

**Testimony to the Housing Committee**

**February 3, 2015**

**In Opposition to  
House Bill 6132, An Act Concerning Emergency Power in Senior Housing Complexes**

**And on the various bills including  
House Bill 6141, An Act Concerning the Expansion of Aging Restricted Housing Options for Elderly Persons,  
As they relate to  
Our Support for Expanding and Supporting Affordable Senior Housing with Long Term Services and Supports**

**Submitted by Mag Morelli, President of LeadingAge Connecticut**

Good afternoon Senator Winfield, Representative Butler, and members of the Housing Committee. My name is Mag Morelli and I am the President of LeadingAge Connecticut, a statewide membership organization representing not-for-profit provider organizations serving older adults across the continuum of care and services including not-for-profit providers of affordable senior housing. Our housing members are sponsored by religious, fraternal, and community organizations that are committed to providing quality housing, care and services to their residents.

We appreciate this opportunity to submit comments on Proposed Bill 6132, An Act Concerning the Expansion of Aging Restricted Housing Options for Elderly Persons. We would also like to submit comments on the pressing need to provide older adults with affordable housing with services options.

**Proposed House Bill 6132, An Act Concerning Emergency Power in Senior Housing Complexes**

LeadingAge Connecticut represents many non-profit affordable senior housing organizations.. We appreciate what we believe to be the intent of this proposal which is to ensure that the elderly residents of senior housing developments are sheltered and protected during electrical power outages. We agree that emergency preparedness plans must be in place for all senior housing sites and such plans should be established in coordination with local municipal authorities.

We are however concerned about the fiscal impact of this proposal requiring purchase of emergency power generators. The cost of installing and maintaining a generator that provides limited power to a housing community is very high. In 2013 we were told that the initial cost can be anywhere from \$50,000 to \$150,000 for a typical elderly housing site of just 30 to 50 units. The cost is dependent on the size of the facility and the anticipated electrical load. For example, one of our members two years ago installed a generator in a forty unit community at a cost of approximately \$125,000 and that generator can provide power to the building systems, common areas and limited power to each unit .The cost therefore would be even higher to provide emergency power to development of over 100 units.

Senior housing sites should work with municipal agencies to plan for long term power outages and it would be extremely helpful for the state to offer low cost or no cost loans or grants to housing providers who choose to install back-up generators as part of their plans. However, mandating the purchase of generators without providing the funding for such purchases would be unachievable for many elderly housing communities.

## Proposed House Bill 6141, An Act Concerning the Expansion of Aging Restricted Housing Options for Elderly Persons

LeadingAge Connecticut is a strong proponent of the model of linking affordable senior housing with long term services and supports; a model that enables older adults to remain in the community and to age in place. We believe this model is one of the answers to our state's quest to balance the system of long term services and supports. Connecticut has already developed several nationally acclaimed models of senior housing with services including allowing assisted living services funded through the Home Care Program for Elders to be delivered within our state congregate and HUD 202 housing sites, and within the four pilot affordable assisted living demonstration sites. We have excellent models of providing affordable housing with services that we would like to see encouraged and replicated to meet the growing needs of our elderly population.

The investment in the model of linking affordable senior housing with long term services and supports is twofold. First, it requires the development of affordable housing sites that will allow older adults to continue to live in their communities. Unfortunately, the current wait to move into an apartment unit in such housing can be years long. Second, it requires an investment in the state funded and Medicaid waiver programs that actually provide the home care and assisted living services for our older adults who live in these affordable housing communities.

Affordable housing should be available to all those who need it and as a state we should strive to meet that growing need. Therefore we strongly encourage the development of additional affordable senior housing sites, including congregate housing sites, where long term services and supports can be delivered through our Home Care Program for Elders. While the bills before you today focus on one option of affordable housing development, there are other options available. As a state we need to look to all options and work together with our federal representatives to bring additional senior housing development opportunities.

And we strongly support the continuing investment in the Home Care Program for Elders rate structure so that the network of quality community based providers can meet the growing demand and challenges of our aging population residing our affordable housing communities.

I have attached information regarding the model of affordable senior housing with services. The information includes national models as well as our own state models that have been studied at the national level. I offer the Committee our association's assistance, both on a state and national level, as you look into the role of affordable senior housing and look to opportunities to expand it.

Thank you for this opportunity to submit this testimony and I would be happy to answer any questions.

Mag Morelli, President



(860) 828-2903, [mmorelli@leadingagect.org](mailto:mmorelli@leadingagect.org), 1340 Worthington Ridge, Berlin, CT 06037 [www.leadingagect.org](http://www.leadingagect.org)

*LeadingAge Connecticut is a membership organization representing over 130 mission-driven and not-for-profit provider organizations serving older adults across the continuum of care including nursing homes, residential care homes, housing for the elderly, continuing care retirement communities, adult day centers, home care and assisted living agencies. By continuing a tradition of mission-driven, consumer-centered management and competent, hands-on care, not-for-profits set the standard in the continuum of housing, care and services for the most vulnerable aging adults.*



## Resources on the Senior Housing with Services Model

I have listed several links to information that may be of interest to the Committee members regarding senior housing with services models. I have also included a link to a 2014 OLR Report that includes information on Connecticut's specific models.

- <http://www.leadingage.org/housing.aspx>
- [http://www.leadingage.org/Housing\\_with\\_services.aspx](http://www.leadingage.org/Housing_with_services.aspx)
- [http://www.leadingage.org/housing\\_plus\\_services.aspx](http://www.leadingage.org/housing_plus_services.aspx)
- The Marvin, Norwalk, CT - The Marvin is a 50-unit senior housing property financed through the low-income housing tax credit program. The property offers the state's Congregate Housing for the Frail Elderly program, which provides service coordination, a daily meal, light housekeeping, wellness programming, emergency transportation and 24-hour emergency oversight. For residents with greater needs, the state's Assisted Living Services program, which provides personal care and other services through a contracted home health agency with onsite staff, is also available. [Read more.](#)

OLR Report: HOUSING UNITS SUPPORTED BY THE DEPARTMENT OF HOUSING



## 2014 Senior Housing National Issue Brief

*Published On: Mar 11, 2014*

Affordable housing must be preserved, funded and expanded sufficiently to maintain safe residences within which seniors can live and age successfully in the place they call home.

American's seniors face a severe housing crisis. The National Alliance to End Homelessness predicts the elderly homeless population will increase by 33 percent by 2020 and more than double by 2050. Three and a half million elders live below the poverty level.

A recent study by the U.S. Department of Housing and Urban Development (HUD) found that worst case needs affected 1.47 million elderly households who were paying more than half of their income for rent. There are still 10 seniors on the waiting list for every Section 202 unit that becomes available, according to AARP. And the population of people aged 65 and over will double by 2030.

In the face of this documented and growing demand for affordable housing for elders, federal spending on affordable housing development, preservation and subsidy is shrinking, not increasing. We must develop sustainable and replicable models of affordable housing with short-term and long-term supports and services within and/or in partnership with outside providers to meet the growing needs of seniors.

These communities can serve as a platform for the successful delivery of home- and community-based services and help to delay elders' entry into nursing homes or other expensive care settings.

Unfortunately, affordable housing with or without health and other supportive services is in short supply. The Section 202 Supportive Housing for the Elderly development program, which provided capital development grants and rental assistance contracts to not-for-profit sponsors to develop, build and maintain supportive housing for very low income seniors has been unfunded for the last few years.

The new Section 202 rental assistance demonstration housing will provide some rental assistance if providers can find development funds, but it will not come close to meeting the overwhelming demand.

The Low Income Housing Tax Credit Program has produced an average 30,000 units per year of senior housing for moderate and low income seniors.

In addition to serving low and moderate income seniors, the tax credit program can be combined with the Section 202 program to provide much-needed gap financing to allow providers to serve the very low income and create mixed income communities.

Section 8 Project-Based Rental Assistance is the key to preserving existing senior housing. Although funding generally is sufficient to assure that no seniors will be out on the street, renewal funding for Section 8 contracts is constantly under budgetary pressure, both on Capitol Hill and within HUD.

In addition to meeting the basic human need for shelter, the development of senior housing provides thousands of jobs that contribute to the nation's economy. Combining affordable housing with home- and community-based services gives seniors with low and moderate incomes a cost-effective alternative to higher levels of care.

Delaying or preventing nursing home care, hospitalizations and emergency room visits can result in significant savings to the Medicare and Medicaid programs. Affordable housing plus services can be viewed as a health care intervention at a much lower cost than our present system of long-term services and supports.

## **Solutions**

To meet our nation's senior supportive housing needs, LeadingAge urges Congress to take the following actions:

- Expand the Section 202 Rental Assistance Demonstration, to provide desperately needed housing for low-income seniors and adequate data for evaluation.
- Fund the development of thousands more affordable housing units, to respond to demographic and economic reality. The new demonstration will only provide a limited number of units, in a limited geographic area. Current and future housing needs require thousands more units.
- Renew and award service coordinator grants.
- Award new Assisted Living Conversion and Service Enriched Housing Grants.
- Better coordinate housing and services programs through a comprehensive interagency policy and an integrated funding stream. HUD and the Department of Health and Human Services must develop and implement joint strategies to eliminate barriers to services in senior housing and to streamline service delivery for elders in affordable housing settings.
- Develop a rehabilitation program for older Section 202 PRAC projects. Section 202 project-based rental assistance (PRAC) properties built years ago need access to capital for rehabilitation and repairs. We support legislation to enable these properties to take on debt for rehabilitation, use their property as security for a loan and use their PRAC payments to pay off a new mortgage.
- Fully fund 12-month renewals of all rental assistance contracts and advance appropriations for payment continuity. In order for providers to maintain safe, decent, sanitary housing for seniors, federal rental assistance payments must be timely and adequate. Partial funding of rental assistance contracts creates uncertainty for owners and investors. HUD's plans to preserve existing senior housing properties and to develop additional housing opportunities for low-income seniors depends on private investment, which requires timely, reliable funding.
- Protect and stimulate investment in the Low Income Housing Tax Credit (LIHTC) program. We support legislation to make the 4 percent and 9 percent tax credits permanent, to expand the tax credit's reach to rural areas and for preservation projects, and to encourage mixed-income projects.



Center for Applied Research

## **Housing Plus Services: Leading a National Effort**

For the past 2 years, the Center for Applied Research has led a national effort that could revolutionize how our country manages the health of low-income older adults by integrating housing, health care and long-term services and supports.

Through a variety of initiatives, and with help from more than \$1 million in funding, the Center is conducting 5 major initiatives designed to help providers of affordable senior housing use their properties as platforms for the delivery of services and supports to vulnerable older adults. Those initiatives include:

- **Characteristics of HUD-Assisted Housing Residents:** The Center for Applied Research and the Lewin Group linked Medicare and Medicaid claims data from the Department of Health and Human Services (HHS) and administrative data from the Department of Housing and Urban Development (HUD). An initial analysis of that data confirmed that HUD-assisted residents in 12 geographic areas were more likely to be dually eligible for Medicare and Medicaid. These residents were also sicker and more costly to both programs than their non-subsidized peers in the community. HUD and HHS funded the study.
- **Outcomes in Housing Plus Services Programs:** A grant from the John D. and Catherine T. MacArthur Foundation is helping the Center for Applied Research and The Lewin Group discover the types and level of service enrichment in HUD-assisted housing properties and to examine whether the availability of onsite services and service coordination affects health care utilization and helps to reduce costs among elderly residents in the study sample.
- **Evaluating the Support and Services at Home Program:** The Center for Applied Research is partnering with RTI International to evaluate the Support and Services at Home (SASH) Program. Based in affordable senior housing, the SASH program helps participants address and coordinate their health and social service needs. First-year findings of the 3-year evaluation show that the growth of annual total Medicare expenditures for early SASH participants was \$1,756 to \$2,197 lower than the growth in Medicare expenditures for beneficiaries in 2 comparison groups.
- **Supporting Housing and Health Partnerships:** The Center for Applied Research is creating a guide and toolkit to facilitate partnerships between affordable senior housing properties and health care providers. Supported by a grant from the AARP Foundation, the guide will provide information and practical advice to help housing and health care providers choose good partners, structure sustainable partnerships, work collaboratively with outside entities, and identify and overcome potential barriers to collaboration. The guide and toolkit will be available in January 2015.
- **Housing Plus Services Learning Collaborative:** The LeadingAge Housing Plus Services Learning Collaborative concluded its work during 2014. For 2 years, teams of nonprofit affordable housing providers and service providers worked together to promote strategies for coordinating and delivering health and supportive services for affordable senior housing residents. The collaborative zeroed in on the importance of housing-health partnerships and assisted in the development of a guide and toolkit to facilitate these partnerships.