

Value of Senior Housing 2025 Research Portfolio

Care for Older Adults with Neurodegenerative Disease
Value of Longer Stays in Senior Housing

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Introduction

Since 2023, the National Investment Center for Seniors Housing & Care (NIC) and NORC at the University of Chicago have collaborated to explore the value of senior housing in supporting the health and well-being of older adults. Many older adults transition into senior housing due to increasing medical needs, the loss of a spouse, or other shifts in personal circumstances that make independent living difficult. This transition often occurs during a particularly vulnerable stage of life—marked by rising frailty, a higher risk of adverse health events, and growing prevalence of neurodegenerative disease. As the aging population expands and their health needs become more complex, a new generation of consumers is shaping the expectations and future of senior housing.

Our research focuses not only on the initial health outcomes for older adults who move into senior housing, but also on the sustained impact it has on their health, quality of life, and medical costs. By tracking outcomes and healthcare costs for several years post move-in, our research shows that long-term residents experience continued and, in some cases, improved quality of life, and findings among the top quartile (25%) of senior housing communities demonstrate what is possible with effective management and coordination of care. These insights highlight the vital role senior housing communities—along with their partners—can play in improving the lives of older adults well beyond the initial transition period.

This research builds on years of evidence demonstrating that senior housing is well-positioned to meet the evolving needs of older adults. This report includes three sections: an **executive summary** outlining opportunities for the industry, **detailed research findings** on the value of senior housing—particularly for those with neurodegenerative disease and over time—and **state-level summaries of key results**.



Executive Summary

Highlighting the opportunity for Senior Housing to meet the evolving needs of older adults

Changing demographics, housing and health care needs, and preference are informing the future of senior housing

**By 2030:**

- 73 million adults over 65¹
- 1 in 5 Americans over 65¹

Population

- 97.5% live in private homes, not necessarily built for aging care needs²
- Shrinking number in nursing homes

Housing

- More than 90% with 1 chronic condition³
- 40% struggle with mobility⁴
- More than 20% experience early signs of cognitive decline⁵

Health

- Independence
- Choice
- Social connection
- Wellness

Priorities**Adult children are:**

- Key influencers and decision-makers
- Future consumers

Influences

NIC and NORC's five-part study in 2023 and 2024 demonstrated the value of senior housing for older adults

Frailty and vulnerability to poor outcomes peaks and then declines within 6 months of move-in to senior housing

Frailty

Access to
Physicians

Access to health care services improves following move-in to senior housing

Seniors live longer and receive more rehabilitative and preventive care

Longevity

Health
Outcomes

Health outcomes improve when older adults move into senior housing facilities

Medicare costs are lower for residents in over 50% of AL and 30% of IL communities

Cost

NIC commissioned NORC to research health outcomes and costs for older adults with neurodegenerative disease (NDD)



42%

Research found that 42% of residents in residential care communities were diagnosed with Alzheimer's disease or other dementias.¹

70%+

It is estimated that more than 70% of older adults with dementia have at least one comorbidity, underscoring the importance of coordinated care.²

46%

Among older adults with cognitive impairment that live alone, an estimated 46% struggle with ADLs and IADLs.³

Care for Older Adults with NDD Study

To understand health outcomes for older adults with NDD and the role of senior housing, NORC conducted a comprehensive data analysis with measures of primary and preventative care, health outcomes, and costs of care.

The study highlights the differences across three mutually-exclusive populations:

- Older adults with NDD living in senior housing communities (i.e., assisted living, memory care)
- Older adults with NDD living in non-congregate settings
- Older adults with NDD living in nursing homes

Senior housing promotes health and wellness for older adults with neurodegenerative disease (NDD)



- **Primary Care**

98% of older adults with NDD had one or more primary care visits, per year.

- **Neurology**

>20% of older adults with NDD had one or more neurologist visits, per year.

- **Physical Therapy**

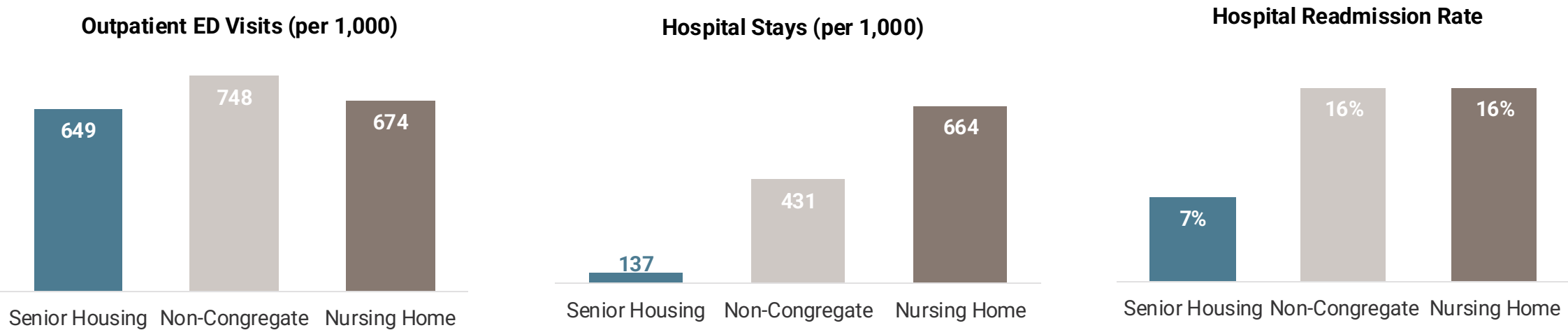
>20% of older adults with NDD had one or more physical therapy visits, per year.

- **Home Health Services**

>45% of older adults with NDD received home health services, per year.

Top 25% of senior housing communities create stability and safety for residents with NDD, preventing crises

The top 25% of senior housing communities had fewer hospital visits and stays:

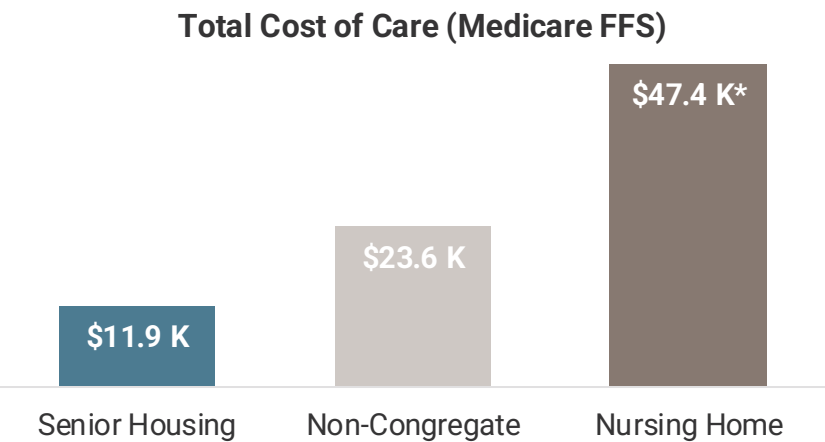


Data represent select results for Traditional Medicare beneficiaries age 65+ with NDD residing in Assisted Living and Memory Care communities in calendar year 2022.

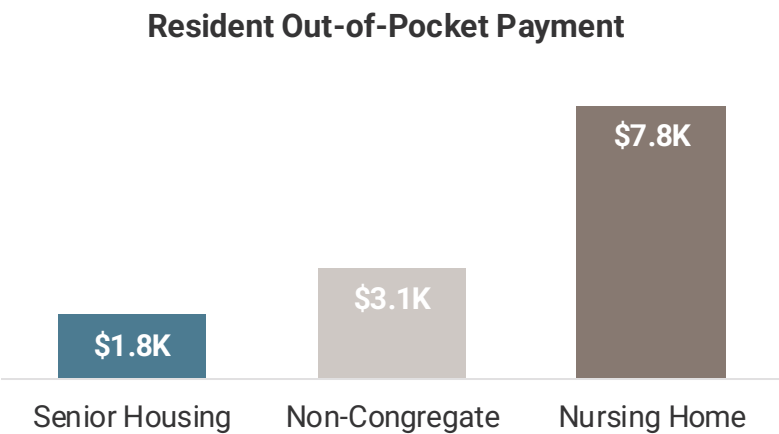
The top 25% (quartile) of communities were identified based on the difference between actual and expected total costs of care. Expected costs were risk-adjusted using each senior housing community's demographic and diagnostic profiles, including Hierarchical Condition Category (HCC) scores. Senior housing communities with the lower costs relative to expected benchmarks were ranked higher, with the top quartile (Q1) representing those with the largest cost differential.

Top 25% of senior housing communities associated with lower Medicare and out-of-pocket costs for residents with NDD

Residents in the top quartile of senior housing communities had **average total Medicare costs of \$11.9K per year** – approximately half the non-congregate average



Residents in the top quartile of senior housing communities spend **approximately 40% less** out-of-pocket than non-congregate beneficiaries

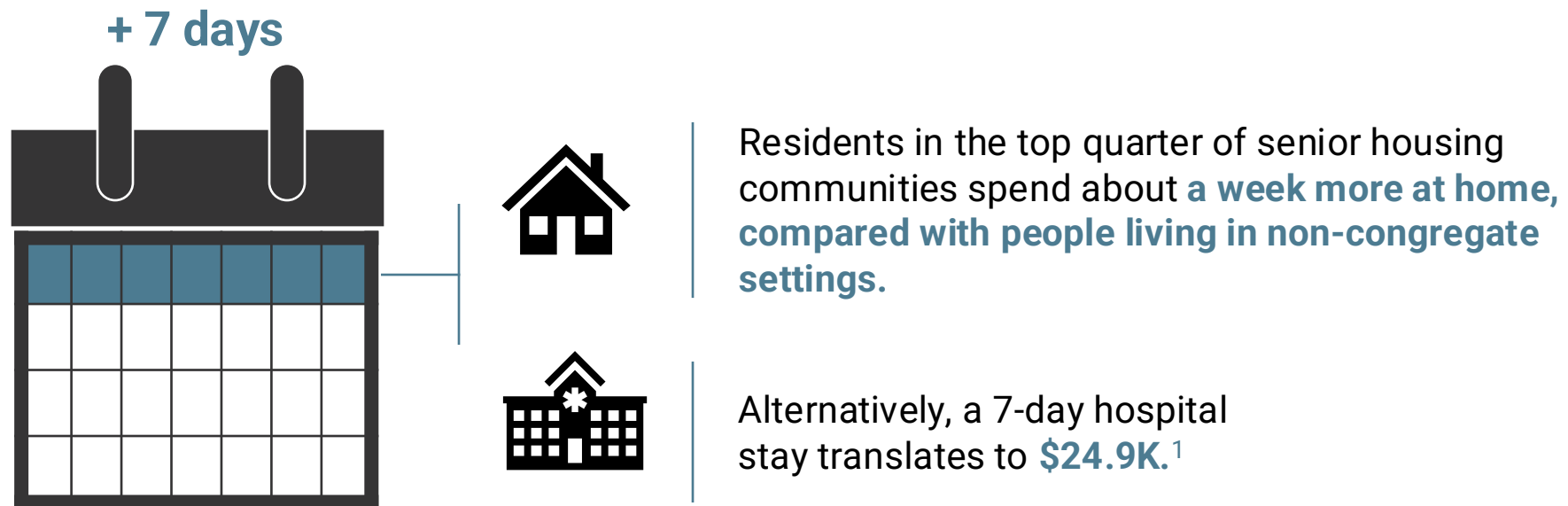


*Our research assessed applicable SNF Part A claims, which includes a fixed room and board component of the per member per diem rate. This component, alongside the nursing and therapy components is the “non-case-mix (room & board)” which is part of normal SNF PPS Market Basket.

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Top 25% of senior housing communities keep residents with NDD healthy at home



1. Based on a KFF study that found the average per-day hospital cost was \$2,883 in 2021; adjusted for inflation to 2025 dollars.

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Senior housing is a vital partner in supporting caregivers of older adults with NDD

Caregivers of people with dementia experience **higher rates of emotional, financial, and physical stress**



A dementia diagnosis requires high daily care needs of caregivers



Caregivers provide 90+ hours of care per month, on average



About 25% of dementia caregivers also care for at least one child



Senior Housing Offers a Supportive Environment

- Coordinated health services
- 24/7 staff & support
- Reclaimed relationships between caregiver and resident
- Emotional relief
- More time and support for working caregivers

12M

Nearly 12 million Americans provide unpaid care for a family member or friend with dementia

NIC commissioned NORC to research health outcomes and costs for older adults over time to measure stability and improvement

Frailty & Vulnerability

Previous NIC-NORC research used the frailty index¹ to understand vulnerability to adverse health outcomes among senior housing residents.

- This research found that vulnerability increases for a short period as residents settle into their new community before leveling off and showing improvement.
- Vulnerability to adverse health outcomes was found to level off or decrease approximately 3 months after move-in.²

Value of Longer Stays in Senior Housing

Building from previous findings, NORC conducted the longer stays study to further understand how health outcomes and costs of care change over time, from move-in through several years post move-in to senior housing.

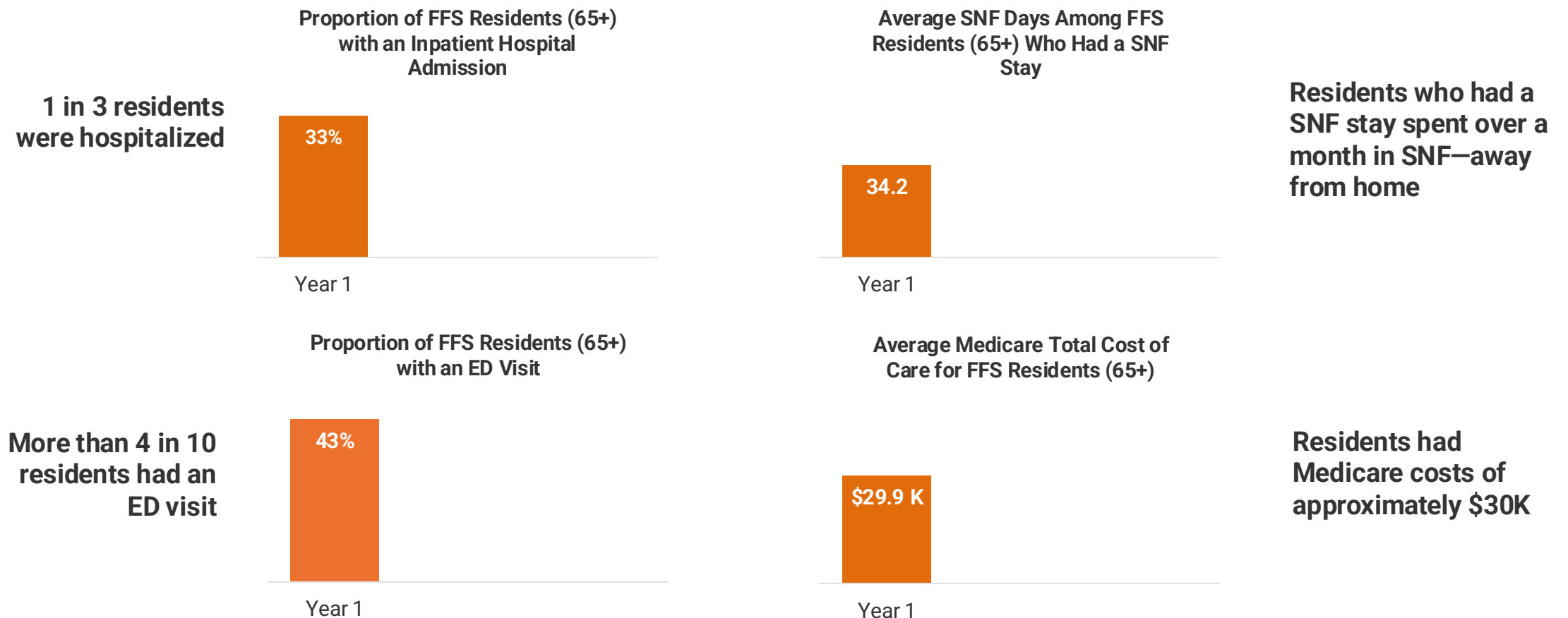
The analysis includes measures of primary and preventative care, health outcomes, and costs of care; highlighting the differences across three mutually-exclusive populations:

- Older adults in senior housing communities (i.e., assisted living, memory care)
- Older adults living in non-congregate settings

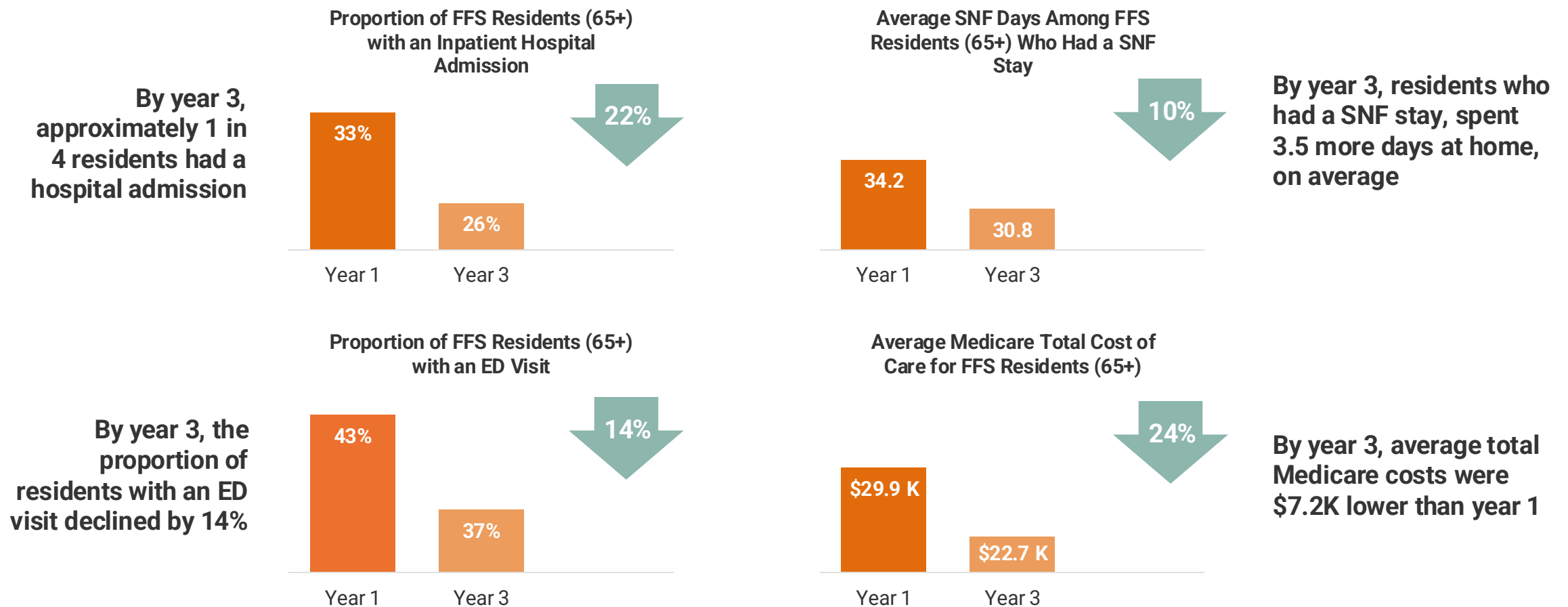
The year before move-in is commonly a period of increasing health and care challenges



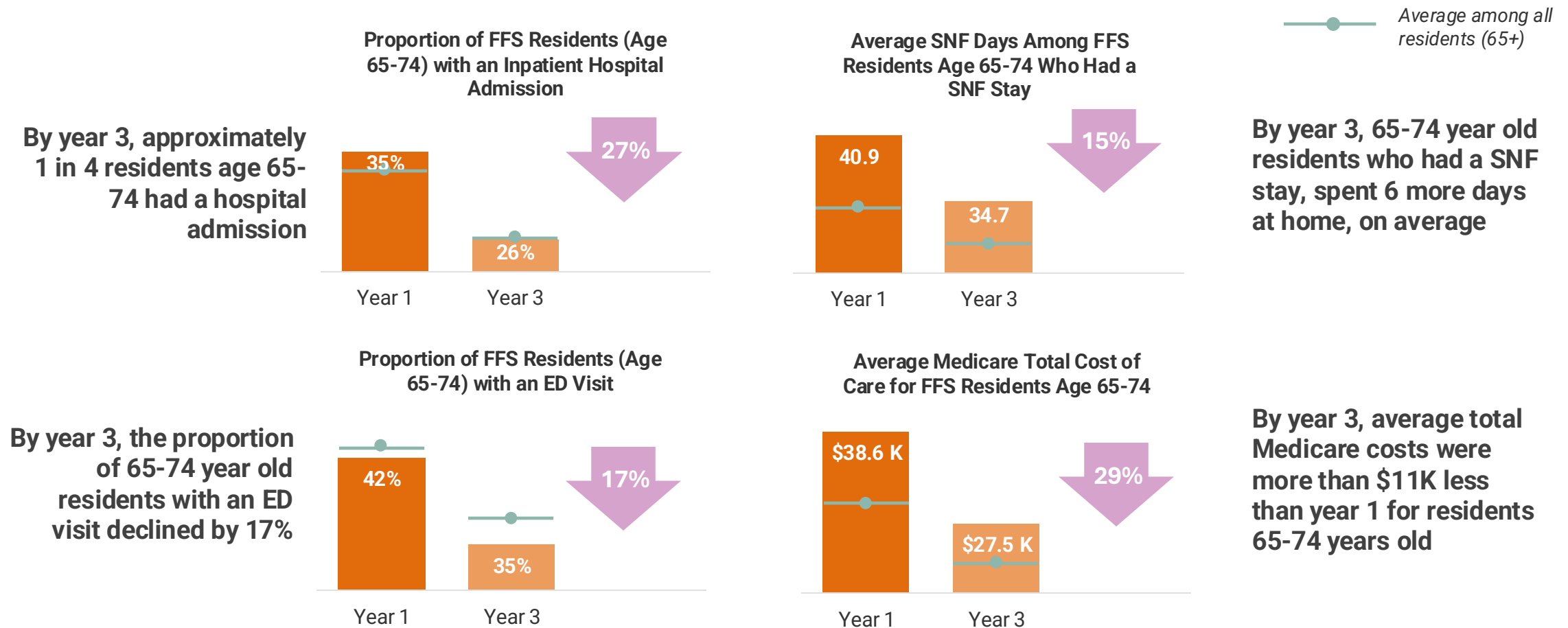
The first year in senior housing is a challenging transition period to meet the high-risk needs of new residents



By the third year, senior housing communities have stabilized the frailty of their residents

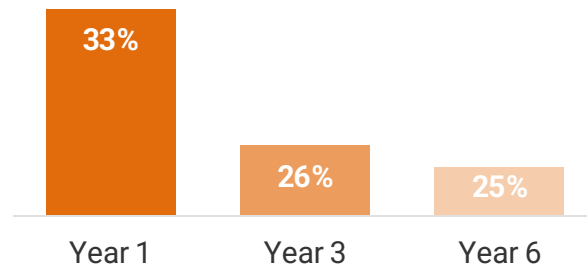


Younger senior housing residents—1 in 8—experience even greater reductions in costly care after the first year

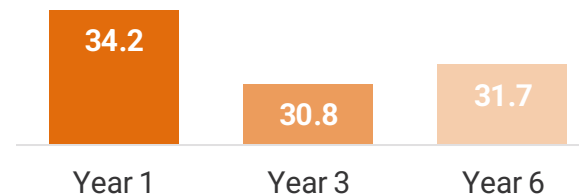


Residents who remain in senior housing see continued improvement and stabilization for several years post move-in

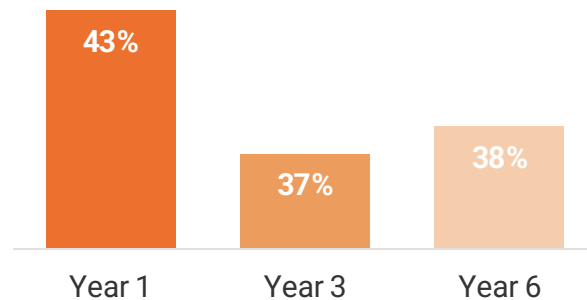
Proportion of FFS Residents (65+) with an Inpatient Hospital Admission



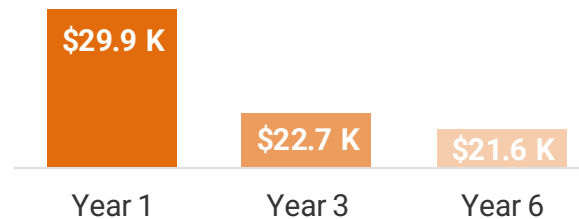
Average SNF Days Among FFS Residents (65+) Who Had a SNF Stay



Proportion of FFS Residents (65+) with an ED Visit



Average Medicare Total Cost of Care for FFS Residents (65+)



By Year 6:

- ✓ Health scores continue to improve
- ✓ More healthy days at home
- ✓ Sustained fewer hospitalizations
- ✓ Sustained fewer ED visits
- ✓ Sustained lower costs of care

In summary, senior housing is uniquely positioned to meet the needs of older adults with NDD and promotes stability for years following move-in to a residential community

Care for Older Adults with NDD

For older adults diagnosed with neurodegenerative disease, senior housing can:

- **Promote Health and Wellness**
- **Create Stability and Safety That Prevents Crises**
- **Demonstrate Lower Medicare Spending and Out-of-Pocket Costs**
- **Enable Healthy Days at Home**
- **Reduce Caregiver Stress**

Value of Longer Stays

The year before move-in to senior housing is commonly a period of increasing health and care challenges:

- **Residents typically experience higher health care utilization and costs during Year 1**
- **Health care utilization and costs decrease, and frailty is stabilized by Year 3**
- **Younger residents (65-74) experience greater reductions in high-cost care after Year 1**
- **Residents who remain in senior housing see continued improvement and stabilization for several years post move-in**

Thank you.

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 **NORC** at the
University of
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