Affordable Senior Housing: The Case for Developing Effective Linkages with Health-Related and Supportive Services

The problem: For a variety of reasons, many low-income older adults are faced with the dilemma of having to move from the home or apartment in which they have been residing. This may be due to the home’s excessive cost burden, poor physical quality or limited accessibility, the loss of family supports (i.e., the death of a spouse) or the individual’s need for additional support and assistance. As they age, these individuals also need a variety of health-related and supportive services to maintain their independence and quality of life. Currently, there are few viable alternatives for the low-income segment of America’s elderly population that address the dual needs for affordable quality housing and services.

High numbers of very low-income seniors are burden by housing costs: Of the 12.5 million elderly households with very low incomes,1 an estimated 3.8 million are renters (Haley and Gray, 2008). About 1.4 million pay more than 50 percent of their incomes for housing or live in severely inadequate housing, with nearly all suffering from a high rent burden. Among the 8.9 million very low-income elderly homeowner households, 3.2 million pay in excess of 50 percent of their incomes for housing or live in severely inadequate housing, again nearly all bearing a high cost burden.

Approximately 1.3 million very low-income seniors are fortunate to be assisted through publicly subsidized housing, including Section 202 Housing for the Elderly (263,000), other HUD subsidized private-owner multi-family housing properties (422,000), Public Housing (305,000) and recipients of Section 8 Housing Choice Vouchers (334,000) (Haley and Gray, 2008). Additional thousands live in rental properties subsidized by low-income housing tax credits (LIHTC) restricted to or primarily for seniors.

Significant numbers of seniors in publicly subsidized housing are very old and disabled: It is well documented that the likelihood of frailty and disability dramatically increases with age.

1 Very low-income is defined as earning below 50% of the area median income.
Compared to 37.4% of those ages 65-69 reporting some disability, 71% of those age 80 and over report a disability (Brault, 2005). The median age of residents in Section 202 properties and other multifamily subsidized senior properties is 74 and approximately one third of residents are age 80 and over (Haley and Gray, 2008). HUD does not collect information on the health status and disability levels or service needs of residents in its senior housing properties. However, some national surveys and small studies provide an indication of residents’ physical status and, thus, their potential need for services and supports. These data find a range of health and frailty levels, with a sizable portion experiencing multiple health conditions and limitations in daily living activities.

- The 2002 American Community Survey found over half of subsidized older renters reported limitations in activities such as walking and climbing stairs and one third reported difficulty with shopping or going to the doctor (Huemann, Winter-Nelson and Anderson, 2001).

- The 1996 Study of Assets and Health Dynamics among the Oldest Old (AHEAD, Wave 2) shows that subsidized older residents report being in poorer health than unsubsidized renters, experience more chronic conditions, and have significantly higher numbers of limitations in their ability to carry out basic activities of daily living (ADLs) and instrumental activities of daily living (IADLs) (Gibler, 2003).

- A 2006 survey conducted by AARP of Section 202 and LIHTC property managers found an average of 36% of Section 202 residents age 62 and older and 38% of elderly LIHTC residents were perceived to be frail and disabled (Kochera, 2006).

- An Institute for the Future of Aging Services (IFAS) study of three affordable senior housing properties in the Denver area with predominately white populations and median ages from 83 to 85 years old found:
  - 56% of residents reported experiencing two or more chronic health conditions and 19% reported three or more conditions; and
  - 18% reported difficulties with one or more ADL limitations (Washko et al, 2007).

- An independent assessment of residents of a senior housing property in Burlington, Vermont with a predominately white population and median age of 81 years old found:
  - 19% had difficulty with three or more IADLs and 5% were challenged with two or more ADLs;
  - 48% had been in the emergency room three or more times in the past year;
  - 28% had one or more overnight hospital stays in the past year;
  - 60% had fallen at least once in the past year;
  - 25% screened for mild to severe depression; 25% reported being anxious or nervous a lot in the past month; and
  - 31% failed a cognitive screen(IFAS, 2009).

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2 This median age includes those living in Section 202 properties who are under age 62. If only the population age 62 and older were considered, the median age would be higher.
• An IFAS survey of residents in four subsidized senior housing properties in the San Francisco Bay area with a large culturally diverse population and median age of 78 years old found:
  – 36% reported two or more ADL limitations and 63% need assistance with two or more ADLS;
  – 55% reported three or more health conditions;
  – 35% reported a memory-related disease diagnosed by a doctor;
  – 35% reported falling in the past year, with an average of 2.2 times; and
  – 32% visited the emergency room one or more times during the year and 20% reported an overnight hospital stay (IFAS, 2010).\(^3\)

**Few housing choices are available to low-income seniors as they age:** Federal and state long-term care policies have long promoted the goal of enabling seniors to stay at home and “age in place.” However, the goal may not be desirable or feasible for many older persons with low incomes. As they age, these seniors face a limited number of housing choices. They can try to make due, even as their home becomes increasingly unsafe, inaccessible or unaffordable. They can move in with a family member, if available, which usually involves giving up considerable independence as parent and child roles become reversed. They can move to a subsidized licensed residential arrangement (assisted living, board and care, adult foster care) which combines shelter and assistance. They can enter a nursing home if 24-hour supervision/assistance becomes necessary. Understandably large numbers of older persons are reluctant to move to these settings, either because they are unaffordable unless the individual impoverishes themselves, and/or because of the very high value placed on personal autonomy and the continuing ability to live independently. In many states, options like assisted living are not even available to older persons with low incomes.

**“Affordable Senior Housing with Services” rationale and definition:** One promising choice for low-income seniors is affordable permanent independent senior rental housing, purposefully organized to meet residents’ changing needs for assistance and support. We refer to this option as “affordable senior housing with services”. In brief, it is unlicensed, subsidized congregate properties for low-income seniors that provide access to a range of health-related and supportive services available to residents on a voluntary basis when they need and want them. The underlying philosophy is straightforward. Seniors residing in publicly subsidized housing should be able to remain for as long as they wish, even in the face of declining health and increased disability. The promise of this housing option is untested, but exciting:

• Aimed at seniors with low incomes;
• Helps to preserve resident autonomy and independence;
• Addresses some concerns of housing managers who must deal with resident demands to stay in their apartments even as they become more sick and/or disabled (e.g., frequent resident falls and injury, unscheduled ambulance calls and emergency room visits);
• Offers economies of scale in the targeting and delivery of services;
• Relies in part on an existing infrastructure of already developed housing and community services networks potentially yielding some cost savings;

\(^3\) The WellElder program attempts to help residents better manage their health care needs. It is possible that with out the assistance from this program, the level of ER visits and hospital stays might have been larger.
• May help to prolong the duration of independent living while offering states a less expensive alternative to assisted living or nursing homes for some elderly;
• Provides benefits to the housing property and surrounding community.

**Platforms for affordable housing with services:** The three largest federal programs providing affordable rental housing for low-income seniors are the Section 202, Public Housing and LIHTC programs.

**Section 202** is the only federally-funded housing program targeted for persons age 62 and above (some properties allow younger persons with disabilities) and eligibility is restricted to those with incomes below 50 percent of the area’s median income. Residents receive a rental subsidy, which caps their share of rent at 30 percent of their monthly income. Many Section 202 properties have at least some features to help accommodate resident needs as they become more frail. Three-quarters of units in properties have grab bars, nearly a third of all units are wheelchair accessible an almost all properties have ramps or a level entrance (Haley and Gray, 2008). Almost 90 percent of properties have one way emergency call systems and one-quarter have 24-hour onsite personnel. Community space for social and recreational facilities is available and used in 90 percent of properties, while space for congregate dining and visiting services are used in about half of facilities. About 38 percent of properties have a service coordinator.

**The LIHTC program** is the largest producer of affordable housing properties. As of 2003, more than 23,000 projects had been developed with tax credits. An AARP study estimated that about 30 percent of properties are intended “primarily” for older persons, although only 14 percent are explicitly age restricted (Kochera, 2006). The tax credit program is administered by states, who can promote various policy objectives including designating a portion of credits to be allocated for various populations. Tax credit properties set aside a certain share of units for individuals earning less than 50 or 60 percent of area median income. Unlike the Section 202 program, the tax credit program goes not provide rental subsidies, although some projects may be able to obtain Section 8 project based rental assistance slots. As a result, tax credit properties are generally not affordable to the lowest-income seniors. LIHTC properties for older persons are somewhat less likely than Section 202 properties to have features that aid residents to age in place. In 2006, only 26 percent had a service coordinator on staff and 54 percent did not offer any services. However, LIHTC properties are more likely to have major architectural features (such as wheelchair-accessible entry doors, bathrooms and kitchens). This is likely due to the fact that tax credit properties are newer (Kochera, 2006).

**Public housing** is the largest single federal program offering housing assistance to poor seniors. Public housing is federally funded, but owned and operated by local public housing authorities. Income limits can vary from 50 percent to 80 percent of the area median income. Residents’ monthly rental and utilities payments are capped at 30 percent of adjusted income. There are approximately 1.2 million public housing units. Seniors represent 31 percent of households (about 330,000 persons) in public housing properties (CLPHA, 2010). Over half live in projects specifically designated for seniors. As most public housing properties were built more than 30 years ago, many do not have accessible architectural features necessary to accommodate aging residents’ needs as they become frail. Service coordination is available in some elderly public housing properties.
References


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