

JUNEAU SENIOR HOUSING AND SERVICES MARKET DEMAND STUDY

Prepared for: The Juneau Assisted Living for Seniors Task Force, Senior Citizens Support Services Inc. and the Juneau Economic Development Council

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I. INTRODUCTION + EXECUTIVE SUMMARY

REPORT PURPOSE

The purpose of this report is to forecast demand for senior housing and services in Juneau, Alaska, with a particular emphasis on assisted living. By 2032, estimates indicate that 20 percent of the Juneau population will be seniors age 65 and older, an increase from 3,398 in 2014 to 6,892 in 2032. As seniors age, the type of housing and services required to maintain health and independence changes. Often, seniors require increasingly intensive services that range from in-home supports to assisted living and skilled nursing.

It's been called "Elderquake" and "the Silver Tsunami." Its statistics are staggering: over the next three decades, the number of people older than 65 in the United States will double from 40 million to 80 million"

— Stanford Report,
October 23, 2010

Assisted living is defined as a residential setting where at least one staff person is available 24 hours a day to help individuals with activities of daily living.¹ Assisted living also provides housing and supports to people who are intellectually, developmentally or physically disabled who may or may not be seniors. The focus of this study is to assess demand for assisted living among seniors in Juneau as they age. Currently, there are no assisted living options available for seniors in Juneau other than the Pioneer Home, which had 97 people on the active waitlist as of May 2014.² While, there is one smaller private assisted living home currently housing one senior, along with a few smaller assisted living homes for the developmentally disabled where a few seniors reside, there are no other assisted living options in Juneau. Assisted living is clearly a gap in the continuum of care in Juneau and this study quantifies the potential demand for assisted living beds. While the focus of this demand study is on assisted living, other gaps along the continuum are identified and explored.

HISTORY

A Juneau-based community group called the Assisted Living for Seniors (ALFS) Task Force initiated this study. The ALFS Task Force formed in 2013 when residents came together to determine how to respond to the growth in the Juneau senior population and the lack of housing or services to meet the growing need. The ALFS Task Force later merged with Senior Citizens Support Services Inc. (SCSSI), a nonprofit in Juneau with a focus on ensuring adequate housing and services for Juneau's aging population. In 2014, the ALFS Task Force, as part of SCSSI, collaborated with the Juneau Economic Development Council (JEDC) to release a Request for Proposals (RFP) for this senior housing and services demand study. The Alaska Mental Health Trust Authority (AMHTA), the City and Borough of Juneau (CBJ), and SCSSI

¹ ADLs or activities of daily living include eating, bathing, dressing, toileting, transferring, or walking, and continence. Assisted living also helps people with instrumental activities of daily living (IADLs), which are activities required to maintain a household, such as cleaning, cooking, shopping, using the telephone, and paying bills.

² The active wait list for the Pioneer Home is the list of people who are willing to move into the Pioneer Home within 30 days if an opening becomes available.

provided funding for this study, and JEDC provided project management. Agnew::Beck Consulting, LLC, in partnership with Northern Economics, Inc., was hired to prepare this study.

METHODOLOGY

This report builds from previous studies conducted on senior needs and housing in Juneau, particularly the 2010 Juneau Senior Needs Survey commissioned by the Juneau Commission on Aging. An analysis of data from the State of Alaska and local Juneau service providers is used to estimate current utilization of senior housing and services in Juneau. Key informant interviews with 30 individuals and a community workshop attended by 120 people utilizing automatic audience response technology also informed the forecast and recommendations. The study also includes several case studies of diverse approaches to senior housing and assisted living in Appendix D.

KEY FINDINGS

DEMOGRAPHICS + INCOMES

According to the April 2014 population projections prepared by the State of Alaska Department of Labor & Workforce Development (DOL&WD), the senior population (65+) is projected to grow to 20 percent of the Juneau population by 2032 (6,892 seniors) and then decline as the baby boomer generation shrinks in size. Growth in the 75 to 84 year old age cohort is expected to continue until 2037 and the 85 and older age group will continue to grow beyond the end of the forecast period. People age 85 and older tend to require the highest level of long-term care and services due to declining health and functional ability. Currently, there are approximately 285 seniors age 85 and older in Juneau. By 2042, that number is expected to increase almost fivefold to about 1,393.

Figure I-1: Current + Future Senior Population, Juneau

Age Cohort	2014	2022	2032	2042
65 to 74	2,338	3,824	3,401	2,384
75 to 84	775	1,425	2,785	2,469
85+	285	359	706	1,393
Total 65+	3,398	5,608	6,892	6,246
65+ as % of Total Population	10%	17%	20%	19%

Source: Alaska Population Projections, DOL&WD, April 2014. 2014 estimated based on DOL&WD average annual growth between 2013 estimate and forecast for 2017

Using rates published by the national Alzheimer’s Association and applying those rates to DOL&WD population projections for Juneau provides an estimate of the number of seniors with Alzheimer’s disease over the forecast period. Based on this methodology, Juneau can expect just over 1,000 seniors with Alzheimer’s by 2042 up from about 322 today. The 85 and older population will likely increase from about 135 seniors with Alzheimer’s to approximately 647 seniors 85 and older with Alzheimer’s by 2042.

As Juneau seniors age, some will move to other locations in Alaska or to locations outside of Alaska. However, migration trends analyzed using a range of data sources indicate that only a small amount of net out-migration is currently occurring for Juneau seniors and the majority of Juneau seniors have opted to remain in Juneau. Participants at the July 2014 community workshop corroborated this trend when 59 percent of the audience said they plan to stay in Juneau as full time residents and 25 percent said they plan to stay in Juneau as part time residents when they retire.

Juneau has a higher proportion of seniors with pensions and higher incomes than the state or the U.S. as a whole. Currently, 63 percent of Juneau seniors (65+) have a State of Alaska Public Employee Retirement System (PERS) or Teacher Retirement System (TRS) pension and currently all retirees are still on a defined benefit retirement program. At the July 2014 community workshop, 70 percent of the retired individuals indicated they had a PERS or TRS retirement. For comparison, in the United States 30 percent of individuals have a pension or 401K retirement.³ The higher number of seniors in Juneau with a defined benefit pension indicates a stable source of revenue to help fund senior housing and services into the future.

Based on American Community Survey (ACS) 5-Year survey data for 2008 to 2012, median household income in Juneau for seniors over age 65 is 70 percent greater than the national median and 28 percent greater than the state median household income for households over age 65. More Juneau seniors are in the higher income brackets when compared against the state and nation as a whole. At the same time, many Juneau seniors have lower incomes. For example, in 2014, an estimated 17 percent of senior households (65+) have incomes under \$25,000, which translates into an estimated 582 seniors.

For those who are above the Medicaid waiver income limits but who make less than \$5,000 per month, purchasing assisted living is very difficult, unless they have family support or adequate assets in savings and retirement accounts to help cover costs.

LONG-TERM CARE INSURANCE

According to the 2010 Juneau Senior Needs Survey, an estimated 24 percent of Juneau's seniors have long-term care insurance, significantly more than the 3 percent state average, and 7 percent national average. The State of Alaska offers long-term care insurance to state employees upon retirement, and Juneau is home to many state retirees.

CURRENT SUPPLY OF HOUSING + SERVICES

Providers are currently supplying an estimated 800 seniors, or 13.5 percent of Juneau's senior population (age 60+), with housing and/or services. Wildflower Court is a skilled nursing facility that houses 50 seniors. The Pioneer Home is the only licensed assisted living home that serves seniors in Juneau and it has 48 beds. Approximately, 158 seniors live in independent senior housing at either Fireweed Place, Mountain View Apartments or Smith Hall. Mountain View and Smith Hall units are restricted to seniors under a specified income. Approximately 130 seniors in Juneau receive Medicaid personal care assistance (PCA) or waiver services in their homes. The

³ Statistics were not available on just the percentage of retirees with defined benefit pensions. AARP Public Policy Institute, 2012

Bridge Adult Day program serves 21 individuals and many seniors use meals, transportation, access the Aging and Disability Resource Center (ADRC), or utilize other home and community based senior services through Catholic Community Services' Southeast Senior Services (SESS) and Southeast Alaska Independent Living (SAIL).

ASSISTED LIVING DEMAND FORECAST

In Juneau, demand is strong for assisted living. Juneau seniors have repeatedly expressed a preference to bring more assisted living to Juneau through the 2010 Senior Needs Assessment, the 2013 public meeting on assisted living, and the 2014 community workshop held as part of this study. Additionally, there are no other substantial assisted living options available to Juneau seniors, other than the 48-bed Juneau Pioneer Home that had an active waitlist of 97, as of May 2014.

Current utilization rates for those in Juneau at the Pioneer Home, on the Pioneer Home active wait list and those utilizing state Medicaid PCA or waiver services were applied to future senior population forecasts by age cohort to project demand for assisted living beds in the future. The forecast integrates survey responses and case study research regarding willingness to pay and preferences regarding assisted living and other housing types. Based on this methodology, described in more detail in Chapter 6, there is currently unmet demand for about 56 assisted living beds in Juneau. That gap is expected to increase to 327 beds by 2042, as shown in Figure 1-2.

Figure 1-2: Summary of Assisted Living Demand Forecast

	2014	2017	2022	2027	2032	2037	2042
	Senior Population						
60-64	2,348	2,381	2,301	1,755	1,540	1,361	1,626
65 to 74	2,338	3,010	3,824	3,979	3,401	2,732	2,384
75 to 84	775	974	1,425	2,168	2,785	2,911	2,469
85+	285	319	359	483	706	1,088	1,393
	Assisted Living Beds						
Demand Forecast (Total Beds)	109	131	170	233	301	362	380
Assisted Living Supply of Beds in 2014	53	53	53	53	53	53	53
Surplus (Gap) in Beds	(56)	(78)	(117)	(180)	(248)	(309)	(327)

DEMAND FOR OTHER HOUSING TYPES AND SERVICES

In addition to assisted living, other gaps along the Juneau continuum of care include the need for independent senior housing both with and without supportive services, short-term rehabilitation beds in skilled nursing facilities, dementia care, personal care assistant services, and a need for a more robust senior center system for Juneau. Additionally, there is a need to ensure that home and community based services are able to adequately ramp up to support the growing senior population in Juneau. Estimates indicate that current service providers will need to

prepare to serve almost two times their current clientele as the senior population increases in Juneau. Chapters 5 and 6 provide more detail on additional gaps in the continuum of care in Juneau.

WORKSHOP RESULTS

Key findings from the July 2014 community workshop include:

Figure 1-3: Juneau Senior Housing and Services July 2014 Community Workshop

Assisted living is needed in Juneau. Assisted living was identified as the biggest gap in the continuum of care for seniors in Juneau. Seventy out of the 120 workshop participants identified assisted living as one of two biggest gaps in Juneau for seniors. Faced with the scenario of needing help with activities of daily living, 77 percent preferred an assisted living model adjacent to senior housing.



Seniors want housing closer to services and activities. The second biggest gap identified was housing closer to services and activities, followed by a lack of apartments or condominiums. Seventy-one percent of participants preferred a senior housing size between 701 and 1,500 square feet.

Many seniors indicated cost could be an issue. Fifty nine percent of participants could stay in Juneau if the cost of assisted living was \$5,000 per month. Thirty five percent of participants were willing to pay for assisted living that was more than \$5,000 per month. Twenty percent of participants were willing to pay more than \$3,000 per month for senior housing with supportive services.

Additional results from the workshop are included throughout the report. The full presentation and results are available as described in Appendix G.

RECOMMENDATIONS

Chapter 7 provides a detailed set of recommendations that are summarized below.

1. Plan for the co-location of assisted living with senior independent housing to create an aging in place community.
2. Distribute this demand study to potential investors in the development of assisted living homes and facilities. Several investors and assisted living developers have expressed an interest in Juneau for a future project. SCSSI and other Juneau organizations should send this study to those who have expressed an interest, as a way to help educate potential investors on the market potential for assisted living in Juneau.
3. Identify and assess locations for a co-located independent senior housing and assisted living community in Juneau.
4. Plan to meet demand for assisted living in multiple ways. The momentum around a new investment in assisted living for Juneau is one way to meet some of the expected demand. Other

options include the conversion of larger homes to small-scale assisted living homes, similar to what has occurred in Anchorage.

5. Recommend feasibility testing to help refine the specific scale of a near-term assisted living and senior independent housing project.
6. Anticipate that a public/private partnership will likely be required. Feasibility testing will help identify the financial requirements of a potential assisted living and senior independent housing community. However, given what is known about other assisted living communities, a public/private partnership may be necessary.
7. Work to bring more financial resources to Juneau for senior housing and services and publicize funding opportunities to potential assisted living developers.
8. Continue to consider how the tribal health system can partner to increase assisted living and seniors services in Juneau.
9. Plan for additional independent senior housing in Juneau. While this study focused mostly on assisted living, there will clearly be a need for more senior housing as the Juneau population ages. This could be independent senior housing co-located with assisted living, smaller homes closer to services, and/or supportive senior housing that offers a range of less intensive services including some meals, housekeeping, and social activities.
10. Ensure home and community based services can keep pace with the aging population. As the senior population ages, home and community based services will be critical for meeting the needs of seniors and helping them to remain safely in their homes for as long as possible. As a community, advocate for funding for local senior home and community based service providers, and create a funding and development plan for an expanded Juneau Senior Center as well as a senior center system in Juneau
11. Support information and referral through the Aging and Disability Resource Center (ADRC) and other ways for individuals to learn more about available services and housing options.

ORGANIZATION OF THE REPORT

This report is organized into seven chapters as follows:

Chapter 1: Executive Summary + Introduction. This chapter introduces the report and provides an executive summary of the process, methodology, key findings, and recommendations.

Chapter 2: Community Process + Methodology. This chapter summarizes the project history, forecast methodology including the process for integrating community preferences, key informant interviews, state datasets, and existing studies.

Chapter 3: Demographics. This chapter provides an overview of the Juneau population, with an emphasis on the senior population, including migration and retirement trends.

Chapter 4: Senior Housing + Service Options. This chapter outlines the continuum of care for seniors in Juneau and identifies current gaps.

Chapter 5: Cost + Payment. This chapter provides an overview of the costs for senior housing and assisted living, payment options for the continuum of care including a summary of Medicaid programs and an overview of income levels in Juneau. An estimate of “gap seniors” is provided. These are seniors who make less than \$60,000 per year but are above the income limits for state assistance. For these seniors, it will be challenging to find the necessary resources to cover the cost of assisted living, if they need it.

Chapter 6: Assisted Living Demand Forecast. This chapter details the forecast demand model including the methodology and the results.

Chapter 7: Recommendations for Juneau Assisted Living. This chapter synthesizes the demand forecast with the interview themes and workshop results to outline initial recommendations for senior housing and services, with a focus on assisted living in Juneau.

The Appendices contain details and additional information that support the report’s findings including the background references, key informant interview list, a detailed analysis of migration trends, a summary of case studies, and a short introduction to Medicaid. The PowerPoint and audience polling results from the July 29, 2014 community workshop are included as a separate file.