

The MetLife Market Survey of Assisted Living Costs

October 2005

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The MetLife Mature Market Institute is the company's information and policy resource center on issues related to aging, retirement, long-term care and the mature market. The Institute, staffed by gerontologists, provides research, training and education, consultation and information to support Metropolitan Life Insurance Company, its corporate customers and business partners. MetLife, a subsidiary of MetLife, Inc. (NYSE: MET), is a leading provider of insurance and other financial services to individual and institutional customers. For more information, contact:

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LifePlans, Inc., a risk management and consulting firm, provides data analysis and information to the long-term care insurance industry. The firm works with insurers, the Federal Government, industry groups and other organizations to conduct research that helps these groups monitor their business, understand industry trends, perform effective advocacy, and modify their strategic direction. For more information, contact:

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Table of Contents

Executive Summary	4
Overview	5
Methodology	6
Results	7
Chart of Assisted Living Costs	8

Executive Summary

Each year, the MetLife Mature Market Institute conducts a market survey of assisted living costs in the United States. The 2005 survey was conducted by telephone in 87 major markets in all 50 states and the District of Columbia by LifePlans, Inc., a risk management and consulting services firm.

Monthly private pay base rates, which are defined as room and board and typically include at least two meals, housekeeping and personal care assistance, were obtained for private rooms with private baths in assisted living facilities.

Rates ranged considerably by region, with the Jackson, MS area the lowest (\$1,642 monthly) to the highest in the Boston, MA area (\$4,629 monthly).

National Findings*

Assisted Living Facility Base Rates

The 2005 survey revealed that the national average, private pay monthly base rate for an individual residing in an assisted living facility is **\$2,905** or **\$34,860** yearly.

**All cost averages in this survey are rounded to the nearest dollar.*

Overview

Assisted Living Facilities

A form of housing for older Americans that is growing in popularity is known as assisted living or residential long-term care. This is in response to the aging of the population and the preference to age in a home-like environment.

The term "assisted living" is commonly used in many parts of the country, although states, organizations, and providers may use different terminology. Other names that are frequently used for these facilities are:

- Residential care
- Personal care
- Adult congregate living care
- Board and care
- Domiciliary care
- Adult living facilities
- Adult foster care
- Adult homes
- Community based retirement facilities

What the residences have in common is a philosophy that includes fostering independ-

ence, treating individuals with dignity and respect, promoting individuality, protecting residents' right to privacy, and providing a safe, home-like environment.

Currently, no federal quality standards exist for assisted living, and regulations and licensing vary considerably from state to state. While some states have started licensing assisted living as a separate category, most continue to include it as part of residential care. Some states have adopted multi-level systems which designate levels of care such as low, moderate, and high, with residents matched to the appropriate facility.

Based on the most recent estimates, more than a million Americans live in 20,000 assisted living residences.¹ The typical resident is a woman in her eighties and is either widowed or single.² Buildings range from small family residences to large complexes; ownership also ranges from individuals to large publicly traded corporations.

For the most part, base rates include:

- 24-hour supervision
- Two to three meals per day
- Assistance with activities of daily living (bathing, dressing, eating, toileting, transferring and continence)
- Social activities
- Medication management
- Laundry
- Housekeeping and maintenance
- Recreational and spiritual activities

Additional fees may be incurred for those who need higher levels of care, for meals delivered to living quarters, for dementia care, or for transportation services above the basic rate. Most residents pay privately or through a long-term care insurance policy, although a growing number of states have begun covering assisted living costs for those low-income individuals who qualify through Medicaid waiver programs.

Methodology

This survey of assisted living facilities in all 50 states and the District of Columbia was conducted by telephone during August 2005 by LifePlans, Inc. for the MetLife Mature Market Institute.

This survey is not generalizable; rather it may be used as a guide to assist individuals in making long-term care decisions.

The states were divided into three groups according to population—under 3 million, 3 to 10 million, and over 10 million.

These groupings were determined using data from the 2000 U.S. Census. The cities/areas surveyed within the states were chosen on the basis of population, and the ability to obtain a reasonably balanced sampling.

In each city/area, a minimum of 10 assisted living facilities or 15%, whichever was greater, were surveyed. In some areas, in order to meet the criteria, it was necessary to expand the survey statewide.

Callers to the assisted living facilities asked for the Director of Admissions or a comparable professional.

Facilities were called at random and had to meet the following criteria:

- Must be licensed according to each state's standards for licensure
- Must provide personal care assistance
- Must provide private pay rate

Assisted Living State Criteria		
Population Under Three Million	Population Three to Ten Million	Population Over Ten Million
States Surveyed – 22 Areas - 22	States Surveyed – 22 Areas – 44	States Surveyed – 7 Areas — 21
One city or area surveyed: capital or most populated city (District of Columbia also surveyed)	Two cities or areas surveyed: most populated cities and/or areas from representative locations in the state	Three cities or areas surveyed: most populated cities and/or areas from representative locations in the state

Of those facilities that met the criteria, monthly rates were obtained for a one-bedroom apartment with a private bath or a private room with a private bath. For those facilities whose costs were based on levels of care provided, an average of the costs was used. Any facility requiring an up-front charge was excluded from the sample.

Data from 873 assisted living facilities, ranging in size from 3 to 224 beds, were included in the sample; the average number of beds per facility was 56, and the median number of beds was 51. Six out of ten (61%), provided dementia care for residents.

Results

- The 2005 national average, private pay monthly rate for a private room with a private bath in an assisted living facility is **\$2,905** or **\$34,860** annually.
- The 2004 national average, private pay monthly rate for a private room with a private bath in an assisted living facility was **\$2,524** or **\$30,288** annually.
- The increase from 2004 to 2005 is **15.1%**.

Assisted Living Costs 2005

Region	State	First 3 Numbers in Zip Code(s)	Base Rate High	Base Rate Low	Base Rate Average
Statewide	AK	All	\$5,700	\$2,604	\$4,155
Birmingham	AL	352	\$3,400	\$1,700	\$2,672
Montgomery	AL	361	\$3,050	\$1,500	\$2,110
Little Rock	AR	722	\$3,350	\$1,300	\$2,106
Phoenix	AZ	850	\$3,000	\$1,200	\$2,095
Tucson	AZ	857	\$3,300	\$1,125	\$2,684
Los Angeles	CA	900	\$4,000	\$1,300	\$2,445
San Diego	CA	921	\$4,143	\$1,500	\$2,349
San Francisco Area	CA	940 & 941	\$5,500	\$2,500	\$3,700
Denver	CO	800 & 802	\$4,125	\$2,200	\$3,020
Colorado Springs	CO	809	\$4,000	\$1,950	\$2,855
Hartford	CT	061	\$3,900	\$2,150	\$2,986
Stamford Area	CT	069	\$5,450	\$2,850	\$4,312
Washington	DC	200	\$5,250	\$1,156	\$3,828
Wilmington	DE	198	\$5,235	\$2,825	\$4,251
Jacksonville	FL	322	\$4,500	\$1,200	\$2,752
Orlando	FL	328	\$4,184	\$1,900	\$2,825
Miami	FL	331	\$3,425	\$1,500	\$2,348
Alpharetta	GA	300	\$3,575	\$2,250	\$2,795
Atlanta	GA	303	\$3,555	\$1,850	\$2,643
Statewide	HI	All	\$4,000	\$1,823	\$2,863
Des Moines	IA	503	\$3,600	\$1,400	\$2,546
Boise	ID	837	\$3,600	\$2,110	\$2,915
Des Plaines Area	IL	600	\$4,550	\$3,495	\$4,008
Chicago	IL	606	\$4,500	\$2,200	\$3,117
Peoria Area	IL	616	\$3,650	\$1,975	\$2,681
Indianapolis	IN	462	\$4,200	\$1,095	\$2,631
Fort Wayne	IN	468	\$3,187	\$1,350	\$2,582
Wichita	KS	672	\$3,080	\$1,620	\$2,407
Louisville	KY	402	\$5,250	\$2,038	\$3,040
Lexington Area	KY	405	\$4,440	\$2,250	\$2,852

Region	State	First 3 Numbers in Zip Code(s)	Base Rate High	Base Rate Low	Base Rate Average
New Orleans	LA	701	\$3,900	\$1,750	\$2,932
Shreveport Area	LA	711	\$2,800	\$1,700	\$2,166
Worcester Area	MA	016	\$4,600	\$2,729	\$3,650
Boston Area	MA	021	\$6,300	\$3,405	\$4,629
Silver Spring	MD	209	\$4,700	\$2,241	\$3,561
Baltimore	MD	212	\$4,795	\$2,000	\$3,214
Southern Maine	ME	040	\$4,500	\$3,000	\$3,905
Detroit	MI	482	\$3,810	\$1,500	\$2,773
Grand Rapids	MI	495	\$3,250	\$1,850	\$2,586
Minneapolis/St. Paul	MN	551 & 554	\$4,050	\$1,269	\$2,502
Rochester Area	MN	559	\$3,500	\$1,775	\$2,487
St. Louis	MO	631	\$3,663	\$1,490	\$2,696
Kansas City	MO	641	\$3,426	\$1,479	\$2,374
Jackson Area	MS	392	\$2,900	\$575	\$1,642
Billings	MT	591	\$2,955	\$2,056	\$2,426
Raleigh/Durham	NC	276 & 277	\$4,295	\$1,900	\$2,818
Charlotte	NC	282	\$4,275	\$2,100	\$3,285
Statewide	ND	ALL	\$2,500	\$900	\$1,663
Omaha	NE	681	\$4,500	\$1,700	\$3,044
Manchester	NH	031	\$5,015	\$2,250	\$3,500
Cherry Hill Area	NJ	080	\$5,040	\$2,650	\$3,765
Bridgewater Area	NJ	088	\$5,270	\$3,300	\$4,182
Albuquerque	NM	871	\$3,200	\$2,200	\$2,580
Las Vegas	NV	891	\$3,600	\$1,800	\$2,513
New York	NY	100-114	\$5,550	\$1,450	\$3,423
Syracuse Area	NY	132	\$4,170	\$1,400	\$2,914
Rochester Area	NY	146	\$4,368	\$2,200	\$3,126
Columbus	OH	432	\$3,954	\$1,795	\$3,156
Cleveland	OH	441	\$4,000	\$1,895	\$2,921
Cincinnati	OH	452	\$4,200	\$2,080	\$3,276
Oklahoma City	OK	731	\$3,495	\$1,800	\$2,302

Assisted Living Costs 2005 (continued)

Region	State	First 3 Numbers in Zip Code(s)	Base Rate High	Base Rate Low	Base Rate Average
Tulsa	OK	741	\$3,359	\$2,400	\$2,804
Portland	OR	972	\$3,403	\$2,200	\$2,679
Eugene	OR	974	\$3,185	\$2,200	\$2,600
Pittsburgh	PA	152	\$3,720	\$1,900	\$2,775
Scranton Area	PA	185	\$3,527	\$1,275	\$2,223
Philadelphia	PA	191	\$4,410	\$1,800	\$3,364
Providence	RI	029	\$4,423	\$2,020	\$2,935
Columbia Area	SC	292	\$4,535	\$1,025	\$2,149
Charleston	SC	294	\$3,477	\$1,500	\$2,688
Rapid City	SD	577	\$2,400	\$1,200	\$2,121
Nashville	TN	372	\$4,590	\$2,260	\$2,983
Memphis	TN	381	\$3,840	\$2,095	\$2,730
Dallas/Ft. Worth	TX	752 & 761	\$4,075	\$2,100	\$2,865
Houston	TX	770	\$4,500	\$1,700	\$2,894
Austin	TX	787	\$4,000	\$2,295	\$3,004
Salt Lake City	UT	841	\$3,150	\$1,860	\$2,483
Northern Virginia Area	VA	222	\$5,160	\$2,995	\$4,114
Richmond	VA	232	\$3,881	\$2,200	\$3,155
Statewide	VT	All	\$3,823	\$1,970	\$3,029
Seattle	WA	981	\$3,150	\$1,788	\$2,748
Spokane	WA	992	\$3,145	\$1,848	\$2,542
Milwaukee	WI	532	\$4,497	\$2,400	\$3,149
Madison	WI	537	\$3,948	\$1,849	\$3,044
Statewide	WV	All	\$3,180	\$2,150	\$2,732
Statewide	WY	All	\$2,750	\$1,799	\$2,368
National Average					\$2,905

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