

The Difference Between Nonprofit and For-Profit Assisted Living

Deciding which assisted living community is best for you or a loved one involves making comparisons in a number of areas. One such comparison that is often over-looked is the underlying purpose of the community.

For-profit assisted living communities answer to their stakeholders or the chain of communities to which they belong. These communities are designed to turn a profit.

Nonprofit communities, in contrast, are typically affiliated with a group, which could be religious, ethnic, professional, etc. These are mission-driven organizations. While every community charges fees for residents to stay, nonprofit communities reinvest any funds received back into the costs of running the community. So, when you pay for a loved one to live there, your payments feed directly back into the operational expenses of the community.

Quality of Care at Nonprofit and For-Profit Communities

When considering the quality of care a resident will receive, there is no one rule that applies to all communities. However, the structural differences in each type of community can generally impact care in some specific ways.

Because the goal of for-profit organizations is to turn a profit, it's easy for the bottom line to be prioritized. Financially, the more beds that are full in these communities, the more profitable the community. Because each resident pays a fee, it's in the best interest of the community to house as many residents as possible. This can mean residents may not have as much intimate care and attention from caregivers.

Nonprofit communities aren't striving for more and more residents. They do need enough funding to comfortably provide care for the residents living there, and to do so, the community needs to be operated in a financially responsible manner. But because the fees each resident pays are invested back into community operations, residents directly benefit from the financial stability of the community. At a nonprofit organization, the fees paid by the residents go directly to their own care.

As you can see, the purpose of an organization can have a major impact on the level of comfort you feel about the care your loved one is receiving. For-profit organizations are driven primarily by numbers. These communities are in the business to turn a profit. However, nonprofit organizations are in the business of fulfilling their mission and providing outstanding care for their residents.

While there are for-profit assisted living communities that provide great care, your loved one is likely to be more comfortable and well cared for in a nonprofit community. Evaluate each option carefully and choose a community that will be comfortable and provide a welcoming environment for your loved one.