



BIPARTISAN POLICY CENTER

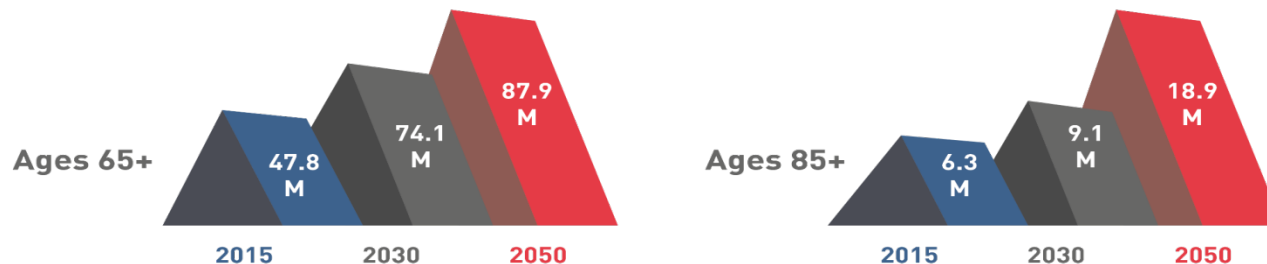
Healthy Aging Begins at Home

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AMERICA IS AGING

population in millions



- The U.S. older adult population is growing. As a country we face:
 - Higher Demand for LTSS:
 - Spending on LTSS is expected to increase from 1.3 percent of GDP in 2010 to 3 percent of GDP in 2050.
 - Increased Spending on Chronic Conditions:
 - 93 percent of Medicare spending is for seniors with multiple chronic conditions.
 - Inadequate Personal Savings:
 - Nearly 40 percent of individuals over the age of 62 are projected to have financial assets of \$25,000 or less.

SENIOR HEALTH AND HOUSING TASK FORCE



Co-Chairs:

Henry Cisneros
Former Secretary, HUD

Mel Martinez
Former Secretary, HUD;
Former U.S. Senator

Allyson Y. Schwartz
Former U.S. Representative

Vin Weber
Former U.S. Representative

Priority Areas:

Lack of a Home Impacts Health

Problem: Many seniors are priced out of the housing market or tenuously able to afford their rent.

- Understand the need deficit.
- Evaluate efforts to expand affordable housing.
- Identify opportunities to expand access to more seniors.

A Home Impacts Health

Problem: Housing stock does not accommodate the physical and cognitive difficulties that come with aging.

- Identify most critical home & community-based modifications.
- Understand current barriers to implementation.
- Identify policy solutions to accelerate these modifications.

Home as a Place for Health Services

Problem: Seniors could substantially benefit from in-person or in-home health services.

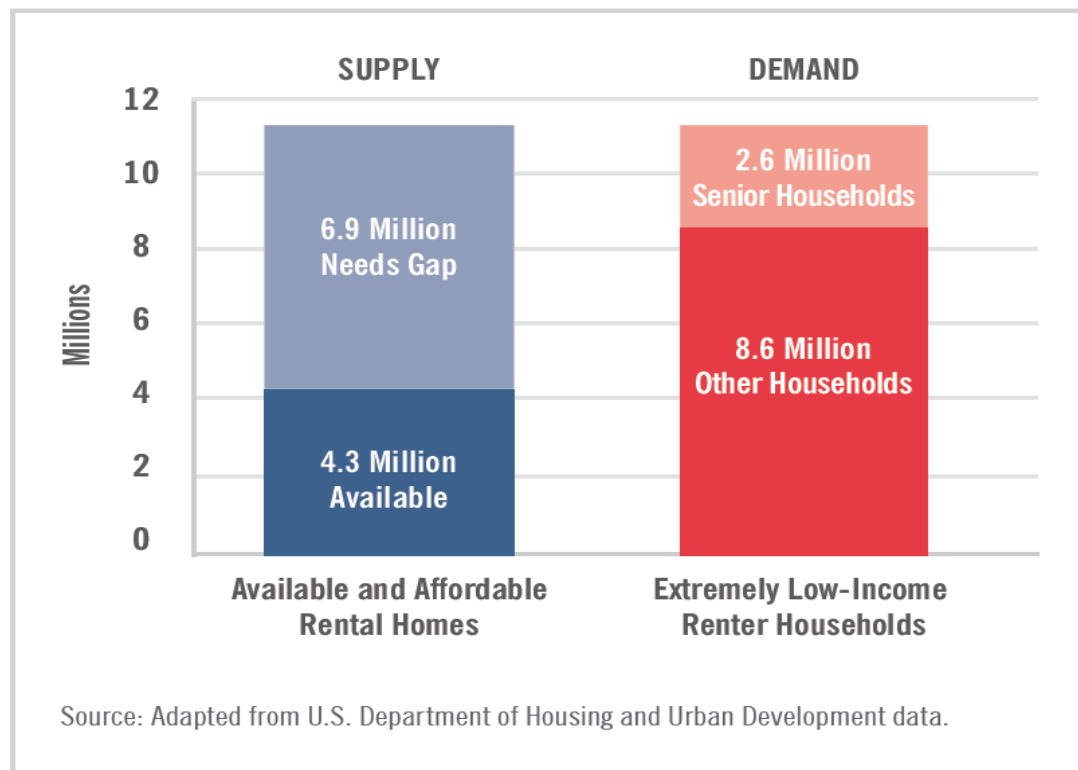
- Identify integrated models of care.
- Estimate cost savings implications of these models.
- Propose plans to scale them nationally.

HEALTH BEGINS AT HOME: THE OVERARCHING NEED FOR MORE AFFORDABLE SUPPLY



- For ELI households, supply gap is huge
- One estimate: a shortfall of 6.9M affordable and available homes
- Senior households with no children constitute a large portion of 11.2M ELI households competing for limited supply

Supply-Demand Imbalance in Available and Affordable Rental Homes

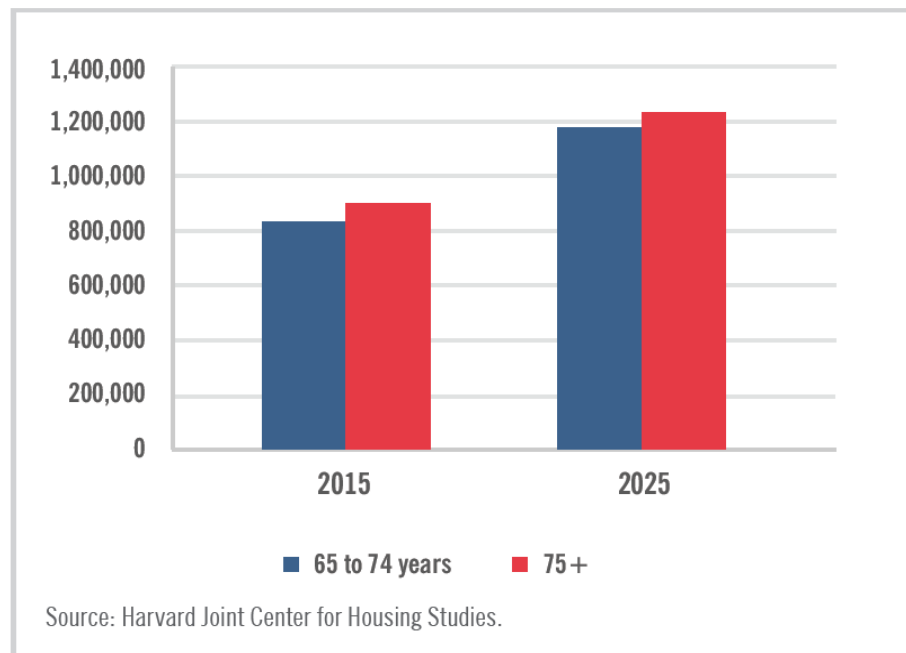


HEALTH BEGINS AT HOME: THE OVERARCHING NEED FOR MORE AFFORDABLE SUPPLY



- 1.8 million senior now suffer “severe” rent burdens - affects seniors in communities across the country
- The number of senior renter households is expected to more than double from 2010 to 2030 - reaching 12.2M
- Without remedial action, seniors with “severe” rent burdens will rise significantly

Projected Growth in Number of Seniors with Severe Rent Burdens

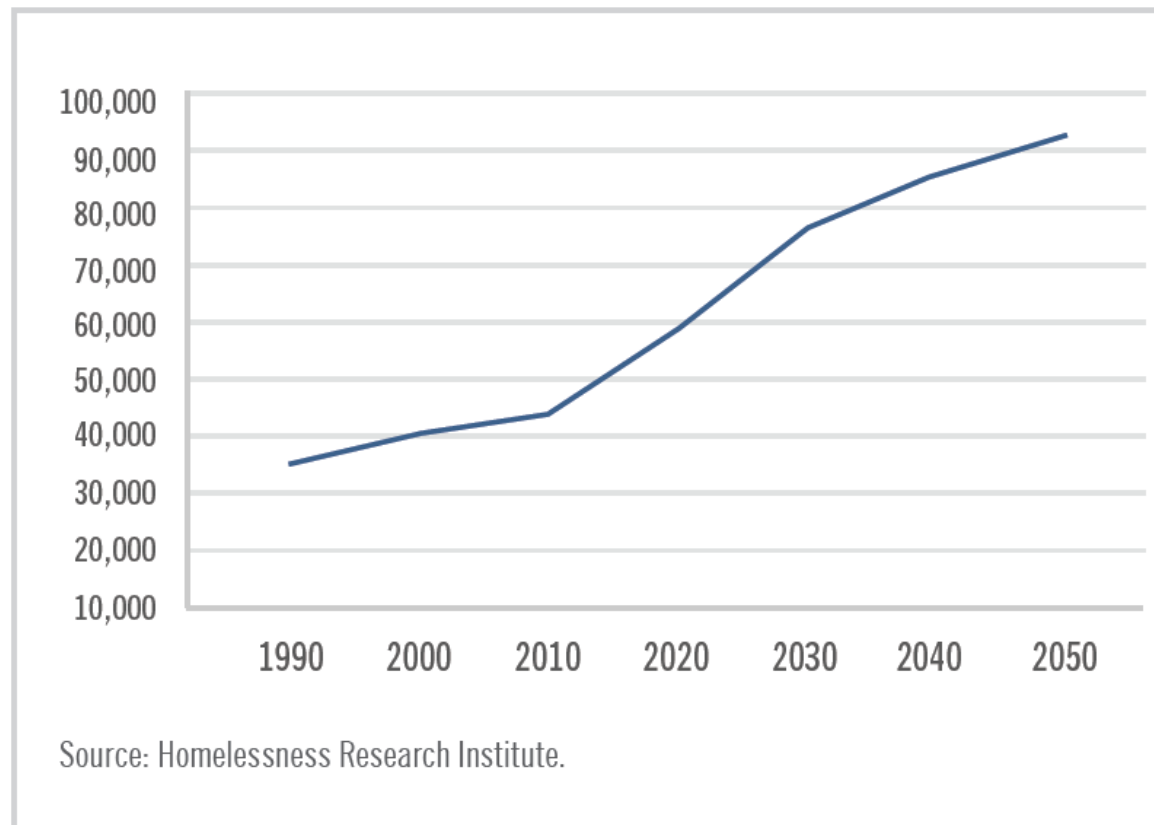


HEALTH BEGINS AT HOME: THE OVERARCHING NEED FOR MORE AFFORDABLE SUPPLY



- More economically vulnerable older adults will likely lead to a larger senior homeless population
- Could rise from 44,000 in 2010 to 59,000 in 2020

Projected Increase of Senior Homelessness



HEALTH BEGINS AT HOME: THE OVERARCHING NEED FOR MORE AFFORDABLE SUPPLY



We recommend:

- Preventing and ending homelessness among older adults should be major national priority.
- Increasing federal support for the Low Income Housing Tax Credit.
- Adequately funding rental assistance/service coordination under the Section 202 Supportive Housing for the Elderly program and also creating and funding a new construction program for senior-supportive housing.
- Supporting the preservation of existing Section 202 units by making them eligible for the Rental Assistance Demonstration program.
- Using National Housing Trust Fund allocations to support the production/preservation of affordable housing for the nation's lowest-income seniors.



New Construction Program for Senior-Supportive Housing

- Modeled, in part, after reforms to Section 811 program
- Offer project-based rental assistance through state housing agencies to provide permanent supportive housing for dual eligibles and seniors with ADL challenges
- State housing agencies award rental assistance to qualifying sponsors in tandem with LIHTC, HOME, and state/local financing sources
- Require state housing agencies to develop policies to help those most in need and enter into partnerships with state HHS agencies who provide funding for services
- Designed to ensure a broader set of actors has "skin in the game"



HOUSING STOCK IS INADEQUATE



Only 57% of existing homes have more than one universal design element

- ✓ No-step entries
- ✓ Single floor living
- ✓ Switches and outlets reachable at any height
- ✓ Extra-wide hallways and doors
- ✓ Lever-style door and faucet handles

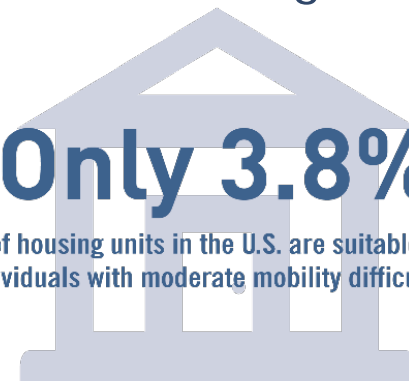
We recommend:

- Authorizing a new Modification Assistance Initiative to coordinate federal resources for home modifications on an interagency basis; and
- Establishing and expanding programs to assist low-income seniors with home modifications through property taxes credits, grants, forgivable loans, and targeted tax relief.

The aspiration should be to help seniors not just to age in place but to age with options.

Only 3.8%

of housing units in the U.S. are suitable for individuals with moderate mobility difficulties





Recommendation: CMS should launch an initiative that coordinates health care and LTSS for Medicare beneficiaries living in publicly assisted housing to test the potential of improving health outcomes of a vulnerable population and reducing health care costs.

- 1.3 million older adult renters live in publicly assisted housing, the vast majority of whom are dually eligible for the Medicaid and Medicare programs.
- CMS should solicit proposals from health care entities (ACOs, managed care plans, etc.) willing to be accountable for quality, health outcomes, and costs of care for these individuals.
- Eligible applicants would ensure the delivery and coordination of health care, LTSS, and preventive services and wellness programs within a congregate housing setting, using service coordinators and evidence-based models or programs with a record of health care utilization reduction.

REPORT IMPACT: LEGISLATION SUPPORTING HEALTHY AGING



- Several pieces of legislation have been introduced that closely align with the recommendations of BPC's Senior Health and Housing Task Force:
 - The *Senior Home Modification Assistance Initiative Act* (S. 3230) from Senators Angus King (I-ME), Kelly Ayotte (R-NH), and Susan Collins (R-ME) would create an initiative coordinating federal resources for home modifications.
 - The *Affordable Housing Credit Improvement Act* (S. 3237) from Senators Maria Cantwell (D-WA) and Orrin Hatch (R-UT) would increase federal support for the Low Income Housing Tax Credit by 50 percent.
 - The *Independence at Home Act* (S. 3130) from Senators Ed Markey (D-MA), John Cornyn (R-TX), Michael Bennet (D-CO), Rob Portman (R-OH), and Sherrod Brown (D-OH) would make the Independence at Home Medical Practice Demonstration, which supports home-based care, a permanent Medicare program.
 - The *Senior Accessible Housing Act* (H.R. 5254) from Representatives Patrick Murphy (D-FL) and Bruce Poliquin (R-ME) would create a tax credit for home modifications.



- **Overarching Needs**
 - Provide additional support to the nation's caregivers
 - Explore new and innovative ways of bringing government agencies together
 - Build the evidence-base on the cost savings and health benefits of housing, home modifications, community supports, and aging technologies, and integrate the systems that support them all
- **Select Specific Needs**
 - Determine whether LIHTC can be linked to health status/improvement
 - Document which home modifications contribute to reductions in falls
 - Ascertain the health insurance composition of seniors in publicly assisted housing
 - Track state Medicaid coverage of housing-related services and impacts on health outcomes & costs
 - Document the impact of various technologies on aging-in-place and health care cost savings