

Important Contract Terms Families Should Understand Before Assisted Living

Financial Responsibility May Be Requested

Some assisted living communities may ask a family member to sign as a guarantor, co-signer, or financially responsible party. If you sign certain agreements, you could assume personal financial obligations depending on the contract language.

Private-Pay Communities May Verify Finances

Because many assisted living communities are private-pay, they may request financial documentation or proof of ability to pay before move-in.

Arbitration Clauses May Be Included

Some contracts contain arbitration or alternative dispute resolution clauses, which may affect how future disputes are handled and could limit the option of going to court.

How to Help Protect Yourself

1. Read the Signature Section Carefully

Terms such as Guarantor, Co-Signer, or Responsible Party can have different meanings. Do not assume they are interchangeable.

2. If Acting Under Power of Attorney

Sign in a representative capacity when appropriate, for example:

Jane Doe, Agent under POA for John Doe

(Use the exact legal authority/title in your documents.)

3. Ask Questions Before Signing

You can request clarification, negotiate certain terms, or have an attorney review the agreement before move-in.

4. Consider Legal Review

An elder law attorney can help explain liability, payment obligations, arbitration clauses, and state-specific protections.

Disclaimer

This information is for educational purposes only and is not legal advice. Assisted living contracts and resident rights vary by state and provider. Always review agreements carefully and consult a qualified elder law attorney regarding your specific situation before signing.