Implications and Practice and Policy Issues of Affordable Senior Housing with Services Options

Implications

The supply of affordable housing options must grow. The number one housing issue facing very low-income seniors is affordability. For some this will mean that “aging in place” is not economically feasible. These older persons may have to move to publicly subsidized housing arrangements to maintain their independence and quality of life. As they grow older many will need supportive services to continue to live there. Over the past 30 years, the supply of publicly subsidized housing has actually declined. Constricted supply in turn results in very low vacancy rates and long wait periods for new entrants. A 2006 survey by AARP found that 10 applicants wait for every unit of Section 202 housing that becomes available.\(^1\) Ironically, adding supportive services into existing affordable senior housing properties may actually exacerbate today’s shortages unless there is growth on the supply side. The longer seniors are able to stay in their own apartments with assistance, the less turnover, and the less capacity to meet new demand. The graying of America over the next 20 years and the associated rise in the prevalence of disability increases the urgency of bringing new affordable senior housing plus services choices to the housing marketplace.

Affordable senior housing with services options are potentially cost effective additions to state long-term care systems. States are under significant pressure to rebalance their long-term care systems away from expensive nursing home modes of care. Pressure from the federal government, budget concerns, vigorous advocacy from the disability community and the Olmstead decision have pushed states to search for community-based solutions to serving individuals of all ages with

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\(^1\) Kochera, A. (2006). Developing appropriate rental housing for low-income older persons: A survey of Section 202 and LIHTC property managers. Washington, DC: AARP Public Policy Institute; This may be an underestimation of the demand as some properties close their waiting list after they reach a certain number.
significant disability. Over half the states have implemented, generally on a very small scale, assisted living facilities (ALFs) under the Medicaid program in the belief they would turn out to be a less expensive alternative to nursing home care. More recently some states have become increasingly concerned about the difficulties of financing and implementing ALFs for Medicaid-eligible recipients. These states have every incentive to take a hard look at residential options that build off of existing housing infrastructure and take advantage of existing community service delivery networks. The recent passage of the Class Act, which will enable some publicly subsidized housing residents and/or their families to purchase a low-cost home care insurance product that could be used to pay for supportive services, should further pique state interest.

**Affordable senior housing with services options may enhance housing providers’ capacity to comply with Olmsted and fair housing laws.** Housing finance agencies and housing providers have become increasingly aware that fair housing laws and Olmstead requirements bestow rights on disabled elderly residents that they cannot ignore. Affordable housing plus services programs are a potential tool that can be used by housing managers to insure compliance with these laws. Service linkages may help residents access the necessary supports and resources that enable them to remain safely in their apartment and community.

**Successful affordable senior housing with services options require breaking down long-standing silos between housing and services.** For many years, knowledgeable observers have pointed out that federal, state and local housing and health and supportive services policy makers largely operate in their own orbits. They have little understanding of how the policies and regulations they promulgate impact the ability of low-income housing providers and aging services agencies to collaborate to assist older residents who wish to remain in independent living environments for as long as possible. While advocates for the homeless have done a good job in advancing their agenda to integrate health, employment, education and other critical services into supportive housing for their constituency, analogous efforts have not taken hold in the aging community.

Aligning affordable senior housing practices and policies with those of home and community-based services to promote successful affordable housing plus services options will not be easy. Many issues and questions must be addressed. For example:

**Practice Issues**

Effective implementation of affordable housing plus services options also raises many practice issues for housing sponsors, managers and staff and community services agencies and providers.

- There is an overarching difficulty of programatically and philosophically reconciling resident preferences to remain in independent housing with their growing need for health and supportive services.

- Anecdotal evidence and some research suggests that numbers of housing sponsors, managers and other staff have little interest in or outright rejection of their role in helping residents continue to live independently in the face of declining health and/or increased disability. The
attitudes behind this thinking are likely influenced by fundamental values about the purpose of publicly subsidized housing, constraints placed by employers, inadequate or no training on the aging process, lack of knowledge of the resources that are available to respond to resident needs or how to collaborate with potential community partners, and a lack of time to do so.

- The role of the service coordinator is ambiguous and their capacity uneven. There appears to be little shared understanding across properties about how proactive service coordinators can be in targeting residents most in need, to what extent residents health and functioning can be formally assessed and tracked, and how much hands on help can or should be provided. Training is limited and some service coordinators seem to lack the capacity to address issues related to very frail and/or disabled residents. Many service coordinators are skilled in social work, but do not have health-related backgrounds that may enhance their ability to identify and address resident health issues. Few properties have staff with health-related training, such as nurses.

- Housing finance agencies, housing sponsors and aging services providers lack a track record in establishing and maintaining working relationships.

- The infrastructure is lacking to disseminate information and provide technical assistance to housing providers to capture and share emerging experience.

**Policy Issues**

- There is no consensus on the goals, outcomes and performance measures funders should expect in return for financing affordable housing with services options. There are many possibilities. Physical and mental health will be improved. More residents will participate in prevention and wellness activities. Quality of life will be improved. Unmet need for services will be reduced. Affordable housing with services options will substitute for ALFs for very low-income seniors at a lower cost. Independence will be prolonged and nursing home use reduced. Accidents and falls will be reduced. Use of unscheduled emergency services (ambulance and ERs) will be reduced.

- There is no consensus on whether and how affordable housing with services options should be targeted. Should targeting reflect a more deliberate focus on very frail residents? Services in publicly subsidized senior housing are now provided on a voluntary basis to whoever requests them, meets eligibility requirements or can pay out of pocket. Currently service coordinators are available to all residents to help with what ever problems they face. A lot of time is spent helping residents decipher and access benefits such as health insurance, Medicare and social security issues, and so on. If affordable housing with services programs were to be more explicitly targeted, it would represent a significant change that could impact staffing, costs, the nature and scope of community partnerships and the satisfaction of current residents.

- The most critical core components of an affordable housing with services program have not been identified. Whether programs are targeted or serve a spectrum of residents will influence what these components will be. The ability to have different components is also impacted by factors such as licensing/regulatory requirements and liability concerns.
The capacity of housing managers and staff to implement affordable housing with services programs may need to be evaluated.

Housing finance and reimbursement policies have a significant impact on the ability of policy makers and providers to provide affordable housing with services options. For example, they can affect the size and other physical characteristics of the building, potential economies of scale in service organization and delivery, amenities offered accessibility/ability to be ADA compliant, use of Medicaid waivers to provide supportive services, and the allocation of tax credits to construct properties primarily intended for older adults. How can these policies be aligned with affordable housing with services goals?

Some policies and regulations appear to make it difficult or impossible for housing sponsors, managers and staff to implement affordable housing with services options. For example: state definitions of living arrangements that require licensing; limitations on the role of the service coordinator and/or other staff employed by the housing provider to conduct assessments and provide care management; provisions which prohibit family members or other caregivers to live in with residents to provide overnight care; federal rules governing data privacy, which may inhibit data collection on resident health, functioning and services needs; insurance requirements and liability concerns; local ordinances such as fire and building codes.

The costs of planning and operating an affordable housing with services programs has not been explored. It is not clear how costs should be allocated between public and private payers?

Monitoring affordable housing with services programs must balance the desires of residents for autonomy and the safety concerns of families, providers and regulators.

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