

RESIDENTIAL CARE HOUSING: SMALL BUSINESS OPPORTUNITIES

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While the number of frail elderly people is increasing, options for long-term care are limited and families may no longer be able to care for their elderly members. The health of some of these elderly is to the point that they need supervision, but not yet institutionalized care, such as that provided by nursing homes or hospitals. These frail elderly can best benefit from stimulating family-oriented long-term care environments, such as residential care. Besides providing background on the rationale and need for residential care homes, this session will include topics of interest to individuals interested in starting a residential care business.

The theme for the conference "East Meets West: Housing for People of Diverse Cultures" allows for a broad approach to the topic of housing. All cultures, both eastern and western, are experiencing aging populations. Regardless of the culture, long-term residential care homes are housing options that can be important to the elderly, their families, their communities, and to local/federal governments.

For the first time in world history, a large proportion of the population is 65 years of age and over. By 2010 there will be an even more remarkable surge in the number of older persons. This very old group will account for almost one-fourth of the projected growth in the older population over the next 20 years (Hobbs and Damon, 1996; AARP-AoA, 1994). Society, in general, is now beginning to consider the diverse needs of the frail elderly, including housing.

Many of these elderly individuals will resist making a commitment to a nursing home or institutionalized care facility. They do and will continue to opt for living independently in their own homes or at least will want to remain in their own towns, neighborhoods, or geographic areas, near family and friends. Traditionally, the family has been the primary care-giving unit for elderly parents and other relatives. However, many families, because of mobility, the development of career opportunities for women, and housing conditions, can no longer care for their frail elderly relatives. (MacLeon, 1987; Longino, 1994; Williams, 1991).

As a result, housing options for long term care need to be expanded, and we do see a widening continuum of such care. The Residential Care Environment is one in which the home owner converts the respective home or builds new housing to accommodate a small group of elderly who can no longer live alone, but who do not require nursing care. Residential and assisted living is the fastest growing type of housing for the elderly, and some of these are large business enterprises. Federal and state housing funds are available to support the development of residential and assisted living housing units (Williams, 1991; Hobbs and Damon, 1996).

Both small group homes and larger franchised enterprises provide a “family-like setting” in which services can be delivered in a more personalized way, where socialization can be more stimulating and interesting to the older person, and where some personal pieces of furniture and other belongings can be maintained. In general, it is where living is more “home-like.”

When families establish a Residential Care Home, they are not only providing a much needed service for the elderly at a lower cost than institutional care, but are also improving the “quality of life” for elderly clients, while generating new jobs and income that benefits the local community. Promoting residential care homes as a business venture is a viable concept with the capacity for creating new income-producing services (Williams, 1991; Sirocco, 1988).

Several factors need to be considered by individuals or family members interested in starting a residential care home business. This applied Cooperative Extension program (handouts and in-service training plan) includes: purpose, objectives, needs assessment, descriptions of services available to the elderly, the role of residential care in the community, business management and organization, human resource planning for personnel requirements, respite care, regular help, and needs for physician and registered nurse services.

In addition, information about nutrition and food service, standards, licensing and legal restrictions is presented. The consideration of resident needs such as recruitment, client and operator responsibilities, policies, contracts and care plans, and special needs (recognition of talents, interests such as pets) are also included. Financial factors such as cost-benefit analysis, success/failure variables, and sources of funding (private funds, trusts, veterans, federal/state, transfer payments, and loans) are also discussed (Smith, Willis, and Weber, 1987; Austin, 1997; Ashley and Arnold, 1986; Haiminn, 1992; Cook, 1997; Gessman, 1998; Young, Carver, Holland, Rockstad, Stoll, and Weiss, 1996).

Given recent visits and informal surveys of housing and long-term environments in China and Japan, it is evident that the concept of residential care is of interest in those cultures. Families in all cultures are experiencing the same changes that are taking place in western cultures and these impact the ability of children to provide care for their elderly relatives (e.g., more women working, changing attitudes wherein young families move away and/or do not want to live with older family members, and limited housing options). Given the vast numbers of citizens in these countries, there will be an even greater need for diverse housing than exists in the U.S. (Phillipson, 1997; Pastalan, 1997).

In one recent study (Phillipson, 1997) involving the countries of Canada, France, Norway, and Great Britain in the investigation of *Family Ties and the Nature of Care*, it was found that new policies are needed to emphasize the need to coordinate formal

and informal networks, to reduce the pressures on caregivers, and to provide advocacy and empowerment for the caregiver as well as for the elderly person. There is a widely held view that the solid family social construct is not as strong as might be perceived and that "family care" is entering a new phase. These positions support the need for local residential care environments.*

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