



Waverly Heights Contracts and Pricing Options Frequently Asked Questions

Waverly Heights is a nonprofit Life Plan Community that provides long-term living accommodations and services, including skilled nursing and personal care, for the life of the residents who live here. Waverly Heights and the residents enter into a contractual agreement called *The Residence and Care Agreement*, which outlines the services and accommodations that will be provided and the fees required of the residents. This FAQ is intended to provide information about Waverly's contract types and pricing options so that prospective residents can determine which will best suit their needs.

What contract types does Waverly Heights offer?

Waverly Heights offers two contract types: *Traditional Lifecare* and *Fee-For-Service*.

Traditional Lifecare Contract

Waverly's Traditional Lifecare contract is commonly referred to among CCRC's as a *Type A contract*. Under this contract, the resident pays an Occupancy Rights Fee (i.e. entrance fee), Contract Fee, and an ongoing Monthly Fee. This contract provides a living accommodation, services, and amenities as defined in the contract. It also provides routine nursing and personal care services in the Waverly Heights Health Care Center *without an increase in the monthly fee*.

Fee-For-Service Health Care Contract

Waverly's Fee-For-Service Health Care contract is commonly referred to among CCRC's as a *Type C Contract*. Under this contract, the resident pays an Occupancy Rights Fee (i.e. entrance fee,) Contract Fee, and an ongoing Monthly Fee. This contract provides a living accommodation, services, and amenities as defined in the contract. While it provides routine nursing and personal care services in the Waverly Heights Health Care Center, the cost of these services is *not* included in the monthly fee and must be paid for under the community's published *per diem* rates.

Charges for ancillary products and services not included in routine nursing or personal care are additional under *both* contracts.

How do the Occupancy Rights Fee, Contract Fee and Monthly Fee differ between the Traditional Lifecare and Fee-For-Service contracts?

The Occupancy Rights Fee and Contract Fee are the same under each contract. The Monthly Fee under the Fee-For-Service contract is lower than that under the Traditional Lifecare contract.

How do the 100% and 50% Occupancy Rights Fee pricing options differ?

Under both the Traditional Lifecare and Fee-For-Service contracts, residents have the option of selecting 100% refund of the Occupancy Rights Fee or 50% refund of the Occupancy Rights Fee. Under the 100% refund option, 100% of the Occupancy Rights Fee paid by the resident will be refunded, less restoration charges or other outstanding fees and in accordance with all of the terms of the Residence and Care Agreement.

Under the 50% refund option, 50% of the Occupancy Rights Fee paid by the resident will be refunded, less restoration charges or other outstanding fees and in accordance with all the terms of the Residence and Care Agreement. The Occupancy Rights Fee will be amortized at the rate of two percent (2%) per month based on the full amount of the Occupancy Rights Fee for a period of twenty-five (25) consecutive months. If the Residence and Care Agreement terminates prior to the conclusion of the amortization period, the portion that has become non-refundable will be retained by Waverly Heights. Also under the 50% refund option, the monthly fee is lower than under the 100% pricing option.

Under both pricing options, the Occupancy Rights Fee is refunded when the Residence and Care Agreement terminates and the residence is re-occupied by a new resident. Repayment of the Occupancy Rights Fee is described in the contract and is subject to all of the terms therein.

What is the Contract Fee?

The Contract Fee is a one-time non-refundable fee per new resident. This fee supports the annual operation of Waverly Heights and the amount of the fee is the same regardless of the contract type or pricing option that is selected.

When do I have to decide which contract type and pricing option to select?

After you have decided to move to Waverly Heights and have selected a residence, Waverly will issue a Residence and Care Agreement. At this time, you will be asked to choose a contract type and a pricing option. The contract and recovery option you select may not be changed after residency begins.

How do I know which contract type and pricing option is the best for me?

The contract type you select, including the Occupancy Rights Fee refund option, depends upon your individual needs, age, life expectancy and financial resources, including whether or not you have a long-term care insurance plan. We recommend that you consult your financial advisor and/or family member to help you determine the contract type and refund option that is the most suitable for you.

Are any fees paid to Waverly Heights able to be claimed as health care expenses on my federal income tax return?

Waverly Heights calculates a percentage of cost related to health care annually. A resident's eligibility for such tax deduction is dependent on many factors. Waverly encourages residents to review tax matters with their tax advisor.

How can I obtain additional information about Waverly's contracts and pricing options?

Contact the Waverly Heights Marketing Department at 610-645-8764 for copies of the Residence and Care Agreement and related materials.

*Waverly Heights
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610-645-8764*