Definition and Philosophy of Assisted Living

States, accrediting organizations, providers, consumer advocates, and researchers use varying definitions of assisted living. Most definitions include 24-hour supervision, housekeeping, meal preparation, and assistance with activities of daily living.¹

Many definitions embrace a philosophy of assisted living that includes: meeting a resident’s scheduled and unscheduled needs; maximizing a resident’s independence, privacy, autonomy, and dignity; minimizing the need for a resident to move when his or her needs change; and providing a homelike environment.²

The lack of agreement on a definition makes it difficult to obtain consistent data on assisted living. Studies of assisted living use varying definitions, and some of these definitions include a broader range of residential care settings. Most of the studies referred to in this report use a relatively narrow definition of assisted living, consistent with the philosophy and definition described above.

Resident Characteristics

In a 2000 study of assisted living residences (ALRs) that provided high services, high privacy, or both,³ the average age of residents was 85.³ Women made up 79% of residents, and 99% of residents were White. Assisted living residents needed assistance with an average of 2.3 activities of daily living, compared to an average of 3.8 for nursing home residents.⁴ Approximately 52% of assisted living residents had some form of cognitive impairment. Table 1 shows the proportion of assisted living residents needing assistance with various activities.

Table 1: Assisted Living Residents’ Needs for Assistance

<table>
<thead>
<tr>
<th>Need help with medications</th>
<th>86%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Need help with bathing</td>
<td>72%</td>
</tr>
<tr>
<td>Need help with dressing</td>
<td>57%</td>
</tr>
<tr>
<td>Need help with toileting</td>
<td>41%</td>
</tr>
<tr>
<td>Need help with transferring</td>
<td>36%</td>
</tr>
<tr>
<td>Need help with eating</td>
<td>23%</td>
</tr>
</tbody>
</table>


Length of Stay and Reasons for Leaving

Estimates of the average length of stay in an ALR range from approximately 2.5 to 3 years.⁵ Residents who leave typically do so because they need to move to a nursing home for more care or because of death. A 2000 study found that, among those who moved to another setting, the need for more care was the most commonly cited reason for leaving (see Table 2).⁶

Table 2: Reasons for Leaving Assisted Living (among residents who left for another setting)

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Needed more care</td>
<td>78%</td>
</tr>
<tr>
<td>Location closer to loved ones</td>
<td>14%</td>
</tr>
<tr>
<td>Dissatisfied with care</td>
<td>12%</td>
</tr>
<tr>
<td>Dissatisfied with price</td>
<td>11%</td>
</tr>
<tr>
<td>Other dissatisfaction</td>
<td>11%</td>
</tr>
<tr>
<td>Ran out of money</td>
<td>9%</td>
</tr>
<tr>
<td>Other/unknown reason</td>
<td>9%</td>
</tr>
</tbody>
</table>

Source: Phillips, et al., 2000. Results total more than 100% because respondents could give more than one answer.

Costs and Sources of Payment

An April 2004 review by Health Policy Tracking Services found that estimates of the average cost of assisted living ranged from approximately $2,100 to $2,900 a month.⁷ In addition, some ALRs may charge an admission fee. Rates vary

* High privacy meant that at least 80 percent of residents’ units were private. High service ALRs had a full-time RN on staff and provided the following: nursing care if needed, help with at least two activities of daily living, 24-hour staff, housekeeping, and at least two meals a day.
considerably depending on the location of the residence, the type of accommodations (e.g., private or shared room), and the services the resident needs or wants.

Medicaid coverage of assisted living services is increasing gradually. In 2002, Medicaid helped pay for services for approximately 11% of assisted living residents in 41 states. In contrast, Medicaid is the primary source of payment for 58% of nursing home residents.

Assisted living remains primarily private pay. As of 2000, 67% of assisted living residents paid with their own funds and 8% received support from family members. 2% paid with long-term care insurance.

Because of their high cost and lack of public subsidies, ALRs are often unaffordable for persons with low or moderate incomes.

Assuring Quality in Assisted Living

In contrast to nursing homes, no federal quality standards exist for assisted living. Additionally, states vary significantly in their licensing requirements, quality standards, and monitoring and enforcement activities.

Recent media reports have brought attention to quality problems in assisted living, such as inadequately trained staff, too few staff, medication errors, and the admission and retention of individuals who need more care than the residence is equipped to provide. One effort to address quality problems was the establishment of the Assisted Living Workgroup (ALW), formed at the request of the U.S. Senate Special Committee on Aging. In 2003, the ALW issued a report with recommendations for improving quality in assisted living. To continue and expand the work of the ALW, 11 organizations that participated in the ALW have formed an organizing committee to develop a “Center for Excellence in Assisted Living” (CEAL). The CEAL will foster high quality, affordable assisted living by disseminating research and information and providing technical assistance.

Growth of Assisted Living

ALRs began to appear in the United States in the mid-1980s and have grown rapidly, in spite of concerns about quality problems and affordability. From 1992 to 1998, the number of older persons living in ALRs and other residential care settings greatly increased (from 266,706 to 416,768), while the number in nursing homes declined somewhat (from 1,413,596 to 1,346,119).

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