

Housing is Health Care

Health Systems Investments in Housing

May 8, 2019
ACL



Today's Panel

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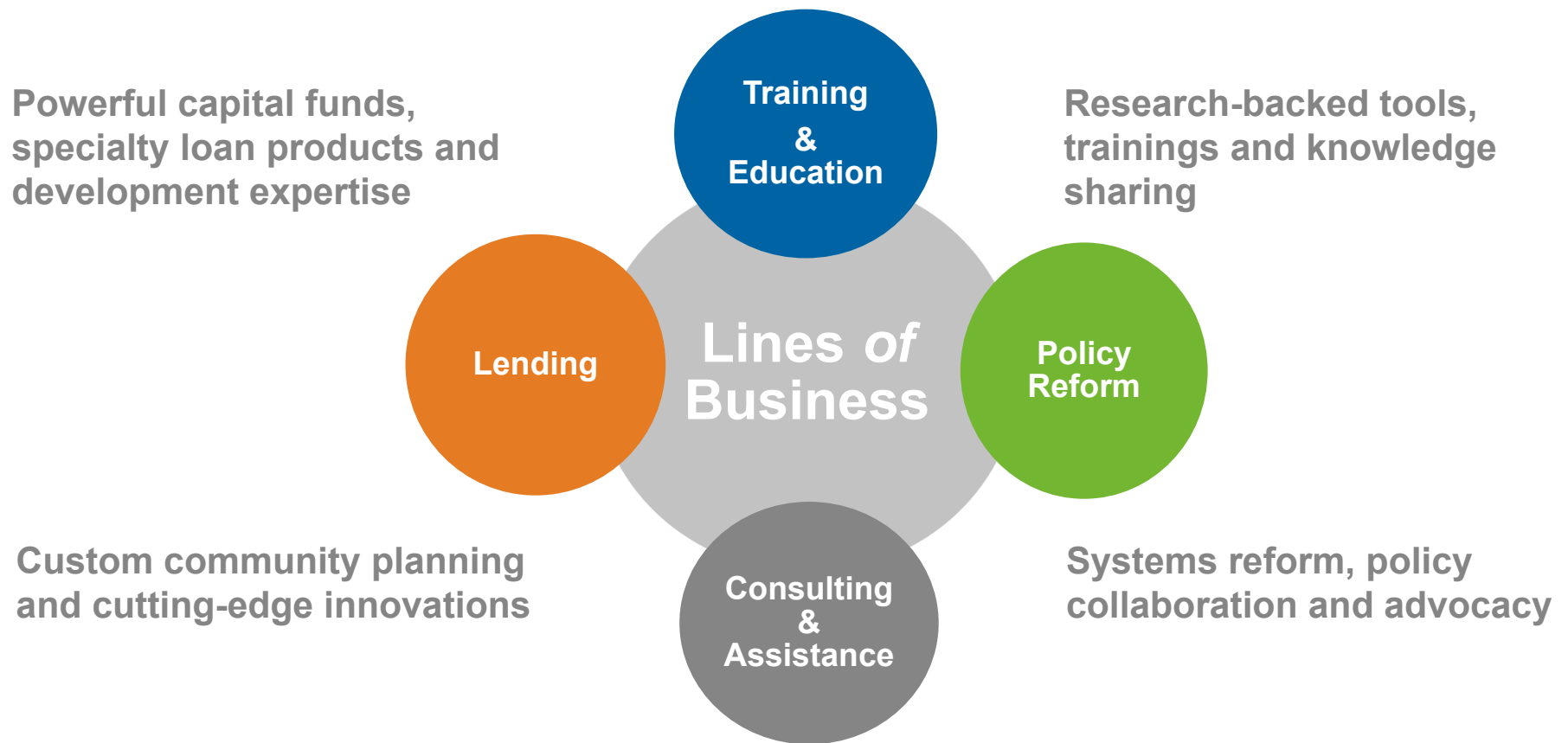
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Improving Lives



What We Do

CSH is a touchstone for new ideas and best practices, a collaborative and pragmatic community partner, and an influential advocate for supportive housing.



Why We are Here Today

- Housing is one of the most powerful Social Determinants of Health (SDOH)
- Collective impact is needed to improve care and outcomes for most vulnerable patients, while reducing healthcare costs in the process.
- Learn how health systems are investing in SH

Redefining of Roles & Business Models

- As **anchor institutions**, health systems are inextricably linked to social & economic fabric of communities they serve
- Recognition that **broader strategies** are needed to reduce demand for high-cost treatment and preventable conditions
- Appreciation of powerful factors outside of medical care – **social determinants** – that play key role in shaping individual & community health
- Hospitals looking to **redefine their role** in community and realign business models

Shift in Focus: From Patient Outcomes to Community Outcomes

- Focus on Population Health is Driving Realignment of Traditional Hospital Business Model
 - *The Triple Aim*
 - *Hospital Community Benefit Requirements*
- New Value-based/ Value-oriented Payment Models Incentivize for Improved Health
 - *ACOs, DSRIP, PCMH, Medicaid Health Homes*

Housing Impacts Health



Communicable
Diseases



Malnutrition



Harmful Weather



No Medication
Storage



Violence

**Homelessness/
Housing
Instability**



**Poor
Health**

Supportive Housing: A Powerful Social Determinant

Supportive housing combines affordable housing with services that help people who face the most complex challenges to live with stability, autonomy and dignity.



What We're Up Against



- Shortage of affordable housing supply
 - Only 1 in 4 eligible households obtain rental assistance
- Housing is not an entitlement
- What market is currently building: less than 1% affordable
- Needs of very low-income and highly vulnerable population not being met

Emerging Trends in Health System Investments Types

Not A One-Size-Fits-All Approach

Health Systems are exploring myriad of ways they can address social determinants like housing:

1. Hospital Community Benefit
2. Donating Underutilized Hospital Land
3. Financial Investment/ Donation
4. Leveraging LIHTC/ Federal, State & Local Resources
5. State Financing Agency Partnership



1. What Happened?
2. Who/What Was Involved?
3. How Did They Get Started?
4. What Was the Outcome?
5. Moral of Story/Return on Investment (ROI)?

Community Benefit Ex: Portland's Housing is Health Initiative

Charlotte B Rutherford Apts



Hazel Heights Apts



The Blackburn Health & Recovery Ctr



- **What** - 5 hospitals invested \$1.5M - \$4M in housing to respond to Portland's urgent affordable housing and homelessness crisis
- **Who** – 5 hospitals & 1 health plan leveraged \$21.5 million in capital contributions to Central City Concern for the development of AH & SH linked with on-site clinical and mental health services
- **How** - Leveraged partnerships developed through ACO model and existing respite program
- **Outcome** - Too early; still in development
- **Moral of Story** - Relationships; demonstrating Value through data! Focus on Collective Impact. ROI TBD

Re-Use of Surplus Land Ex: CAMBA Gardens I & II

- **What** – 2 costly and vacant buildings on H&H Kings County Hospital used to develop AH & SH
- **Who** – Partnership between a public hospital, non-profit developer, service provider & community stakeholders
- **How** – CAMBA signed 99-year lease agreement w/ NYC H&H; made a capitalized \$2.3M payment to construct on hospital campus
- **Outcome** – Over 500 AH & SH units, represents over \$166M in public/private investment; 500 construction & 42 permanent jobs created
- **ROI** – \$7,300 annual health care savings (CG I); 79% reduction in ED visits



CAMBA Gardens Unit



Teaching Kitchen

Financial Investment Ex: Florida's Housing the 1st 100

- **What** – Collaborative that connects high cost, high need, homeless frequent users of multiple systems (homeless, hospital & jail) to housing & services.
- **Who** – Partnership between Orange Blossom Family Health, Florida Hospital, CoC, law enforcement, and local government
- **How** – Public outcry over street homelessness; hospital system spending 3X the cost of housing on preventable services. FL hospital invested \$6M for 3 yrs of services, City of Orlando provided \$4M for Barrier Busting Fund & HF Pilot. County and HUD funds used for rental assistance.
- **Outcome/ ROI** – 339 people housed; ↓ in incarcerations (85%) and ED visits (60%); ↑ in individual income and housing retention (96%).
- **Moral of Story** – Hospital looked at own data to see cost of serving homeless; cross-sector collaboration & multiple funding sources



Mixed Use Financing: NJ HMFA and Hospitals

- **What** – \$12 million pilot incentivizing new development of affordable & supportive housing using hospital investment with state and federal resources; SH targeted to frequent users of hospitals
- **Who** – Partnership between NJ HMFA, hospital systems, developers and service partners
- **How** – Hospital's equity investment matched by State financing in 4% LIHTC projects with set-aside for SH units; land must be on or near hospital; mixed-income/mixed-use projects encouraged; partnerships with experienced AH developers and SH service providers.
- **Outcome/ ROI** – Hospitals create new housing affordable to community with assistance from govt. ROI – TDB using hospital data and evaluation
- **Moral of Story** – Hospitals are interested in creating AH and SH in communities; need TA to understand process, risk, population and partnerships.

THANK YOU!



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Hospital Housing Pilot

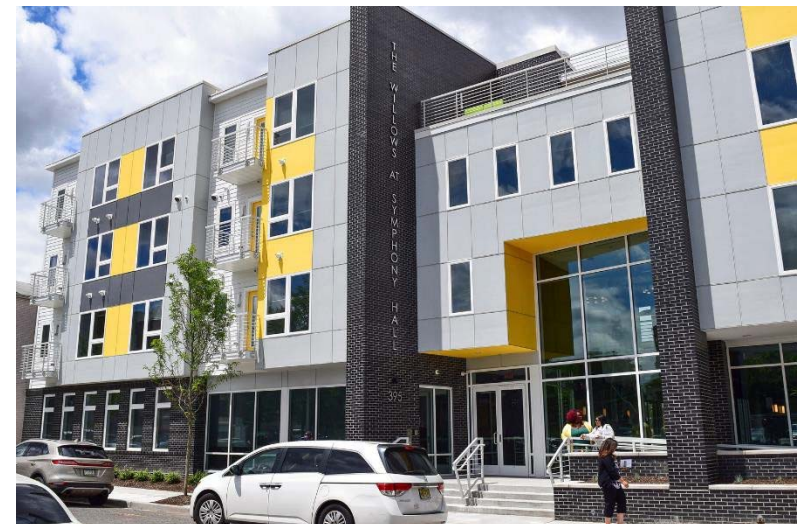


Develop Multifamily Housing with Housing First Pilot set-aside located near hospitals

- Partnership between NJHMFA and participating hospitals
- Funding contribution from NJHMFA and hospitals to develop housing
- The development includes a set-aside of units for frequent users of hospital emergency room services – Housing First Pilot



Valley Brook Village I, Bernards Twp., Winn Development



Willows at Symphony Hall, Newark, Ingeman

Benefits of a Hospitals/Housing Partnership

- Partnership offers hospitals an opportunity for neighborhood investment, housing for hospital staff, and frequent utilizers of hospital emergency departments.
- Offer housing options on or near hospital campus for a variety of workers.
- Cost studies from across the country have found that supportive housing results in tenants' decreased use of hospitals and emergency rooms, resulting in significant savings to healthcare institutions.
- Housing with supportive services provides stability and has shown to improve the lives of tenants.



Linc at Orange Station, RPM Development

Sample Project Financing



Sample Project Description

100% Affordable or Mixed-Income

60 units with 10 units set aside for Frequent Users

Sample Capital Stack

Tax Credit Equity	\$4,839,009
HMFA Tax-Exempt Financing	\$1,166,902
Special Needs Housing Trust Fund	\$1,000,000
HMFA Program Subsidy (example)	\$3,250,000
Hospital Contribution (example)	\$3,250,000
Deferred Developer Fee	\$1,275,000
Total Development Costs	\$14,780,911





Public Private Partnership

Joint recognition of housing as healthcare

Limited resources, shared benefit

Hospitals serve as anchor institutions in their communities

Outcomes and savings= good public policy

Moving Forward

How will we meet the needs of
the future?



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