

First Comprehensive Look At U.S. Long Term Care Costs Revealed In New Genworth Financial Study

Study includes annual costs for in-home care, assisted living facilities and nursing homes

New York City has highest assisted living costs; rural Florida the nation's lowest

Richmond, VA (January 13, 2005) -- The average cost of long term care in the United States across all services categories was \$72,240 in 2004, according to research released today by Genworth Financial. The company modified its annual Cost of Care Survey to provide the industry's first single-study, comprehensive view of expenses associated with all three major categories: nursing homes, assisted living facilities and home care. The research was conducted among 6,000 providers nationally.

With more and more Americans expressing a desire for in-home care, Genworth says the ability to compare and contrast services have increased in importance.

"As 77 million people approach retirement, growing life expectancy is stimulating demand for long term care and, consequently, driving up costs for nursing homes, assisted living, and home care," said Buck Stinson, president of Genworth Financial Long Term Care. "Taking the right steps to develop a feasible financial plan is becoming increasingly critical."

According to the study, costs in urban areas were 20 percent higher than non-urban areas. In certain markets, such as urban areas of New York, California and Minnesota, the cost of care was more than 40 percent higher than non-urban areas in those states.

Following are key findings from the Genworth survey, broken out by major category.

--Nursing Homes: The average annual national cost of a private room in a nursing home is \$65,200, or \$179 per day. This remains the most costly care option. It also reflects a 13 percent increase over the 2003 daily rate of \$158 per day. The average annual cost of a semi-private room within a nursing home is \$57,700, which translates to a \$158 daily rate.

Alaska continues to have the highest average annual cost in the nation at \$191,400 for a private room, followed by New York City at \$127,900 (14.8% and 21.2% increases, respectively, over 2003). Missouri's non-urban areas had the lowest average annual cost in the nation, at \$41,600.

--Assisted Living: A private room in an assisted living facility has an average annual cost of \$28,800; this includes room and board only and excludes entrance, community fees and additional health care services. New York City has the highest monthly cost for a single bedroom unit at \$5,000; non-urban areas of Florida check in with the lowest costs at \$1,587 per month.

--Home Care: Across all 3 home care provider types, home health aide and homemaker services averaged \$18.65 and \$16.67 per hour, respectively. Providers were classified into 3 categories because of the significant variation in certification and licensing: certified home care providers, licensed home care providers who are not Medicare certified, and non-licensed home care providers who are also not Medicare certified.

Other Findings

In 2003, the cost of a private room in a nursing home in Louisiana had the lowest average annual cost, but increased 21.6% to \$43,658 in 2004. The highest average cost increase for a private room in a nursing home was 30%, in Delaware. Average costs declined in three regions: North Dakota at

-31%; Nebraska at -8%; and Maine at -2%.

The accompanying charts offer additional key regional and national findings from Genworth's 2004 Cost of Care Survey. More information, including a comprehensive summary, can be found on www.Genworth.com.

- [Daily Rates for a Private Nursing Home Room](#)
- [Highest/Lowest Costs of Care for Private Nursing Home Room](#)
- [Highest/Lowest Costs of Home Health Aide](#)
- [Highest/Lowest Costs of Care for Homemaker Services](#)
- [Highest/Lowest Costs of Care for Assisted Living Facilities](#)

Genworth Financial commissioned CareScout to conduct its annual cost of care survey. Research was conducted from July through October of 2004, and then fully analyzed. The survey included feedback from more than 6,000 providers in 88 separate regions in the U.S. More than 2000 participants were polled from each of the three categories of long term care providers: Nursing Homes, Assisted Living Facilities, and Home Care Provider groups. Genworth Financial's survey also includes assisted living facilities and certified home care providers, licensed home care providers who are not Medicare certified, and non-licensed home care providers who are also not Medicare certified.

Headquartered in Wellesley, Massachusetts, CareScout helps Americans in every state find quality care providers at preferred rates. Large employers, insurance companies, risk underwriters and families rely on CareScout's proprietary quality of care ratings systems, discount network and database of more than 77,000 nursing homes, assisted living facilities and home care agencies.

About Genworth Financial

Genworth Financial (NYSE: GNW) is a leading insurance holding company, serving the lifestyle protection, retirement income, investment and mortgage insurance needs of more than 15 million customers, with operations in 20 countries, including the U.S., Canada, Australia, the U.K. and more than a dozen European countries. Genworth is the leading provider of long term care insurance in the United States. For more information, visit www.genworth.com.

###

Contact Information:

Media: Neal McGarity, 203-708-3460
Neal.McGarity@genworth.com

During July through October 2004, Genworth Financial commissioned CareScout to conduct its annual cost of care survey. CareScout, a Wellesley, Massachusetts company that specializes in eldercare provider databases and helps families select appropriate providers nationwide, conducted the survey by telephone in 88 separate regions in the U.S., surveying more than 6,00 providers overall. The 2004 Genworth survey included polling of Nursing Homes, Assisted Living Facilities, and Home Care Providers.