



“Your Personal Trainer May be More Important Than Your Financial Advisor”

As we age, a myriad of decisions come knocking at our door, each with its own set of challenges and opportunities. One of the most profound choices we face as we age is whether to gracefully age in place, surrounded by the familiar nooks and crannies of our cherished homes, or to embrace the supportive embrace of senior living communities. It's a decision often made after careful contemplation, a blend of nostalgia for the past and anticipation for the future.

Whether you find solace in the memories of your home, etched in the walls that have witnessed decades of life, or you seek the companionship and care of a senior living community, this journey is bound to offer insights, inspire reflections, and shed light on the path that feels most like home as we gracefully traverse the sands of time. In previous articles we've discussed the pros and cons, from physiologic to emotional with regard to exercise, today we're looking at one thing and one

thing only, the financial side. Our goal throughout this article is to share how various senior living and senior care costs have risen and where they are expected to go. We will then help to paint a clear picture showing how your exercise routines are not only an investment to ensure greater quality of life but an intelligent financial decision in the long run.

Potential Expenses

Before we put real life examples to the test, let's understand where prices were, where there they are now, and what the future holds for various types of senior care services. In the following pages we will break down each to help paint the picture on the importance of maintaining your health from a financial standpoint.

Monthly Costs for Various Senior Care Services

	AL	SNF(SP)	SNF(P)	IHC
2013	\$3,450	\$6,210	\$6,900	\$4,032
2023	\$4,774	\$8,280	\$9,450	\$6,415
2033	\$6,416	\$11,130	\$12,690	\$8,624

AL; Assisted Living

SNF (SP) : Skilled Nursing Facility- Semi Private Room

SNF (P) : Skilled Nursing Facility - Private Room

IHC: In-Home Care - Based on eight hours of daily care

Assisted Living

In this scenario we're going to follow Tom. A 76-year old male, who isn't in the greatest shape. His family is concerned and his children have brought up the idea of a potential move to assisted living. Tom chooses to take matters into his own hands and begins investing in his health. Let's take a look at what his journey looks like over the course of five years.

	Investment	AL	Savings	ROI
2023	\$12,960	\$57,288	\$44,268	4.52
2024	\$12,960	\$57,288	\$44,268	
2025	\$8,640	\$57,288	\$48,648	
2026	\$8,640	\$57,288	\$48,648	
2027	\$8,640	\$57,288	\$48,648	
Total:	\$51,840		\$234,480	

In the chart we have illustrated a scenario in which Tom was seen by a personal trainer three times weekly over the course of two years in order to improve his health and overall level of function. Following the first two years Tom was confident enough to complete one day independently, therefore he completed just two weekly supervised sessions. Due to the fact that Tom was on the brink of assisted living, we provided cost savings immediately. As you can see, each year Tom remained at home he was able to save a great deal of money. Over the course of five years, Tom's investment in his health returned over four times his money in savings, totaling over \$230,000.

Assisted Living

We can expand this very scenario over the course of ten years. However, the difference here is Tom was not on the brink of assisted living immediately. In fact for the first five years he felt money was simply flying out the window. Therefore in this scenario we do not show a cost savings immediately, it will not occur until year six where his health declined due to a diagnosis.

	Investment	AL	Savings	ROI
2023	\$12,960		\$-12,960	2.01
2024	\$12,960		\$-12,960	
2025	\$8,640		\$-8,640	
2026	\$8,640		\$-8,640	
2027	\$8,640		\$-8,640	
2023	\$8,640	\$57,288	\$48,648	
2024	\$8,640	\$57,288	\$48,648	
2025	\$8,640	\$57,288	\$48,648	
2026	\$8,640	\$57,288	\$48,648	
2027	\$8,640	\$57,288	\$48,648	
Total:	\$95,040		\$191,400	

As you can see, the financial gain, although not as substantial as our previous example, still returns over two times the money invested in one's health. Not only does Tom see a financial return, but he also lives with a greater quality of life.

In-Home Care

In this scenario we're going to following Alan. A 79-year old male, who's on a downward spiral after the passing of his wife. His family is concerned and his children have brought up the idea of a potential move to assisted living. Alan wants to age in place so the family shifts their focus to in home care to assist their father throughout the day. Instead, Alan takes matter into his own hands. He loathes at the idea of being burdened by someone in his home eight hours a day. Tom spends one full year with a personal trainer three times weekly in order to improve his health. He then continues twice weekly to maintain his level of function.

	Investment	IHC	Savings	ROI
2023	\$12,960		-12,960	5.47
2024	\$8,640	\$76,944	\$68,304	
2025	\$8,640	\$76,944	\$68,304	
2026	\$8,640	\$76,944	\$68,304	
2027	\$8,640	\$76,944	\$68,304	
Total:	\$47,520		\$260,256	

The scenario depicts eight hours of daily care each day during the week. A total of 224 hours monthly, at a rate of \$28.64/hour (Genworth).

Again, Alan sees a healthy return on his health investment. Not only does he avoid the costs associated with in-home care, but he lives a greater quality of life as well.

In-Home Care

Let's play out another scenario, we'll compare two people, one who chooses to exercise for a period of ten years. In the first year they will exercise three times weekly. In the years to follow they will exercise twice weekly. The other individual chooses not to exercise whatsoever, but on the 10th year faces a crisis that requires 24-hour care.

	Exerciser	Non-Exerciser	Difference	Exerciser Savings \$151,526
2023	\$12,960	\$0	\$-12,960	
2024	\$8,640	\$0	\$-8,640	
2025	\$8,640	\$0	\$-8,640	
2026	\$8,640	\$0	\$-8,640	
2027	\$8,640	\$0	\$-8,640	
2028	\$8,640	\$0	\$-8,640	
2029	\$8,640	\$0	\$-8,640	
2030	\$8,640	\$0	\$-8,640	
2031	\$8,640	\$0	\$-8,640	
2032	\$8,640	\$250,886	242,246	
Total:	\$90,720	\$250,886	\$151,526	

The exerciser is not only a winner from a financial stand point, but it is likely they have a greater quality of life. You may also be asking yourself, at what point does exerciser have a negative return? Said another way, what year would a crisis have to occur for the health investment not to pay off? Based on current rates, 28 years (see the chart on the following page).

In-Home Care

	Exerciser	Non-Exerciser
2023	\$12,960	\$0
2024	\$8,640	\$0
2025	\$8,640	\$0
2026	\$8,640	\$0
2027	\$8,640	\$0
2028	\$8,640	\$0
2029	\$8,640	\$0
2030	\$8,640	\$0
2031	\$8,640	\$0
2032	\$8,640	\$0
2033	\$8,640	\$0
2034	\$8,640	\$0
2035	\$8,640	\$0
2036	\$8,640	\$0
2037	\$8,640	\$0
2038	\$8,640	\$0
2039	\$8,640	\$0
2040	\$8,640	\$0

	Exerciser	Non-Exerciser
2041	\$8,640	\$0
2042	\$8,640	\$0
2043	\$8,640	\$0
2044	\$8,640	\$0
2045	\$8,640	\$0
2046	\$8,640	\$0
2047	\$8,640	\$0
2048	\$8,640	\$0
2049	\$8,640	\$0
2050	\$8,640	\$250,886
Total	\$246,240	\$250,886

Conclusion

With that said, we encourage you, if you do not already, to view the costs associated with exercise sessions as an investment in your health. Regardless of your current situation, the longer you delay the need for a greater level of care, the more you save month to month.

Cumulative Yearly Expenses Associated with Various Senior Care Services

