



Elderly Housing as a Platform for Services

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UNMET NEED FOR ELDERLY SUPPORTIVE HOUSING

48.5% of renters age 62 and over paid more than half their income for housing in 2009. [JCHS “America’s Rental Housing” 2011]

1.33 million very-low income elderly renters have worst case housing needs (*i.e.* pay more than 50% of their income in rent and/or live in rent and/or living in substandard housing). [2009 American Community Survey]

By 2020, there will be 1.3 million low-income elderly who require assistance with activities of daily living and an additional 1.3 million with cognitive or mental disabilities. [Seniors Commission Report]





HOUSING PROGRAMS SERVING SENIORS

Seniors heavily represented in most mainstream affordable housing programs: 1 million living in HUD-assisted housing alone

- Traditional public housing
 - Housing Choice Vouchers
 - Buildings subsidized with Section 8 contracts
 - USDA-assisted rural housing
 - Low-Income Housing Tax Credits
- Preservation is a major challenge – nationally, for every 3 units of affordable housing developed, 2 units are lost





NEED FOR SUPPORTIVE HOUSING

Ongoing Joint HUD-HHS Data Matching Study: test the hypothesis that coordinating health care services with supportive housing services can keep very low income elderly from unnecessary emergency room utilization or expensive nursing home care and may save as much money on health care as it would cost on the housing side.

HUD-HHS Community Living Collaboration: Cross agency initiative to find community living options for older adults and people with disabilities at risk of institutionalization or seeking to leave institutional settings. Goal is to foster collaboration between health care and housing agencies at federal, state, and local levels to increase mutual understanding of each others programs, policies, and roles in promoting community living.





HOUSING AS PLATFORM FOR SERVICES – SEC. 202

The Section 202 Supportive Housing for The Elderly Program

- Traditional program provided capital advances to develop supportive housing for very low-income elderly persons, including the frail elderly, and provides rent subsidies to help make projects affordable over the long-term.
- More than **380,000 units** assisted over **50 years**
- Median household income is **\$11,220**; median age is **75 years old**.

No funding for new investments in most recent federal budget. New approach proposed for FY 2013 Budget Request





GUIDING PRINCIPLES FOR REFORMING THE PROGRAM

Better leverage the federal investment to stay relevant in context of current fiscal environment

- President's FY 2013 Budget Request:
 - Better leverages state and local capital dollars for affordable housing such as the Low Income Housing Tax Credit program; and
 - Increases reliance on state housing agencies to process and oversee Section 202 funding;





GUIDING PRINCIPLES, CONTINUED

Ensure that new Section 202 housing serves as a platform for frail and at-risk elderly as well as those aging in place

- President's FY 2013 Budget Request proposes to:
 - encourage state housing agencies to collaborate with state health care agencies to target Section 202 funding to vulnerable elderly populations;
 - encourage sponsors to develop partnerships with health care providers up-front, and not wait until existing residents have aged-in-place; and
 - continue to recognize the need for every multifamily property assisted with Section 202 to serve a range of elderly – not just frail or at-risk of frail elderly





EFFECTIVENESS OF SUPPORTIVE HOUSING

Supportive Housing: Improved Quality of Life at Lower Cost

- **Preventing Premature Institutionalization:** 2008 HUD study found that service coordination in Section 202 housing allows tenants to remain in their homes roughly ten percent longer (6 months) than residents of similar developments without service coordination
- **Lower Cost:** 2008 HUD study of 202 housing found that keeping a resident at home in supportive 202 housing costs less than half to 2/3 of the cost of housing that same person in a nursing home. Similar cost savings would apply to 811.





SECTION 202 SERVICE-ENRICHED HOUSING

Section 202 Service-Enriched Housing

- ❑ Section 202's Assisted Living Conversion Program can now support retrofits to convert properties into service-enriched housing to assist residents in carrying out activities of daily living
- ❑ Long term supports and services to frail and at-risk elderly can increasingly be delivered without licensure by community-based providers.

