advocate
PERSONAL CARE COORDINATION

In the 9-year history of Longwood at Home, only 8 members have had to leave home on a permanent basis.

That is less than 3%!

Anna Scott, care coordinator, with Drs. Lawrence & Betty Howard

Longwood at Home

“I’ve had no hesitation to call Anna when necessary, even at times on the weekends; she has always been available in a timely fashion, so I feel very confident that my needs will be met. The promise that this kind of service will be met promptly and compassionately is heartwarming both for me and my family.”

Dr. Nancy Curry, Member since 2004
NET WORTH OF MEMBERS

- > $1 Million: 57%
- $500K to $1 Million: 26%
- $250K to $500K: 9%
- < $250K: 8%

Sales Life Cycle in Months

Number of Months from Initial Contact to Closing

Number of Closings
As initial members of Longwood at Home, we have been able to enjoy the security of knowing that help is available if we need it.

- Mr. & Mrs. Tom Jolly, members since 2003
MEMBERSHIP AND MONTHLY FEE

<table>
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<tr>
<th>Plan</th>
<th>Membership Fee</th>
<th>Monthly Fee</th>
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<tbody>
<tr>
<td>Platinum (90% refundable)</td>
<td>$53,534–147,160</td>
<td>$584</td>
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<tr>
<td>Gold</td>
<td>$31,490–86,565</td>
<td>$584</td>
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<tr>
<td>Silver</td>
<td>$27,857–76,576</td>
<td>$537</td>
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<tr>
<td>Bronze</td>
<td>$15,521–43,434</td>
<td>$304</td>
</tr>
<tr>
<td>Sterling</td>
<td>$17,320–47,611</td>
<td>$584</td>
</tr>
<tr>
<td>Gold Plus (1 year elimination)</td>
<td>$18,895–51,939</td>
<td>$584</td>
</tr>
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CHALLENGES IN MARKETING

- **Internal Competition**
  - Great Choices for Living Arrangements within Presbyterian SeniorCare
- **External Competition**
  - 9 CCRCs within Pittsburgh metropolitan area
CHALLENGES IN MARKETING

- Educating the marketplace
- Lengthy decision process
- Members hesitant to make referrals
- Long term care insurance
- Economic Crisis, loss of personal savings and fear to invest in future

CHALLENGES IN MARKETING

- Bridges separate the city
CHALLENGES IN MARKETING

Total Applications Received 434

- Financial Denials 3
- Medical Denials 97
- Depositor or Member Withdrawals 73
- Member Deaths 30
- Depositor Deaths 2
- Un-closed Applicants 2

Net members 230

“I’M NOT READY YET!”
OPPORTUNITIES FOR PRESBYTERIAN SENIORCARE FROM LONGWOOD AT HOME

* 13 Members moved to our CCRC – Longwood at Oakmont
* $33,525 paid in 1st quarter of 2012 to PSC’s private duty agency, SeniorCare at Home
* 42 skilled admissions (14% of membership)
* 9 personal care admissions
* Weekly outside referrals to PSC’s skilled, personal care, CCRC, housing and private duty from inquiries that are not appropriate for membership

Longwood at Home

“After having to place my parents in a skilled nursing facility, I just became determined I would never let my family be in that situation. I began to look for long-term care options. Longwood at Home fit the bill. It has given me such peace of mind. I’m convinced I made the right decision.”

- Sandy Dobler, Member since 2005
Longwood at Home

Questions?

PAUL M. WINKLER
President & CEO
Presbyterian SeniorCare
412-826-6525
pwinkler@srcare.org

JOAN K. KRUEGER
Director
Longwood at Home
(an affiliate of Presbyterian SeniorCare)
412-826-6100
jkrueger@srcare.org
Continuing Care At Home Program Operators

An Industry Update

Dave Bond, F.S.A., M.A.A.A.
Managing Partner
CCRC Actuaries, LLC
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Reisterstown, MD 21136
(410) 833-4220
Dave.Bond@CCRCActuaries.com

CCAH Current Clients

+8 New Projects
CCAH Program Designs

- 2-3 Levels of Benefits
  - Administrative Costs in Higher Benefit Option represent a smaller percent of total fees paid
  - Consequently, offers a better “value” to consumer
- Benefit caps (financial risk)
- Alternative Pricing Options
  - Discount for members with existing LTC Insurance
  - Pairing of Benefits for Couples
  - Switching for level monthly fees to age based

CCAH Program vs. LTC Insurance

- Similarities
  - Long Term Care Benefit
- Differences
  - Community feel
  - Care Management
  - Pricing
CCAH Program Pricing

- Membership Fee with Monthly Fee
- Age Based Membership Fee
- Flexible Pricing
  - Exchanging Membership Fee for Monthly Fee

Demographic Assumptions

- Average Age at Membership
  - At Home Programs: 74-77
  - CCRCs: 81-83
- Density Ratio at Membership
  - At Home Programs: 40-50%
    - 40-50% of homes will be occupied by couples
    - 57-67% of membership are couple members
New Membership Rate

- Educating the Market is a two-step process.

- Because this product is mainly new to the market, initial membership growth is often slower than expected.

Permanent HC Utilization

- Health Care Ratio = 
  \[ \frac{\text{Perm AL Residents} + \text{Perm SN Residents}}{\text{At Home Members} + \text{Perm AL} + \text{Perm SN}} \]

  - At Home Programs: 6-9%
  - CCRCs: 18-21%

- Average age for need of permanent healthcare
  - At Home Programs: 89
  - CCRCs: 87
Financial Projections

- Because of the longer “fill-up” period compared to CCRCs, reaching a 100% Funded Status on the Actuarial Balance Sheet and a GAAP Breakeven may not occur for several years into the Program.

Projected Financial Ratios

Sample CCRC - 300 Independent Living Units
Projected Financial Ratios

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<tbody>
<tr>
<td>Long-term Debt Service Coverage Ratio (&gt;=1.10 Required)</td>
<td>2.52</td>
<td>2.53</td>
<td>2.59</td>
<td>2.66</td>
<td>2.73</td>
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<tr>
<td>Cash to Long-Term Debt Ratio (35% Required)</td>
<td>37%</td>
<td>47%</td>
<td>58%</td>
<td>70%</td>
<td>83%</td>
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<tr>
<td>Days Cash on Hand (120 days Required)</td>
<td>208</td>
<td>246</td>
<td>281</td>
<td>314</td>
<td>345</td>
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<tr>
<td>Operating Ratio (&lt;1.10 Required)</td>
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<td>0.89</td>
<td>0.89</td>
<td>0.89</td>
<td>0.89</td>
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<tr>
<td>Net Operating Margin Ratio - Adjusted (&gt;10% Required)</td>
<td>15.3%</td>
<td>15.5%</td>
<td>15.3%</td>
<td>15.1%</td>
<td>14.9%</td>
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Sample CCRC with @ Home Program - 300 Independent Living Units
Projected Financial Ratios

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<tbody>
<tr>
<td>Long-term Debt Service Coverage Ratio (&gt;=1.10 Required)</td>
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<td>2.84</td>
<td>3.16</td>
<td>3.09</td>
<td>3.24</td>
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<td>Cash to Long-Term Debt Ratio (35% Required)</td>
<td>38%</td>
<td>50%</td>
<td>66%</td>
<td>82%</td>
<td>101%</td>
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<tr>
<td>Days Cash on Hand (120 days Required)</td>
<td>205</td>
<td>256</td>
<td>310</td>
<td>357</td>
<td>403</td>
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<tr>
<td>Operating Ratio (&lt;1.10 Required)</td>
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<td>0.90</td>
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<td>0.89</td>
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<tr>
<td>Net Operating Margin Ratio - Adjusted (&gt;10% Required)</td>
<td>15.6%</td>
<td>17.6%</td>
<td>19.2%</td>
<td>18.3%</td>
<td>18.9%</td>
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Tracking Claim & Utilization Data

- Importance of Underwriting
  - Analyze data by year of entry
- Constant monitoring of data
- Development of Tracking Software
- Evaluating experience on an annual basis

Questions?
Seabury At Home
A CCRC Without Walls

Presenters

Renée J. Bernasconi, CMP
Senior Vice President, Marketing & Communications

Pamela B. Klapproth, MBA, NHA
Vice President, Community Outreach Services
Overview

- Seabury, An Active Life Community
  - Market Research & Feasibility
  - Legislative Initiative
  - CCAH Marketing Challenges & Benefits to Campus
- Seabury At Home
  - Membership Plans & Services Covered
  - Wellness Pass
  - Member Profile
  - Financial Projections & Utilization of Services

Seabury
An Active Life Community


- Founded in 1876, Church Home of Hartford, Incorporated d.b.a. Seabury, is an affiliate of the Episcopal Diocese of CT.

- Seabury is a single site community located on 66 acres in Bloomfield, CT.
135 Years of Stewardship

Church Home of Hartford, Incorporated d.b.a. Seabury 1876

Seabury 1992
Seabury Charitable Foundation 1996
Seabury Memory Support Center, Incorporated 2003
Seabury At Home, Incorporated 2006

Seabury
An Active Life Community

- 200 ILU (apartments, cottages and villas)
- First CCRC without walls in CT
- 49 Traditional Assisted Living Apartments
- 58 Memory Support Assisted Living Beds
- 60 Skilled Nursing Beds
- Rehabilitation – Inpatient & Outpatient
- Licensed Home Care Agency
- Private Duty Agency
- Center for Successful Aging
Seabury’s Strategic Vision

Broaden Services, Affordability, and Focus as a Resource Center

• Utilization of Seabury’s resources and expertise to benefit adults 60 years and older.

• Offering affordable continuing care and services - for seniors who can’t afford Seabury.

• Expanding home and community based programs - since 80 to 90% of all seniors want to stay home as they age.

• Providing comprehensive programs & services for a “one-stop shop,” approach to senior care and wellness.

Market Research & Feasibility

Seabury hired Third Age, Inc., as our consulting firm, to assist with the feasibility study and market analysis:

• Defined the service area
• Analyzed the demographics
• Estimated market demand/need
• Facilitated seven focus groups

The positive results of the preliminary and primary market research overwhelmingly supported the development of a continuing care at home program by Seabury.
Legislative Initiative

- November, 2006: Request for the Department of Social Services (DSS), to recognize SAH under Section 17b-528 of CT General Statutes.
- August, 2007: DSS denied request, due to interpretation of current statutes that included “shelter” in their definition of a Continuing-care contract.
- 2007-2008: Engaged a lobbyist, successfully received the support of the chair of the Human Services Committee and others.
- October, 2008: Seabury At Home became the first home-based Life Care program in CT.

Marketing Challenges

- Delayed launch of program until October, 2008 (Global Financial Crisis)
- Credibility of financial stability and anticipated longevity of program
- First in Market, no one to compare us to
- Educating the masses
- Confusing Seabury At Home with Home Care
- Saturation of Long-Term Care Insurance in CT
- SAH is not tangible like the campus
Benefits To Your Campus

- Complements campus program; expansion of mission.
- Increased utilization of Rehabilitation, Home Care, Private-Duty Services and Skilled Nursing.
- Brings SAH Members to campus which adds to the vitality of the community.
- Wait List Members have the option of Life Care while on the waiting list (didn’t move to another community).

So What Is CCAH?

- A home-based Life Care program that balances independence and security and is designed to enable members to age successfully in their own home.
- A comprehensive membership program intended for healthy, active adults who want the benefits of a Life Care community without leaving their home.
- A Life Care program that allows members to protect their financial assets and have predictable long-term care costs.
### Seabury At Home

#### Eligibility Requirements

- One must be independent.
- One must be 60 years or older.
- One cannot have Parkinson’s, Alzheimer’s, or other neurological diseases, or degenerative conditions.
- One must complete the application process – including a physical and financial assessment.
- One must live in the service area (30 mile radius).

### Seabury At Home

#### Life Care At Home

- One-time membership fee and monthly fees.
- Pricing options & refunds that address individual preference and needs.
- Initial enrollment criteria requires “healthy,” independent lifestyle, without a need of immediate health care.
Independent Services - Available Immediately

- Annual *Wellness for Life* Assessment & Lifestyle Plan
- Biennial Home Safety Inspections
- Health Coordination (doctor’s visits, out-patient surgery etc.)
- Transportation (inpatient/outpatient hospital discharge)
- Referral Services for home maintenance, repairs, etc.
- Emergency Response System (when requested)
- Access to Seabury’s state-of-the-art wellness center and various social, wellness and educational activities

Choice of ILU on Campus

- It offers the choice of remaining at home or moving to Seabury’s Campus (Apartments, Cottages and Villas).
- Members have the option to add their name to Seabury’s Priority Wait List at no cost.
- A second medical evaluation to enter Seabury’s Independent Living would not be necessary.
- 90-100% of Membership Fee would apply to the Entrance Fee at Seabury.
Home Based Care – Provided When Health Changes

- Home Nursing (skilled services)
- Home Health Aides (personal care)
- Homemakers/Companions (chore services)
- Live-in Companion/ Home Health Aide
- Adult Day Care
- Home Delivered Groceries/Meals

Seabury Home Care & Seabury Care Now provide all of the services for Seabury At Home Members.

Facility Services

- Access to Seabury’s Assisted Living*, nursing home and memory support center or another facility, if member ever needs that level of care.

* Deficiency in two or more ADL’s for Assisted Living
# Flexible Plan Options

<table>
<thead>
<tr>
<th>Platinum</th>
<th>Gold</th>
<th>Gold Plus</th>
<th>Silver</th>
<th>Sterling</th>
<th>Copper</th>
</tr>
</thead>
<tbody>
<tr>
<td>100% Coverage</td>
<td>100% Coverage</td>
<td>100% Coverage</td>
<td>70% Coverage</td>
<td>100% Coverage</td>
<td>50% Coverage</td>
</tr>
<tr>
<td>(Home &amp; Facility-Based Care)</td>
<td>(Home &amp; Facility-Based Care)</td>
<td>(Home &amp; Facility-Based Care)</td>
<td>(Home Care Only)</td>
<td>(Home Care Only)</td>
<td>(Home Care Only)</td>
</tr>
</tbody>
</table>

| 90% Refund             | 2% Declining Refund | 2% Declining Refund | 2% Declining Refund | 2% Declining Refund | 2% Declining Refund |

---

# Membership Plans

## TYPE OF SERVICE

<table>
<thead>
<tr>
<th>Platinu</th>
<th>Gold</th>
<th>Gold Plus</th>
<th>Silver</th>
<th>Sterling</th>
<th>Copper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Health Coordination</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Emergency Response System</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Annual Physical Exam &amp; Health/Wellness programs</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Biennial Home Inspection</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Transportation (medical)</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

## Home Based Care

<table>
<thead>
<tr>
<th>Type of Service</th>
<th>Platinum</th>
<th>Gold</th>
<th>Gold Plus</th>
<th>Silver</th>
<th>Sterling</th>
<th>Copper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Nurse Visits</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>70%</td>
<td>100%</td>
<td>50%</td>
</tr>
<tr>
<td>Home Health Aide</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>70%</td>
<td>100%</td>
<td>50%</td>
</tr>
<tr>
<td>Companion Services</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>70%</td>
<td>100%</td>
<td>50%</td>
</tr>
<tr>
<td>Live In Companion</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>70%</td>
<td>100%</td>
<td>50%</td>
</tr>
<tr>
<td>Adult Day Care</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>70%</td>
<td>100%</td>
<td>50%</td>
</tr>
<tr>
<td>Delivered Meals/ Groceries</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>70%</td>
<td>100%</td>
<td>50%</td>
</tr>
</tbody>
</table>

## Facility Based Care

<table>
<thead>
<tr>
<th>Type of Service</th>
<th>Platinum</th>
<th>Gold</th>
<th>Gold Plus</th>
<th>Silver</th>
<th>Sterling</th>
<th>Copper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assisted Living/ Memory Support/ Nursing Home Care</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>70%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>
# Pricing Options

<table>
<thead>
<tr>
<th>Age</th>
<th>Platinum 100% Coverage</th>
<th>Gold 100% Coverage</th>
<th>Gold Plus 100% Coverage with LTC Ins.</th>
<th>Silver 70% Coverage with LTC Ins.</th>
<th>Sterling 100% Coverage (HCO)</th>
<th>Copper 50% Coverage (HCO)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>90% Refund</td>
<td>2% Declining Refund</td>
<td>2% Declining Refund</td>
<td>2% Declining Refund</td>
<td>2% Declining Refund</td>
<td>2% Declining Refund</td>
</tr>
<tr>
<td>60</td>
<td>$54,458</td>
<td>$36,231</td>
<td>$36,231 $24,907</td>
<td>$24,907</td>
<td>$9,509</td>
<td>$8,639</td>
</tr>
<tr>
<td>65</td>
<td>$69,829</td>
<td>$43,648</td>
<td>$43,648 $30,115</td>
<td>$30,115</td>
<td>$12,006</td>
<td>$9,152</td>
</tr>
<tr>
<td>70</td>
<td>$87,152</td>
<td>$50,269</td>
<td>$50,269 $34,776</td>
<td>$34,776</td>
<td>$13,963</td>
<td>$9,410</td>
</tr>
<tr>
<td>75</td>
<td>$108,505</td>
<td>$56,662</td>
<td>$56,662 $39,281</td>
<td>$39,281</td>
<td>$15,209</td>
<td>$9,371</td>
</tr>
<tr>
<td>80</td>
<td>$136,187</td>
<td>$63,525</td>
<td>$63,525 $44,100</td>
<td>$44,100</td>
<td>$15,690</td>
<td>$9,059</td>
</tr>
<tr>
<td>85</td>
<td>$175,980</td>
<td>$73,290</td>
<td>$73,290 $50,953</td>
<td>$50,953</td>
<td>$15,709</td>
<td>$8,652</td>
</tr>
<tr>
<td>Mo. Fees</td>
<td>$416</td>
<td>$416</td>
<td>$104 - $416</td>
<td>$364</td>
<td>$300</td>
<td>$250</td>
</tr>
</tbody>
</table>

# Wellness Pass

- Individual does not qualify for Life Care
- Spouse must be a SAH Member
- Completes an application for membership
- Provided a coordinated package of services for a monthly fee
- $250 per/month
- Fee for service for home or facility-based services
Seabury At Home Member Profile

Seabury At Home Demographics:
- Married – 64%
- Single – 36%
- Women – 59%
- Men – 41%
- Average age at enrollment – 76
- Median age at enrollment – 73
- Average annual income – $84,702
- Assets – $1,503,607
- Educated consumers/Make their own decisions
- LTC Insurance holders – 46%

Financial Projections
Slow Fill-Up Scenario (CCRC Actuaries)

<table>
<thead>
<tr>
<th>FYE</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Total Revenues</em></td>
<td>1,724</td>
<td>1,946</td>
<td>2,183</td>
<td>2,424</td>
<td>2,673</td>
<td>3,193</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>556</td>
<td>683</td>
<td>890</td>
<td>1,069</td>
<td>1,265</td>
<td>680</td>
</tr>
</tbody>
</table>

*Total revenue includes membership and monthly fees.
(In thousands)
Utilization of Services

<table>
<thead>
<tr>
<th>Type of Service</th>
<th>Life Care Revenue</th>
<th>Wellness Pass Revenue</th>
<th>Total Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skilled Home Care</td>
<td>$20,090</td>
<td>$1,737</td>
<td>$21,827</td>
</tr>
<tr>
<td>Private Duty Home Care</td>
<td>-</td>
<td>$17,856</td>
<td>$17,856</td>
</tr>
<tr>
<td>SNF (Short-term Rehab)</td>
<td>$22,618</td>
<td>$7,465</td>
<td>$30,084</td>
</tr>
<tr>
<td>Outpatient Therapy</td>
<td>$17,920</td>
<td>$371</td>
<td>$18,291</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>$60,628</strong></td>
<td><strong>$27,429</strong></td>
<td><strong>$88,058</strong></td>
</tr>
</tbody>
</table>

Total expenses for short-term home care = $2,710

Benefits of Membership
For Members of SAH

- Affordable coverage for future care
- Protection of financial assets
- Personal Health Coordination (case management) 24/7
- Health care on both a short-term or long-term basis, with no waiting period for services
- Tax deductions on membership and monthly fees
- Access to the Seabury campus
Seabury At Home
A CCRC Without Walls

For More Information:

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