



**MetLife®**

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## Private and Semi-Private Nursing Home Room Rates Increase 3% in 2007 Assisted Living Rates Remain Steady, According to MetLife Market Survey

**Westport, CT – October 30, 2007** – Nursing home costs increased 3% on average across the country in the last year, according to newly released data from the MetLife Mature Market Institute®.

Assisted living costs remained virtually unchanged at \$2,969 per month or \$35,628 yearly.

The 2007 *MetLife Market Survey of Nursing Home and Assisted Living Costs* reported that the average cost of a private room in a nursing home was \$213 per day or \$77,745 annually, compared to \$206 in 2006. Semi-private rooms edged up 3% as well from \$183 per day to \$189. Nursing home costs are the highest in Alaska at \$510 daily and lowest in Baton Rouge, Louisiana at \$123.

The monthly base rate for assisted living rose only one dollar on average from \$2,968 in 2006. These costs were highest in the Washington, D.C. area at \$5,031 per month and lowest in Indianapolis at \$1,963. The study reports that base rates are often affected by facility size with smaller facilities reported to provide more services in the base price.

Also noteworthy is the fact that more assisted living facilities are providing dementia care (59% versus 48% in 2006) and that the additional costs for those services average \$1,110 per month. The average monthly rate for facilities charging an extra fee for Alzheimer’s care is \$4,270, or \$51,240 annually.

“While nursing home costs have risen slightly higher than the rate of inflation, the base cost for assisted living has remained stable over the past year,” said Sandra Timmermann, Ed.D., director of the MetLife Mature Market Institute. Timmermann added, “In many cases, special services for assisted living are added to the base price, so consumers should inquire about all costs when exploring their options.”

Here are nursing home and assisted living costs by region throughout the U.S.:

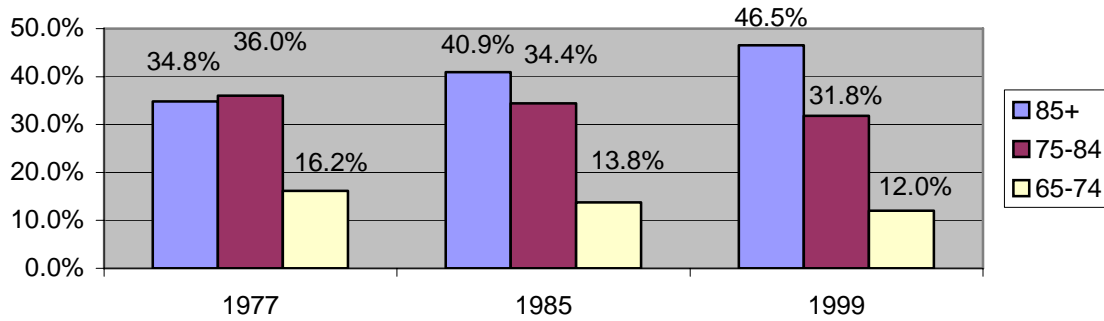
Nursing Homes		Assisted Living	
Region	Private Room Average (Per Day)	Region	Average (Per Month)
Statewide, AK	\$510	Statewide, AK	\$3,978
Birmingham, AL	\$160	Birmingham, AL	\$2,802
Montgomery, AL	\$173	Montgomery, AL	\$2,324
Little Rock, AR	\$159	Little Rock, AR	\$2,149
Phoenix, AZ	\$197	Phoenix, AZ	\$2,571
Tucson, AZ	\$192	Tucson, AZ	\$3,176

Los Angeles, CA	\$215	Los Angeles, CA	\$2,381
San Diego, CA	\$238	San Diego, CA	\$2,811
San Francisco, CA	\$371	San Francisco, CA	\$3,305
Denver, CO	\$187	Denver, CO	\$2,387
Colorado Springs, CO	\$189	Colorado Springs, CO	\$2,644
Hartford, CT	\$337	Hartford, CT	\$3,569
Stamford Area, CT	\$372	Stamford Area, CT	\$4,860
Washington, DC	\$301	Washington, DC	\$5,031
Wilmington, DE	\$231	Wilmington, DE	\$4,649
Jacksonville, FL	\$188	Jacksonville, FL	\$2,480
Orlando, FL	\$205	Orlando, FL	\$2,776
Miami, FL	\$211	Miami, FL	\$2,718
Marietta Area, GA	\$175	Alpharetta, GA	\$2,978
Atlanta, GA	\$175	Atlanta, GA	\$2,809
Honolulu, HI	\$271	Statewide, HI	\$3,753
Des Moines, IA	\$158	Des Moines, IA	\$2,612
Boise, ID	\$200	Boise, ID	\$2,984
Des Plaines Area, IL	\$256	Highland Park Area, IL	\$4,421
Chicago, IL	\$157	Chicago, IL	\$3,105
Peoria, IL	\$163	Peoria, IL	\$2,509
Indianapolis, IN	\$154	Indianapolis, IN	\$1,963
Fort Wayne, IN	\$190	Fort Wayne, IN	\$2,098
Wichita, KS	\$157	Wichita, KS	\$2,336
Louisville, KY	\$193	Louisville, KY	\$2,723
Lexington, KY	\$180	Lexington Area, KY	\$2,197
Baton Rouge, LA	\$123	Baton Rouge, LA	\$2,499
Shreveport Area, LA	\$123	Shreveport Area, LA	\$2,122
Worcester, MA	\$287	Worcester Area, MA	\$4,324
Boston, MA	\$297	Boston, MA	\$4,528
Silver Spring, MD	\$230	Silver Spring, MD	\$4,344
Baltimore, MD	\$216	Baltimore, MD	\$3,334
Southern, ME	\$259	Southern, ME	\$4,287
Detroit, MI	\$167	Detroit Area, MI	\$3,213
Grand Rapids, MI	\$233	Grand Rapids, MI	\$2,762
Minneapolis/St. Paul, MN	\$210	Minneapolis/St. Paul, MN	\$2,631
Rochester Area, MN	\$168	Rochester Area, MN	\$2,515
Saint Louis, MO	\$157	Saint Louis, MO	\$3,317
Kansas City, MO	\$140	Kansas City Area, MO	\$2,381
Jackson, MS	\$170	Jackson Area, MS	\$2,740
Billings, MT	\$174	Billings, MT	\$2,695
Raleigh/Durham, NC	\$183	Raleigh/Durham, NC	\$2,689
Charlotte, NC	\$180	Charlotte, NC	\$3,142
Fargo Area, ND	\$213	Statewide, ND	\$1,964
Omaha, NE	\$200	Omaha, NE	\$2,915
Manchester, NH	\$243	Manchester, NH	\$4,866
Cherry Hill Area, NJ	\$282	Cherry Hill Area, NJ	\$3,649
Bridgewater Area, NJ	\$276	Bridgewater Area, NJ	\$4,674
Albuquerque, NM	\$183	Albuquerque, NM	\$2,171

Las Vegas, NV	\$200	Las Vegas, NV	\$2,223
New York, NY	\$352	New York, NY	\$3,044
Syracuse, NY	\$273	Syracuse, NY	\$3,165
Rochester, NY	\$298	Rochester, NY	\$2,798
Columbus, OH	\$199	Columbus Area, OH	\$3,357
Cleveland, OH	\$205	Cleveland, OH	\$2,520
Cincinnati, OH	\$208	Cincinnati, OH	\$2,805
Oklahoma City, OK	\$167	Oklahoma City, OK	\$2,153
Tulsa, OK	\$163	Tulsa, OK	\$2,354
Portland, OR	\$214	Portland, OR	\$2,428
Eugene, OR	\$212	Eugene, OR	\$2,700
Pittsburgh, PA	\$234	Pittsburgh, PA	\$2,578
Scranton, PA	\$198	Scranton Area, PA	\$2,133
Philadelphia, PA	\$233	Philadelphia Area, PA	\$3,419
Providence, RI	\$231	Providence, RI	\$3,172
Columbia, SC	\$169	Columbia Area, SC	\$2,185
Charleston, SC	\$168	Charleston, SC	\$2,555
Rapid City Area, SD	\$185	Rapid City Area, SD	\$2,222
Nashville, TN	\$194	Nashville Area, TN	\$2,501
Memphis, TN	\$169	Memphis, TN	\$2,720
Dallas/Ft. Worth, TX	\$167	Dallas/Ft. Worth, TX	\$2,861
Houston, TX	\$169	Houston, TX	\$2,185
Austin, TX	\$187	Austin, TX	\$3,322
Salt Lake City, UT	\$168	Salt Lake City, UT	\$2,330
Alexandria Area, VA	\$260	Northern VA	\$3,923
Richmond Area, VA	\$185	Richmond, VA	\$3,396
Statewide, VT	\$236	Statewide, VT	\$3,637
Seattle, WA	\$257	Seattle, WA	\$2,834
Spokane, WA	\$220	Spokane, WA	\$2,497
Milwaukee, WI	\$234	Milwaukee, WI	\$2,640
Madison Area, WI	\$229	Madison Area, WI	\$3,429
Charleston Area, WV	\$182	Statewide, WV	\$2,826
Statewide, WY	\$173	Statewide, WY	\$2,499
<b>Nursing Home National Average</b>	<b>\$213</b>	<b>Assisted Living National Average</b>	<b>\$2,969</b>

Services provided at nursing homes include skilled care, which requires the expertise of a professional such as a nurse or therapist, and custodial care, which involves assistance with the basic Activities of Daily Living (ADLs), such as bathing and dressing. According to the National Center for Assisted Living, the average age of individuals living in assisted living communities is 85; on average, residents need assistance with two activities of daily living. The average length of stay is 2.4 years, though the discharge rate for stays of three months or less doubled from 1977 to 1999, reflecting a growing role for nursing home in rehabilitative or post-acute care. Almost all residents, 97.7%, required assistance with Activities of Daily Living (ADLs).

## Current Nursing Home Residents by Age Group



Source: Decker FH. *Nursing homes, 1977-99: What has Changed, What has Not?* Hyattsville, Maryland: National Center for Health Statistics. 2005

Assisted living bridges the gap between home care and nursing homes. Residents of assisted living facilities may need assistance with ADLs (bathing, dressing, eating, transferring in and out of chairs or beds, and continence) or household chores. Assisted living facilities are appropriate housing for those who need help with day-to-day living, but who do not need the round-the-clock skilled care found in nursing homes.

Monthly private pay base rates, which are defined as room and board and typically at least two meals per day, housekeeping and personal care assistance, were obtained for private rooms with private baths in assisted living communities. Some facilities also charge a one-time entrance fee and have additional fees for services such as having meals delivered to living quarters or for extra transportation services.

The American Association of Homes and Services for the Aging estimates that more than 900,000 Americans live in almost 39,500 licensed assisted living residences in the United States. The 2006 Overview of Assisted Living conducted by the Assisted Living Federation of America and a number of other organizations said the median age of female residents is 87 and 85 for males; on average residents need assistance with two activities of daily living.

The survey of nursing homes and assisted living communities in all 50 states and the District of Columbia was conducted by telephone during June and July 2007 by LifePlans, Inc. for the MetLife Mature Market Institute. 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.

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.

The MetLife Mature Market Institute, part of the company's Retirement Strategies Group, has been providing research, knowledge management, education, and policy support for over ten years to Metropolitan Life Insurance Company, its corporate customers, and business partners. MetLife is a subsidiary of MetLife, Inc. (NYSE: MET), a leading provider of insurance and financial services to individual and institutional customers.

The "MetLife Market Survey of Nursing Home & Assisted Living Costs" for 2007 can be found at: [www.maturemarketinstitute.com](http://www.maturemarketinstitute.com) under "What's New." Two MetLife *Since You Care* booklets, "Making the Nursing Home Choice" and "Choosing an Assisted Living Facility" are also available on the Web site under "Since You Care Guides."