



**PLANNING
DECISIONS**

Research & Planning

The Demand for an Adult Family Care Facility on Islesboro, Maine

**Prepared for:
The Beacon Project
Islesboro, Maine**

**Prepared by:
Planning Decisions, Inc.
P.O. Box 168
Hallowell, Maine 04347**

March 2004

Table of Contents

Introduction.....	1
Market Area	2
Islesboro Market Area.....	2
Survey.....	6
Experience of Other Adult Care Homes.....	9
Lessons from Other Adult Care Homes	12
Market Demand	12
Conclusions and Recommendations.....	13

Introduction

The Beacon Project is planning to build a 6-bed adult family care home on Islesboro, Maine. The purpose of this study is to estimate the demand for the beds that will be built, and for any additional beds in the future. It is also to make design and service recommendations for this project.

The home will be centrally located on the Main Road, across from the Town Office, Health Center, Public Safety, and close to the Post Office, a small grocery store, and a church. The building will be a two-story home comprising of approximately 5,000 square feet. The first floor will have six private bedrooms for residents with private half baths, a kitchen, and a large living room/common space. The second floor will have a manager's apartment.

Location of Proposed Adult Family Care Home



The project will be licensed as a level III residential care facility by the State of Maine, three beds will be reserved for residents financed through the MaineCare program (Maine's Medicaid program). The remaining three beds can be any combination of private pay or MaineCare. Because a facility of this type can accept both MaineCare and private pay residents, income is not a barrier to admission. Private pay residents can spend down their assets until they are eligible to enroll in MaineCare. Therefore this study excludes no otherwise eligible elderly person on the grounds of too little or too much income.

Market Area

Islesboro is a narrow 14 mile long island, with the widest point barely 2 miles across, situated in the upper Penobscot Bay, about 3 miles east of Lincolnville, Maine.

According to Cathy Cobb of the Bureau of Elder Services, the market for an island adult family care home is usually the island itself. Generally mainland residents will not consider moving to an island for care because of its remoteness in terms of travel time and distance.

This is confirmed by experiences from two residential care facilities on Maine island communities, Calderwood Home on Vinalhaven and Island Commons on Chebeague. All six residents at Calderwood were year-round residents from the island, and two of the six moved back from mainland assisted living facilities to be 'home.' Four of the six residents of Island Commons were year-round resident from the island, while the remaining two were longtime summer residents before moving into the home.

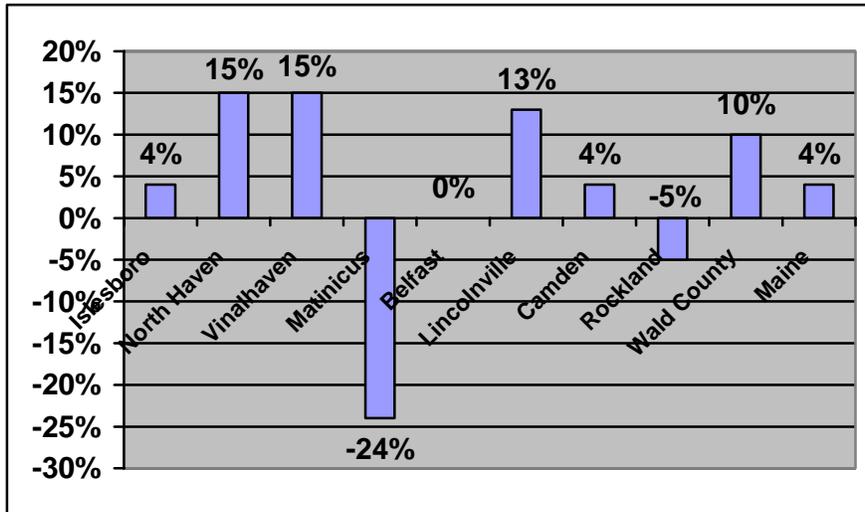
For this reason, the market area for the Islesboro project is the island itself.

Islesboro Market Area

Islesboro is a small year-round community. According to the U.S. Census, in 2000 there were 603 people living year-round in 280 households on Islesboro. Vinalhaven, Islesboro's close neighbor, is the largest island community in the Penobscot Bay with 1,235 people living year-round. And although Islesboro is the second largest, it is still roughly half the size of Vinalhaven.

Islesboro's population and household growth has been slow in the 1990s. Year-round population grew by 24 and year-round households by 8 (4% and 3% respectively). In contrast, seasonal households increased by 26%. Below is a chart illustrating the population growth for Islesboro; neighboring islands and towns; Waldo County; and Maine. Islesboro's growth is similar to Maine's.

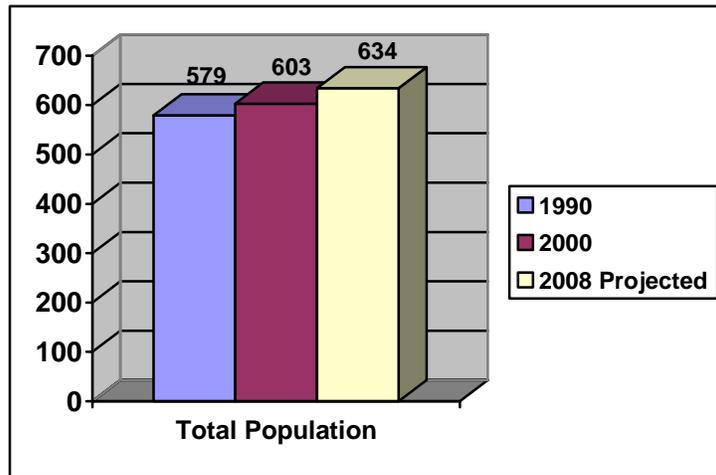
Population Growth 1990-2000



Source: U.S. Census 1990 and 2000 SF1

By 2008, Islesboro's population is projected to increase by 5%. This is the same projected increase for Islesboro's older population (see charts below).

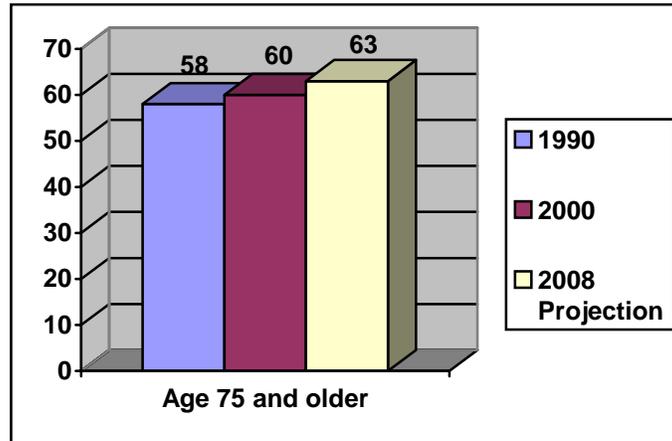
Population on Islesboro



Source: U.S. Census 1990 and 2000 SF1, Claritas, Inc.

In 2000, about 20% of Islesboro’s year-round population was 65 or older and about 10% was 75 or older. The proportion of older people on the island has been stable and should continue to be so. This is a higher proportion than the State of Maine, when in 2000 14% were 65 or older and 7% were 75 or older. The chart below shows that the number of people 75 or older has slightly increased over the years.

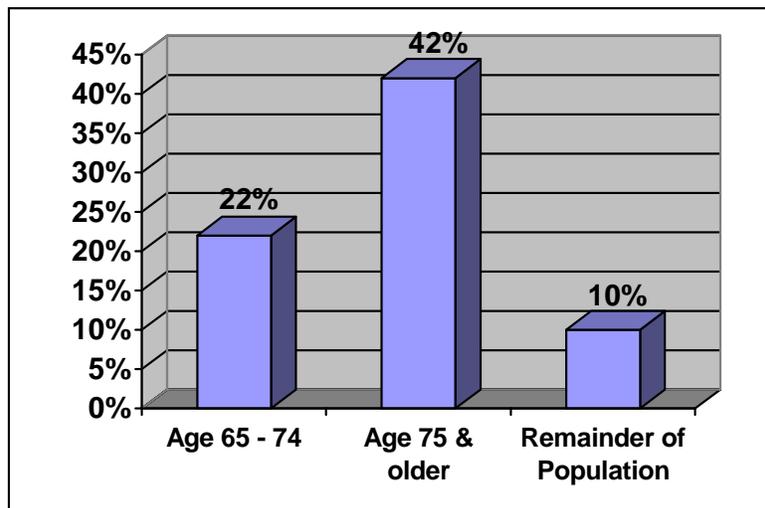
Population 75 Yrs. Old or Older On Islesboro



Source: U.S. Census 1990 and 2000 SF1, Claritas, Inc.

As people age on Islesboro, their tendency to live alone increases. Of the 60 people between the ages of 65 to 74 in 2000, 13 lived alone. Of the 60 people age 75 or older, 25 lived alone. In comparison, only 10% of the remainder of Islesboro’s population lived alone.

People Living Alone On Islesboro, 2000

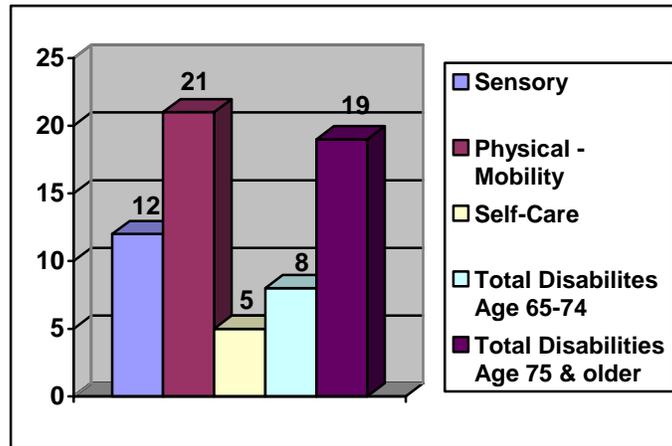


Source: U.S. Census 2000 SF3

In 2000, 42% percent of the people age 75 and older were men, while 58% were women. Women are more likely to be the ones living alone. In Maine in 2000, women comprised 76% of those aged 65 and older living alone.

According to the 2000 U.S. Census, a total of 27 people age 65 or older had one or more disabilities on Islesboro. This means 13% of the population 65 to 74 and 32% of the population 75 or older had one or more disabilities. Physical or mobility disability is the most common disability among people age 65 and older.

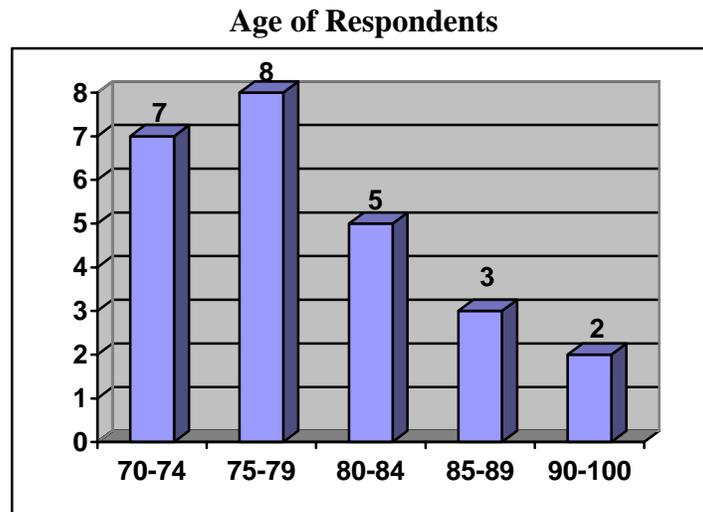
Disabilities for People Age 65 & Older on Islesboro, 2000



Source: U.S. Census 2000 SF3

Survey

As part of the research for this study, Beacon Project volunteers administered 26 surveys to selected Islesboro residents between the ages of 70 and 100. Eighteen (about 70%) were 75 years old or older, with the average age being 79. The 18 respondents age 75 and older represent 30% of the population age 75 and older living on Islesboro in 2000. Seven respondents were age 70 to 74, representing 27% of Islesboro's population age 70 to 74 in 2000. One respondent did not offer his/her age. Fifteen of the respondents were single and 10 were married. Two-thirds of the respondents were women. About half had a pet or pets, ranging from fish to dogs. About 9 in 10 owned their own home.



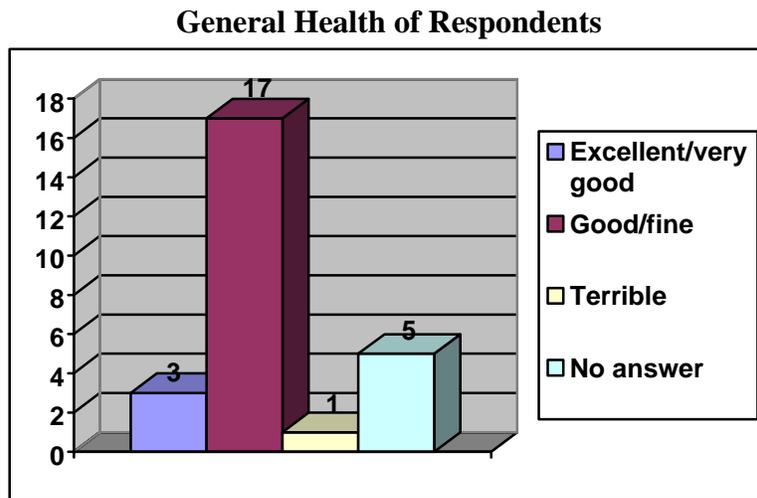
Most (23) respondents had heard about The Beacon Project's proposed elderly housing. Most respondents thought it was a good idea because seniors won't have to leave the island and their community. Although the majority of the respondents had heard about the project, the questions they raised demonstrated the level of understanding about the project is minimal. The greatest concern was for information about the costs and affordability of being a resident at the home.

After reviewing the design of the home, 84% of the respondents had positive comments about its location. They especially liked that it was close to the road and close to the Health Center, Fire Department, Town Office, and a store. The majority of the respondents also had positive comments specifically about the rooms and the common areas. One feature that 4 respondents (15%) disliked was the lack of showers in the private bathrooms. Discussions with adult family care homes on Vinalhaven and Chebeague Island indicate that half baths are standard in the private bedroom settings, with one community bathroom includes a walk-in shower and bathtub.

Of the possible services and programs that were listed as being provided by the home, the majority of the respondents were interested in all but one. Internet access was important to 12 (46%) of the respondents. There were about twelve additional services or activities that were important to the respondents including:

- lectures
- small library
- gardens
- bingo, beano, cards
- pleasure rides around the island
- garage or carport
- covered walkways
- group trips to flower shows, leaf peepin', etc.
- putting green
- arts and crafts
- movies, school plays
- call buttons in resident rooms

The respondents rated their health from excellent to terrible, with the majority (65%) saying good or fine (see chart below). Eight (31%) of the respondents indicated that they had no physical limitations or serious medical conditions. Only 4 (15%) indicated they had physical or mobility limitations, while 15 (57%) indicated they had medical conditions. The medical conditions varied greatly but, the most commonly mentioned were arthritis (4), blood pressure (4), heart (3), diabetes (2), breathing (2), and osteoporosis (2).

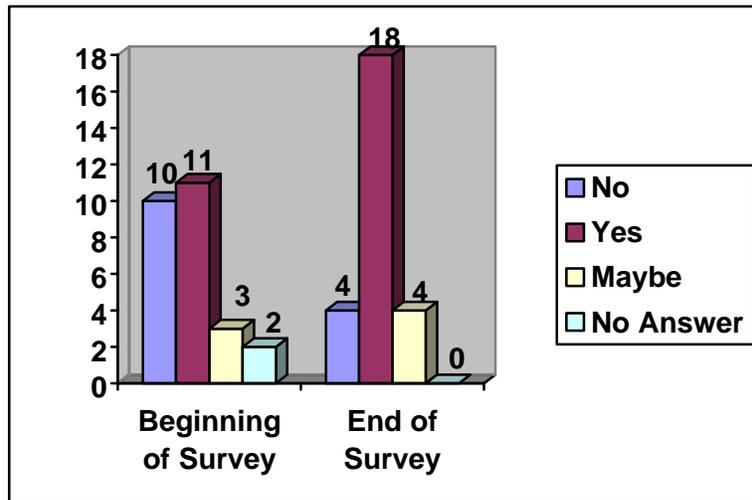


At the beginning of the survey, before the design of the project was shown and explained, about half (14) of the respondents said they might be interested in living at the home (38%, 10, had no interest).

By the end of the survey about 4 in 5 (22) of the respondents said they might be interested in living at the home. Only 4 respondents still expressed no interest in living at the home. Eight respondents had changed their minds after hearing the details of the project.

Despite this, the majority of the 22 respondents who were interested in living at the home wished to stay in their own homes for a while or for 'as long as I can.'

Respondents Interested in Living in The Beacon Project Home



Of the 18 respondents age 75 and older, 11 said yes they would be interested in living in the proposed Beacon Project home and 4 said maybe (at the end of the survey). This is about 83% of the respondents age 75 and older. Of the 11, 2 respondents didn't have any physical limitations or serious medical conditions, 2 had physical limitations, and 7 had medical conditions.

Of the 7 respondents age 70 to 74, 6 said yes they would be interested in living in the proposed home (by the end of the survey). Of the 6, 2 respondents didn't have any physical limitations or serious medical conditions, 1 had physical limitations and a medical condition, and 3 had medical conditions.

When the whole group was asked about alternative plans if they are unable to stay in their current home, 14 (54%) said they had no plans. Twelve (46%) had alternative plans ranging from moving in with family, or moving into a retirement home, or moving into a nursing home on the mainland.

In summary, respondents generally liked the project, including its location and design, and would consider living there. Most respondents did not have plans for the future and wanted to stay in their current home for as long as possible. An accident, illness, pressure from family, or some other life-altering event would have to happen before these respondents would make a decision about alternative housing. Respondents liked the concept of elderly housing on the island because it would allow them to stay on the island, in the community that they are part of.

Experience of Other Adult Care Homes

There are several adult family care homes, or licensed level III residential care facilities, throughout Maine. Two can be found on islands, Island Commons on Chebeague Island and the Ivan Calderwood Home on Vinalhaven. Another five homes in Lincoln County, run by the nonprofit organization ElderCare Network of Lincoln County, are similar in nature because they are located in small rural communities. The experiences of these homes are examined below.

Islesboro Compared with Other Towns, 2000

Town	Population	Population 75 & older	% of Population 75 & older	# of Beds filled by Residents	% Captured	% of Population 16 & older in Workforce
Islesboro	603	60	10%			57%
Vinalhaven	1,235	107	9%	6	6%	54%
Chebeague	356	40	11%	4	10%	n/a
Boothbay	2,960	232	8%	5	2%	63%
Bristol	2,644	291	11%	5	2%	57%
Jefferson	2,388	139	6%	5	4%	67%
Waldoboro	4,916	375	8%	5	1%	62%
Wiscasset	3,603	201	6%	5	2%	74%

Source: U.S. Census SF1 & SF3

ElderCare Network of Lincoln County

ElderCare Network of Lincoln County operates five level III residential care facilities in the towns of Boothbay, Jefferson, Waldoboro, Bristol (Round Pond), and Wiscasset. All five homes have a capacity for six residents and are full. All have a waiting list, while the lists are shorter for the homes in Jefferson, Waldoboro, and Bristol it is because they are newer facilities and not as well known.

The ages of the residents range from 80 to 98. Two-thirds of the residents are women and one-third men. This is a common ratio, as men don't live as long, and men are more reluctant to move into a community living setting.

Eighty-five percent of the residents are from within the community in which the home resides, while the other 15% are from outside the community, sometimes even from outside of Maine. The major reason why residents move into an adult care home outside of their own community is because they want to be closer to their families (i.e. their children and grandchildren).

Two-thirds of the residents are low-income, meaning that MaineCare is their only source of payment or reimbursement. The other one-third are private pay, but private pay residents usually spend down their funds within a year or two and end up on MaineCare.

The homes of ElderCare are not designed to provide care beyond a certain level. There is usually only one person on duty. Therefore, a resident may have to move on to a nursing home if he/she:

- requires too much care, more than can be provided by an intermittent licensed professional (RN consultant) stopping by
- has mobility issues that requires more than 1 person to transfer the resident
- has a need for regular and ongoing night care.

Island Commons on Chebeague Island

Island Commons has been in operation for little over five years. It is currently full with six residents. One resident is in their late seventies, while the other five are in their eighties. Five of the six are women.

Two-thirds (4) of the residents were year-round residents of the island before moving into the home. The remaining 2 residents were longtime summer residents of the island. All the residents are living in the home because, when given a choice, they wanted to live within their home community.

Two-thirds of the residents are enrolled in MaineCare and one-third are private pay.

Demand for the services of Island Commons fluctuates. Last year they were operating with only 4 residents, but now they have a waiting list of about 4 people. They have not done any marketing to maintain full capacity and most people know about the home through word-of-mouth.

The manager reported that even though there is a need for the home on the island, it usually takes a major illness or crisis for someone to move out of their home. This move is seen as the last move, and it is not an easy decision for most people. The manager has been surprised to find that even some children of seniors are reluctant for their parents to move into the home because they are afraid of what will happen to the family home. The rules of MaineCare have changed so that families can retain their homes, but as the Island Commons' manager is finding out, seniors and their families are not well informed about what happens to their assets.

Other challenges that Island Commons faces include providing the level of care needed by patients; finding and keeping qualified staff; and staying within the budget. People come to the home able to live independently, but become more dependent and needy as time goes on. Now the home finds they need 2 to 3 staff people during peak hours because it takes 2 people to transfer some residents. Island Commons currently has 12 full and part-time staff combined. They are finding that there are not enough people on the island to fill the positions. Mainland employees find that the boat schedule does not coincide with a regular shift period, and that the costs of getting back and forth are high. In most years the home operates at a loss, but donations and fundraising makes up the difference.

Though there are many challenges, the manager of Island Commons sees having the home on a small island community as a major advantage, because in a close-knit community there are numerous volunteers to provide support.

Ivan Calderwood Home on Vinalhaven

The Calderwood home has been in operation since the summer of 2001, about two and a half years. The home is currently full with six women whose ages range from 83 to 92. Two men have lived in the home in the past.

All six women were once year-round residents on Vinalhaven before moving to Calderwood. Two had been living in assisted living homes on the mainland and decided to move back to the island. The home currently has a waiting list of 10 people, but the manager feels that only about 3 of those people are serious enough to move in if there was an opening tomorrow.

Five of the six residents are enrolled in MaineCare, and the sixth is private pay in the process of enrolling in MaineCare. In the past there was an even mix of MaineCare and private pay residents, but eventually private pay residents spend down their assets and enroll in MaineCare.

One of the major challenges for the manager of Calderwood is the number of staff required to run the home. They currently have 7 employees – 4 full-time and 3 part-time. Like Island Commons, the manager has found that people require more care as time goes on, which means having 2 people on duty from 7 am to 8 pm everyday. Fortunately, Calderwood has been able to keep all positions filled with island residents.

Financially each year has been a challenge. In the first year they operated at a loss of about \$29,000, and in the second year they lost about \$18,000. This is due to vacancies. Calderwood estimates that they need about \$800 a month in donations in order to make it work, and they are confident that they can raise this amount. Similar to Island Commons, Calderwood is reliant on the island community for support.

Lessons from Other Adult Care Homes

The lessons from the homes in Lincoln County, Island Commons on Chebeague, and Calderwood on Vinalhaven are:

- People move into an adult family care home at the last moment, because of major illness or crisis. Even so, each home has a current waiting list.
- The majority of the residents are women.
- Most are in their 80's.
- Both Island Commons and Calderwood originally underestimated their staffing needs. The number of staff needed in the future may be an issue for some homes depending on the level of care needed by the residents.
- Island Commons has had difficulty finding and retaining qualified staff, while Calderwood has not. Having a high percentage of the population age 16 and older in the workforce is important. Reliable ferry transportation that coincides with a regular work schedule is also important.
- No marketing, beyond word-of-mouth, is done by any of the facilities.
- Misinformation about Medicaid and asset limitations may deter some from moving into a home.
- The majority of financial difficulty for such homes is due to resident vacancies. It is important that the empty beds get refilled quickly.
- Donations and community involvement are essential.

Market Demand

The tests for demand for the Islesboro facility are applied below. The first is from the survey; the second from lessons from other homes; and the third is from past studies. These three perspectives are helpful in “triangulating” the need, in seeing it from different perspectives.

Indicator 1 – The survey shows 9 respondents over age 75 with physical limitations or medical conditions and an interest in living in the proposed Beacon Project home.

Of the 26 people surveyed, 9 were age 75 or older, were interested in living at The Beacon Project home, and had physical limitations or serious medical conditions. These nine would be the most promising possible residents if the home was to open today. An additional 4 respondents age 70 to 74 were also interested in living the home and had physical limitations or serious medical conditions. These four are also promising

residents, but the experience of other adult care homes indicates that this younger group tends to wait longer before moving in. The results of the 26 respondents cannot be generalized to the broader Islesboro elderly population, because they were not randomly selected.

Indicator 2 – If the Islesboro project achieves the same market penetration as other Maine island adult family care homes, it could expect to fill 6 beds.

Town	Population 75 & older	# of Beds filled by Residents	% Captured	Seasonal Households	# of Beds filled by Seasonal Residents	% Captured
Vinalhaven	107	6	6%	637	0	0%
Chebeague	40	4	10%	314	2	1%
<i>Total</i>	147	10	8%	951	2	0.3%
Islesboro/ Projections	60	5	8%	431	1	0.3%

Islesboro has a population age 75 and older that is 50% greater than Chebeague’s and about half the size of Vinalhaven’s. By averaging the number of beds filled by year-round and seasonal residents on Chebeague and Vinalhaven, Islesboro could potentially fill 5 beds with year-round residents and 1 bed with a seasonal resident.

Indicator 3 – If the Islesboro project achieves State standardized ratios of people with disabilities, it will fill 3 beds.

The Maine Department of Human Services Long Term Care Plan (1987) estimated that 40% of Maine elderly with self-care limitations, and 5% of Maine elderly with physical/mobility limitations, would be likely to live in a residential care facility. There are an estimated 5 Islesboro elderly with self-care limitations and 21 with physical/mobility limitations. This indicates a demand for 2 adult care beds for elderly residents with self-care limitations, and 1 bed for an elderly resident with physical/mobility limitations, or a total of 3 adult care beds.

Conclusions and Recommendations

1. The three methodologies project a demand for 9, 6, and 3 adult family care beds on Islesboro – for an average of 6 beds. The above demand estimates did not take into consideration the number of Islesboro elderly who are currently residing on the mainland in assisted living and nursing homes. Experience from both the Calderwood home on Vinalhaven and Island Commons on Chebeague indicate that there is demand from these mainland residents who would like to move back to their community. With this as an additional cushion, we conclude that there is adequate demand to fill a 6-bed adult family care home on Islesboro. At this time we do not see a need to increase these beds.

2. Additionally, the above demand estimates did not take into consideration the number of elderly who are residing elsewhere, but have adult children living on Islesboro. Experience from the five homes of ElderCare Network of Lincoln County indicate that 1 of 6 residents are from outside of the community who have moved to the home to be closer to their families. Households in these five towns with the householder age 45 to 54 (potential households with elderly parents living outside of the community) range from 228 in Jefferson to 414 in Waldoboro (see table below). In 2000, Islesboro had 57 households with the householder age 45 to 54. At this time, using the average capture rate of 0.33%, the households with the householder age 45 to 54 on Islesboro would not fill a bed at the adult family care home. A second survey of householders with elderly parents living outside of Islesboro would need to be conducted to determine the potential demand from these households.

Town	Households by Householder Age 45- 54	# of Beds filled by non-residents	% Captured
Boothbay	286	1	0.35%
Bristol	238	1	0.42%
Jefferson	228	1	0.44%
Waldoboro	414	1	0.24%
Wiscasset	371	1	0.27%
Average	307	1	0.33%

3. The Beacon Project would greatly benefit from a focused marketing campaign. Fourteen (54%) of the survey respondents have no alternative plans if they are unable to stay in their current home in the future. Educating this population and the community as a whole about The Beacon Project, eligibility, Medicaid, and the like will increase the success of the home and keep vacancy to a minimum.
4. It will take 3 to 6 months for the home to reach full occupancy. Experience from other adult family care homes illustrates that people move to an adult family care home due to a major illness or crisis. Additionally, the majority of survey respondents plan to stay in their own homes for a while or for 'as long as I can.'
5. A few respondents indicated the desirability of having showers in the private rooms. We understand that financial and insurance considerations makes this impractical at this time. From a future marketing perspective, because what is considered acceptable or standard may change, we recommend that The Beacon Project keep the option of adding private showers as a possibility in the future.