



THE PINES

AT • DAVIDSON

A Life Plan Community • 400 Avinger Lane • Davidson, NC • 704-896-1100 • www.thepinesatdavidson.org

Better a Year Too Early Than a Day Too Late: A Guide to the Admissions Process at The Pines

Considering a future residence at The Pines? Now what? What paperwork must be submitted? How will the admissions process work? What steps will need to be taken once a living accommodation is reserved? The admissions process at The Pines includes a number of steps, but it does not have to be overwhelming. Think of it as small steps taken on a journey to your future.

First, strongly consider becoming a part of the **Future Residency Program** at The Pines, which includes a waiting list for living accommodations. Many Future Residents are on the waiting list five to ten years or more, before they are ready to move to The Pines. They are referred to as Future Residents with **Active Status**: They are not necessarily interested in being contacted at the first opportunity that their desired living accommodation becomes available. Some prospective residents like to think of the Future Residency Program as a kind of insurance policy. Some families join the program “just in case.”

For many older adults, there comes a time when they realize they would benefit sooner rather than later from the many services and amenities offered at The Pines:

- delicious, well prepared meals in the beautiful dining room;
- regular housekeeping services;
- a skilled maintenance staff that helps eliminate the typical worries that accompany home ownership;
- access to various indoor and outdoor common areas including a warm water therapy pool, strength and cardiovascular exercise equipment rooms, a television/game room with adjoining beverage lounge, a living room, library, woodworking shop, billiards room, outdoor gazebos, fountains, garden areas and walking paths;
- a Wellness Clinic staffed by a registered nurse six days per week;
- activities and exercise classes; and,
- 51 private nursing rooms and 30 private assisted living rooms



These Future Residents are prepared for the next step, **Ready Status**, which occurs six months to one year prior to expected move-in. At this point we recommend sitting down with a Marketing Representative at The Pines to review the next steps. This will help us to understand the type of living accommodation desired and allow us to provide guidance through the admissions process.

One reserves a living accommodation at The Pines by executing a Residence & Care Agreement and paying a deposit equal to 10% of the entrance fee of the residence selected. Typically, it is about 90 days until move-in.

Three distinct steps are accomplished during the first 30 days of the admissions process. **First**, we ask for an updated financial statement. This screening of all applicants is a crucial part of maintaining the financial stability of The Pines and, consequently, the security of its residents. The Pines uses an actuarial based financial screening model to qualify prospective residents. The present value of the applicant’s future costs over his or her expected lifetime is compared to the present value of his or her fixed income and net assets to determine financial eligibility. Occasionally, an applicant with very limited financial resources may have one or more family members provide a financial guaranty in order to meet the admission requirements.

Next, we ask for an update to the Personal Health History and to have a physician complete a Medical Certificate. Such health and medical information is used to determine whether a prospective resident can take care of himself or herself in residential living activities and to confirm that his or her health profile does not present a significant risk of imminent healthcare needs. This

is important because The Pines has a finite number of assisted living and nursing accommodations. **Finally**, we invite the Future Resident to meet with our Director of Social Services for a personal interview. One purpose of the personal interview is to determine whether a prospective resident will thrive in a community-oriented setting.

The information provided by a Prospective Resident is considered by The Pines' Admissions Committee comprising members of The Pines' senior management team representing different disciplines, including the physician who serves as The Pines' Medical Director. Although it is rare, there are times when The Pines' Admissions Committee must decline an applicant. When this happens, The Pines' policies prohibit its staff from communicating the specific reasons for such decision, much the way a college or university handles such matters. The most frequent reason for disapproval of an application is a significant risk of imminent healthcare needs. In many instances, the applicant would have been approved if he or she had simply applied sooner. Occasionally, an applicant may also be disapproved if he or she has insufficient financial resources. In such case, if the applicant has not been able to accumulate wealth because he or she lived a life of service, such as a teacher or minister, and the applicant either has no family or his or her family has limited financial resources, he or she may be considered for a grant from The Pines' Entry Assistance Fund (see separate article). If the Entry Assistance Fund is not an option, then the applicant may ask one or more family members to provide a financial guaranty.

Most applicants to The Pines are approved by the Admissions Committee within 30 days after reserving a living accommodation.

Following admission approval, the Future Resident chooses paint and flooring selections for their residence and indicates any custom changes desired.

The prospective residents must take occupancy of his or her living accommodation within 60 days of being notified of admission approval. During this time, the renovations on the living accommodation are completed.

The 90-day process helps ease prospective residents through a range of emotions they might experience. Sometimes prospective residents initially have apprehension and anxiety about whether they are making the right decision, but as the moving day approaches, most residents have become excited. By the time they arrive at The Pines, they are ready to experience fine dining without preparation or cleanup, as well as stimulating activities and the joys of maintenance free living. Independent living takes on a whole new meaning!

Focused on encouraging companionship, our Resident Welcome Committee eases the transition into the community by inviting New Residents to meals and activities, introducing them to friends, and assisting them throughout the first week or two. Very soon, there are many new friends with whom to share a new lifestyle!

We understand that making the decision to move to The Pines may not be an easy one. Rationally, one may know it is time to move to The Pines but may not be ready emotionally. For some it seems the decision gets harder the longer they wait, and some people simply miss the opportunity altogether, because they waited too long. No one has a crystal ball that predicts the future. So if one is still sitting on the fence about moving to The Pines, it may be good to recall what Sarah Jetton, one of The Pines' founding directors and residents, stated years ago, "There's never a **right** time to move to The Pines. It's either too soon or too late." We encourage coming early. And do not forget that actively choosing this move is a wonderful gift to your family....It won't be regretted! 🌸

Resident Support Fund

Residents of The Pines come from all walks of life with varying assets and income levels. Through the support of many donors, the Resident Support Fund was established to help residents of modest means who met The Pines' minimum financial requirements at entry but who then outlive their resources.

Unforeseen causes can deplete residents' financial resources. The Pines must anticipate and plan for the needs of current residents who met the financial requirements when they moved into The Pines, but who live significantly beyond the average life expectancy or spend more time than anticipated in The Pines' Health Center. Residents qualify for assistance when their net assets diminish to \$10,000, and their income is inadequate to cover monthly fees and basic living expenses.

The Pines' Board of Directors established several criteria to verify the financial needs of residents seeking assistance from the Resident Support Fund. To ensure that the Resident Support Fund is used for its established purpose, a confidential financial reconciliation from time of entry is required, and copies of past tax returns are reviewed. 🌸



Health Care Services Right Around The Corner At The Pines

The Pines' Schramm Health Center provides independent living residents with the security of knowing that should a need arise, onsite healthcare services are available to them. A Wellness Clinic, staffed by a registered nurse, is open six days a week for independent residents who may request a blood pressure check, first aid, lab work ordered by a physician or answers to general medical questions. The Schramm Health Center also provides three levels of residential care: assisted living accommodations, nursing care rooms (for individuals recuperating from a hospitalization or who need permanent assistance from licensed nursing staff), and a memory support wing. Recent initiatives, such as the Great Gait™ program (developed to improve Health Center residents' leg strength, balance and walking ability) and "It's Never Too Late" system, which provides a large array of computer-based activities, reflect The Pines' commitment to keeping residents at the "center" of care.



Health Care residents are supported by an interdisciplinary Continuous Quality Improvement Team, which includes The Pines' Medical Director, Nursing staff, social worker, dietician, pharmacist, Plant Services staff and Administrators. Together, they monitor areas such as weight loss, falls, infection control, and medications to identify trends or opportunities for improvement. As a team, they strive to provide outstanding service that meets the needs of all Health Care residents. 🌱

Affordability and Entry Assistance Fund

Residents of The Pines at Davidson come from many different places, professions, faiths and interests. Together, they create a caring community of friends, inspiring and supporting each other.

Some applicants are daunted by the costs related to living in a life plan community. These concerns can be alleviated when one learns about the affordable residential options at The Pines. Since 1988, The Pines has provided more than 35 Studio and Deluxe Studio accommodations that are accessible for individuals of modest economic backgrounds. As of April 2020, a Studio entrance fee is \$47,800 and the associated monthly fee is \$2,631. If a person owns his or her home, has a modest amount of fixed income from a pension or Social Security, and no significant outstanding debts, The Pines can be affordable, particularly for a person who approximates the average age of entry to The Pines of 79 to 80. Many potential applicants do not realize that these living accommodations are available. Importantly, all residents, whether they live in a Studio or in the most expensive living accommodation offered by The Pines, are able to take advantage of all community spaces, including the Dining Room, Workman Wellness Center, Library and other social gathering spaces.

There may be an individual of modest means seeking to live at The Pines who does not meet the minimum financial requirements for entry because he or she had led a life of service in their profession (a minister or missionary, for example). The Pines' Entry Assistance Fund seeks to address this need, though currently, its resources are limited. The Pines' policies provide a hierarchy of need with respect to applicants for Entry Assistance: first priority is



given to prospects with no immediate family (sibling and children) and second priority is given to prospects who have immediate family but such family members do not have the financial resources to provide a guaranty.

Since it is a 501(c)3 non-profit organization, The Pines can accept tax-deductible donations for its Entry Assistance Fund. When there are sufficient resources in this Fund, The Pines can help applicants facing such circumstances. One individual may need a small amount of assistance while another applicant may need more substantial funds. The Pines carefully reviews an applicant's financial records to confirm that resources were not distributed inappropriately prior to requesting admission to The Pines. These rules are applied consistently to all applicants. Federal tax rules prohibit The Pines from providing financial assistance to former officers or directors of The Pines, beyond what The Pines would ordinarily provide to any unrelated person.

The financial screening of prospective residents is necessary to ensure the financial stability of The Pines. If too many residents over time became unable to afford the services of The Pines, the security of all residents would be jeopardized. 🌱



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Benefits and Responsibilities Related to The Pines' Non-Profit Status

Since its beginning in 1988, The Pines at Davidson has been a 501(c)3 non-profit organization. Consequently, its residents have benefitted from the tax-exempt status that has helped The Pines remain more affordable and accessible for residents from a wide range of economic backgrounds. Many Pines' structural and programmatic additions were funded through charitable contributions resulting from The Pines' tax-exempt status. These donor funded additions include the Warm Water Therapy Pool, Workman Wellness Center and Purcell Wing for Memory Impairment. Without donations, increased entrance and monthly fees would have been needed to fund these improvements, jeopardizing The Pines' affordability.

The Pines' non-profit status has also enabled it to remain tax-exempt from federal and state income taxes as well as state sales tax. Additionally, The Pines is exempt from property tax, but

makes voluntary contributions to the Town of Davidson in recognition of the Town's services to The Pines, such as the fire department and others.

In order to continue to qualify for this exemption and remain a public charity, The Pines at Davidson has the responsibility to heed regulations set by the Internal Revenue Service. For example, federal tax rules prohibit The Pines from providing any special treatment that results in financial benefit to an organization's current or past officers or directors beyond what The Pines would ordinarily provide to an unrelated person. Also, under the Internal Revenue Code, a 501(c)3 non-profit organization is "...absolutely prohibited from directly or indirectly participating in, or intervening in, any political campaign on behalf of (or in opposition to) any candidate for elective public office". In addition, a non-profit organization may not engage in "substantial legislative activity (commonly referred to as lobbying)"; with

substantiality determined by a variety of factors including the time and expenditures devoted by an organization to the activity. Historically, The Pines has engaged in very limited lobbying activities which have not been substantial to its operations, such as when it encouraged residents to write to their State of North Carolina House and Senate members asking for the sales tax exemption for non-profit organizations not to be rescinded.

Violating these federal tax rules may result in financial penalties, and in the first example, both for the party receiving a special financial benefit and The Pines, or lead to the revocation of a nonprofit organization's tax exempt status.

Adherence to these regulations is crucial to assure the continued stability of The Pines and the welfare of all its current and future residents. 🌲