Increasing Independent Living Choices through Coordinating Affordable Housing and Medicaid: Housing as an Indicator in the 2020 Long-Term Services and Supports State Scorecard

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People who receive long-term services and supports (LTSS) also need affordable and accessible housing, and many people in subsidized housing need LTSS they are not receiving. Common-sense programs designed to coordinate and streamline access to housing and LTSS for people who need both can help counter this challenge.

Appropriate housing and services and supports are two of the four pillars of the AARP Public Policy Institute’s LTSS Choices framework of basic requirements of people who need services and supports. The additional pillars are: the workforce that provides the services and supports and community integration of individuals through connections to others in their community. The more closely coordinated these four requirements for supporting older adults and people with disabilities, the better the pillars can collectively meet the needs and preferences of each individual.

This paper is adapted from a full report published as part of the Long-Term Services and Supports State Scorecard (LTSS State Scorecard) Innovation series, available here: http://longtermscorecard.org/publications/promising-practices/affordable-housing-and-ltss.

The LTSS State Scorecard focuses on variation in state support for home and community-based services, including affordable housing, to provide more choices for individuals with care needs.
The LTSS Choices framework underlies the AARP Public Policy Institute LTSS Choices initiative, a multifaceted project with an overarching mission to catalyze the transformation and modernization of the nation’s long-term care system into one that provides a wide range of choices to meet the dynamic needs and preferences of consumers and their families. LTSS Choices showcases current successful models that are poised for widespread scaling now, as well as potential models that may take time to fully develop. For more information on LTSS Choices, see LTSS Choices: A Series on Transforming Long-Term Services & Supports.

Linking Affordable Housing and Supportive Services

This paper highlights how three states have addressed concerns about housing and services for Medicaid and state-funded LTSS beneficiaries by linking affordable housing properties with LTSS and other supportive services.

Most states and managed care plans look for affordable housing for individuals as they transition from nursing homes to the community. This paper highlights state programs that proactively link housing with services as the platform for helping low-income LTSS beneficiaries successfully remain in their communities. This reduces the risk of a person needing to move into a higher care, higher cost living environment like a nursing home or other licensed residential care setting. The economies of scale created by clustered service delivery in a congregate setting (also known as employing a clustered care strategy) also help to address worker shortages and have the potential to reduce state home care costs.
How States Deliver LTSS in Affordable Housing Communities

Massachusetts, Connecticut, and New Jersey each developed alternative mechanisms for delivering Medicaid or state-funded home and community-based services (HCBS) to residents in subsidized housing. Massachusetts encourages assigning dedicated vendors to subsidized housing properties serving older adults or persons with disabilities that have a concentration of residents using home care services. Connecticut and New Jersey have created programs through their state’s assisted living (AL) framework.

PROVIDING MEDICAID OR STATE-FUNDED HCBS SERVICES TO SUBSIDIZED HOUSING RESIDENTS: A COMPARISON

<table>
<thead>
<tr>
<th></th>
<th>Massachusetts</th>
<th>Connecticut</th>
<th>New Jersey</th>
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<tbody>
<tr>
<td><strong>Program Name</strong></td>
<td>Supportive Housing Program</td>
<td>Assisted Living Program</td>
<td>Congregate Housing Services Program</td>
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<tr>
<td><strong>Program Description</strong></td>
<td>State contracts with private, not-for-profit entities to provide and pays for services for people living in state-funded public housing properties designed for older adults and people with disabilities.</td>
<td>Licensed agencies provide onsite assisted living services to residents of affordable senior housing communities. The communities themselves are independent living, not assisted living, facilities.</td>
<td>Housing communities partner with a licensed assisted living program provider to deliver services on site to residents.</td>
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<td><strong>Residents</strong></td>
<td>Open to all residents who live in a housing property that operates the program. Eligibility to move into participating housing properties varies depending on type of property and is based on age and income.</td>
<td>Residents must be 65 or older to be eligible and must meet the state’s functional and financial eligibility criteria for Medicaid HCBS. For those who don’t qualify for the waiver, a state-funded HCBS option is available with loosener eligibility criteria.</td>
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<tr>
<td><strong>Workforce and Staffing</strong></td>
<td>Contracted entities provide an onsite service coordinator and may contract out with HCBS providers to serve residents in the community enrolled in state-funded or waiver HCBS. The Supportive Housing program funds the service coordinator, not the HCBS.</td>
<td>Providers must provide adequate staffing for residents, although no specific ratios or number of hours is required. The assisted living agency provides activities of daily living supports and nursing services.</td>
<td>Assisted living program staff deliver the same services available in licensed assisted living residences and must provide or arrange for those services. Providers must staff each site with a minimum number of aides and nursing personnel. One person must be on site 24 hours a day.</td>
</tr>
<tr>
<td><strong>Resident Expenses</strong></td>
<td>None.</td>
<td>Residents pay monthly rent and may receive a HUD subsidy limiting their out-of-pocket costs for rent to 30 percent of their income. Residents who are eligible for the state-funded component are responsible for 9 percent of the cost of services.</td>
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Massachusetts

Massachusetts supports a cluster care strategy through its Supportive Housing Program and encourages the strategy to be used in other affordable senior housing communities. The Supportive Housing Program is a joint program of the Executive Office of Elder Affairs (EOEA) and the Department of Housing and Community Development. The program creates a supportive living environment in state-funded public housing properties serving older adults and people with disabilities by funding coordination and linkages to services, 24-7 emergency response, congregate meals, and social activities.¹

Under this model, the state contracts with Area Services Access Points (ASAPs) to provide services to residents in participating housing properties. ASAPs are state-designated, not-for-profit organizations that serve older adults and their family caregivers. Many but not all ASAPs are also area agencies on aging.

ASAPs staff an onsite service coordinator at each Supportive Housing property who assists all residents in the building with accessing needed benefits and resources. In addition, ASAPs provide HCBS and/or contract or enter into a memorandum of understanding (MOU) with a primary HCBS provider to place staff on site at the housing properties for a certain number of hours per day to assist all residents in the building who receive publicly funded HCBS. About 20 years ago, the EOEA drafted language that ASAPs could use in their contracts or MOUs with home care agencies to define and support these arrangements. Sites bill EOEA monthly. Residents are not charged for any services provided by the Supportive Housing program.

Connecticut

Connecticut expanded its assisted living program to be available in a set of independent affordable senior housing communities in 2000, including the state’s 24 Congregate Housing for the Elderly Program properties and, initially, up to four federally funded senior housing properties.²

The expansion was partially spurred by experiences in the state’s congregate housing program. Some providers were seeing residents whose needs had grown beyond the supports the congregate program could offer. The state believed it made sense to add in the assisted living services to support those residents who had higher needs. Currently, 13 congregate properties and seven federally assisted properties offer the AL program. In fiscal year 2018, 243 residents received AL services across the properties.³

Licensed Assisted Living Services Agencies (ALSAs) provide these services and place staff on site at the housing property for a certain number of hours per day. An on-call nurse is always available. Regulations do not establish a minimum hourly presence or staffing levels but require that adequate

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¹ The program is also available in a few federally funded public housing communities.


³ The number of residents receiving AL services is not necessarily the same as the number of residents eligible for state-funded or Medicaid waiver HCBS as residents choose to receive services through the AL program. Connecticut Department of Social Services, Connecticut Home Care Program for Elders Annual Report to the State Legislature SFY18, July 2017–July 2018, https://portal.ct.gov/-/media/Departments-and-Agencies/DSS/Reports/Annual-Reports/CHCPE-Annual-Report-for-SFY-2018.pdf.
staffing be provided to meet participants’ needs. ALSA services include personal care services, such as hands-on assistance with daily activities.

The Connecticut Home Care Program for the Elderly (CHCPE) pays for these services. CHCPE includes a Medicaid waiver-funded component for those eligible and a state-funded component for those who do not meet Medicaid functional and financial eligibility criteria. Because the asset level and minimum age requirements to move into a congregate or federally assisted housing property differ from CHCPE’s, the Department of Economic and Community Development, one of two sponsoring agencies for the congregate program, may provide a subsidy up to a certain level of care, depending on the individual’s income and assets.

Under this model, participants pay monthly rent and may receive a U.S. Department of Housing and Urban Development (HUD) subsidy limiting their out-of-pocket costs for rent to 30 percent of their income. In addition, residents who are eligible for the state-funded component of CHCPE are responsible for 9 percent of the cost of services.

**New Jersey**

Policy makers in New Jersey wanted to make services available in a range of settings, including subsidized housing properties for older adults, when creating the state’s assisted living program in 1993. The state’s assisted living licensure requirements, however, were incompatible with the regulations for HUD-subsidized housing properties. Specifically, HUD considered facilities requiring a license to be a medical facility, and such a facility would be ineligible to receive HUD rental assistance.

In 1994, the state received a demonstration grant from the Administration on Aging to develop an assisted living model that would be compatible with subsidized housing settings. After the pilot period and an evaluation study, the state amended its regulations to create an assisted living program, which continues today, that is delivered in subsidized housing communities. The program may be offered in any type of subsidized housing community. Currently, it is available in about 15 properties across the state.

Under this model, housing communities partner with a licensed assisted living program provider to deliver services. Providers must staff each site with a minimum number of aides and nursing personnel to address the needs of the residents participating in the program. One employee of the assisted living program or the housing staff must be on site 24 hours a day.

Assisted living program staff deliver the same services available in licensed assisted living residences and must provide or arrange for assistance with personal care, nursing, medications, and dietary and social work services.

Participants pay rent to the housing property. Depending on the type of property, residents may receive a HUD subsidy so their rent is no more than 30 percent of their income. Services are paid for through the state’s Medicaid HCBS waiver for older adults. Residents who are not financially eligible for waiver services can pay privately.

To see additional details about programs in Massachusetts, Connecticut, and New Jersey, see the appendix in *Affordable Housing as a Key Piece of Older Adults’ Long-Term Services and Supports: Solutions That Consider the Whole Equation.*
Program Observations

As states work to strengthen and expand LTSS opportunities in the community, subsidized housing properties for older adults provide a strategic platform for efficiently reaching concentrations of older adults using HCBS. Clustering care delivery in the housing settings has the potential to stretch limited workforce and funding resources, enhance quality of care delivery, extend the ability of people with increasing LTSS needs to remain in their homes and communities, and avoid the need to pay for higher cost settings such as nursing homes.

- **Enhanced efficiency and effectiveness of care coordination**: The clustering created by the Connecticut and New Jersey programs allows onsite aides to assist multiple residents almost simultaneously. This reduces the number of aides needed to serve the same number of people, which could be advantageous given the exploding demand for home care aides and existing aide shortages. Locating direct care workers on site also allows them to see participating residents more flexibly and respond throughout the day at the client’s convenience and during emergencies. Onsite staff provide more continuity of care and create an opportunity for them to notice potential changes in a resident’s condition. By spotting concerns earlier, staff may help avoid urgent health issues or accidents that could result in emergency room visits or hospital stays and lead to further declines.

- **Housing and Service Provider Staff Collaboration**: A purposeful connection between the LTSS provider and the housing property allows staff from both entities to share information, when resident permission is granted, and potentially coordinate activities to meet residents’ needs. Such coordination can minimize disruptions from health issues that can lead to evictions. Service providers can help residents apply for and maintain public benefits that address needs related to social determinants of health and physical and mental health. Collaboration could also potentially lead to expanded supports to residents who may not be eligible for Medicaid waiver services because they do not meet the functional eligibility criteria but could still benefit from some assistance.

- **Aging in Place**: Locating supports in residential settings helps facilitate aging in place, with residents accessing tailored supports as their needs change. The continual presence of onsite staff may allow monitoring that could help prevent or quickly address issues and delay the need to move to a higher level of care.

- **Licensing/Regulatory Flexibility**: States changed their assisted living regulations to fit the realities of existing physical property designs, housing regulations, and the potential volume of individuals who could participate within one housing property. Some also added categories to their assisted living regulation to specifically include assisted living delivered in subsidized housing communities. Additional flexibility can support innovative changes in the future.

- **Financial sustainability**: The volume of resident participation must be high enough to make collaborative arrangements financially viable for service providers.

- **Limiting factors** include residents who are not functionally eligible to receive assisted living services through Medicaid, and those who are eligible may be dispersed among multiple providers through a Medicaid waiver program where services are arranged individually and delivered one-on-one, limiting the volume for each vendor. This can lead to providers discontinuing programs or being reluctant to start new ones.
**Conclusion**

While many states are seeking to expand or strengthen their community-based LTSS services, they face challenges from a lack of affordable, accessible housing and shortages of interested and available workers to provide services. Creating a better system with expanded options for people with LTSS needs requires strategies that address both challenges.

While the strategies discussed above do not produce new housing units, they do offer a promising LTSS delivery approach that can provide more flexible and responsive supports to residents than the traditional one-to-one home care model while streamlining the number of staff needed to support the same number of residents. The ability to leverage the affordable housing platform to provide integrated, community-based care options for people needing LTSS could boost the rationale for expanded public and private investment in new affordable housing stock.

Overall, the demands and opportunities to grow the aging and disability networks in the next decade will require changing the orientation, roles, and culture of state aging and disability agencies so that they embrace new partnerships and think and act strategically to foster growth and modernization. Approaching home- and community-based LTSS in the context of affordable housing offers great promise, because these two issues are inextricably intertwined. As some states have shown, solutions can arise from the same place as the challenges they solve.

**Expanding LTSS Choices: Coming Releases**

As the LTSS Choices series reveals, some solutions are already in use and available to be scaled, while other emerging innovations too new to have an evidence base are nevertheless ripe for sparking important conversations, investment, and research. In other words, this is an action-oriented series. We aim to stimulate both creative thinking and systems-level change to transform and modernize the delivery of LTSS.

Topics include nursing homes and COVID-19, a nursing home dashboard, Green House and other small-house nursing homes, paying family members to provide care in self-directed LTSS programs, presumptive eligibility in Medicaid HCBS, reducing racial/ethnic disparities in LTSS, and more.

**A Call to Action for All Stakeholders**

We hope to engage with many thought leaders, and we invite your ideas. You can reach us through LTSSChoices@aarp.org.

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Learn more about the team at www.aarp.org/LTSSChoices

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