



Editor, New York Times  
Cc: Sharon O'Neal (soneal@nytimes.com)  
Senior Staff Editor, Business Day

Dear Editor:

We applaud efforts to help older Americans better understand the financial requirements of prospective housing options, including continuing care retirement communities (also known as life plan communities), offered in the Mar. 9, 2018 story, "[7 Ways to Judge a Retirement Community's Financial Health](#)."

The recommendations are appropriate and -- as our director of residential communities, Steve Maag, advised -- not unexpected by retirement community managers. However, the suggestion in Mr. Cumming's quote, that CCRC entrance fees might be 'like a Ponzi scheme' if they are not reserved like an annuity, is not accurate, and worse, raises the notion, unfairly, that these communities may not be a wise choice for seniors. The opposite is true as some 750,000 currently residing in life plan communities nationwide can attest.

A large number of LeadingAge's 6,000-plus members, all nonprofit providers of aging services, operate life plan communities. As a result, we are well-versed in the nuances of life plan community finances. There are nearly 2,000 nonprofit and for profit communities around the U.S., and while a very small number have gone bankrupt or restructured their debt over the past 20 years, the default rate over that period is significantly lower than any other real estate-based sector of our economy. It is a strong and stable sector.

Sincerely,  
Katie Smith Sloan  
CEO  
LeadingAge



