

NCSHA 2016 Annual Awards Entry Form

(Complete one form for each entry)

Deadline: Wednesday, June 15, 2016

Visit ncsha.org/awards to view the Annual Awards Call for Entries.

Instructions: Type entry information into the form and save it as a PDF. Do not write on or scan the form. If you have any questions contact awards@ncsha.org or 202-624-7710.

Fill out the entry name *exactly* as you want it listed in the program.

Entry Name:

HFA:

Submission Contact: (Must be HFA Staff Member) _____

Email:

Please provide a 15-word (maximum) description of your nomination to appear on the NCSHA website.

Use this header on the upper right corner of each page:

HFA:

Entry Name:

Select the appropriate subcategory of your entry and indicate if you are providing visual aids.

Communications	Homeownership	Legislative Advocacy	Management Innovation
Annual Report	Empowering New Buyers	Federal Advocacy	Financial
Creative Media	Encouraging New Production	State Advocacy	Human Resources
Promotional Materials and Newsletters	Home Improvement and Rehabilitation		Operations
			Technology
Rental Housing	Special Needs Housing	Special Achievement	Are you providing visual aids?
Encouraging New Production	Combating Homelessness	Special Achievement	Yes
Multifamily Management	Housing for Persons with Special Needs		No
Preservation and Rehabilitation			

2016 NCSHA Award Nomination

HFA: Ohio Housing Finance Agency (OHFA)
Category: Special Needs Housing – Housing for Persons with Special Needs
Entry Name: Melding Integration and Cost Savings: the Ohio Medicaid Demonstration

Douglas Garver, Executive Director

Kelan Craig, Director of Planning, Preservation, & Development

Carlie J. Boos, Business and Project Administration Manager

Need

Ending the cycle of disability and poverty is a policy imperative¹ for Ohio that can only be achieved by forging partnerships that prioritize housing affordability and choice. This special needs population, often dependent on Supplemental Security Income (SSI), is too frequently relegated to living in the lowest-opportunity areas that perpetuate disadvantage. For example, while one in eight Ohioans (13.3 percent) report having a disability, the prevalence rates in the most economically-distressed counties of Appalachia peak at over 20 percent.² The documented link between disability and poverty underscores the demand for affordable housing solutions:

- Of the Ohioans who survive on SSI benefits, 95 percent are low-income, disabled adults³.
- Half of all working-age adults experiencing poverty report having a disability⁴.
- 45 percent of persons with disabilities report less than \$15,000 in annual income compared to 29 percent of the population without disability.⁵

Until recently, the primary housing option for individuals needing only limited supportive services was fully-institutionalized care, costing the State of Ohio \$175 per person, per day.⁶ As late as 2014, over 10,200 Ohioans residing in nursing homes had community living potential.⁷ Of individuals seeking to transition out of institutional settings, 15.5 percent indicated the lack of affordable options as a barrier to securing housing, with an additional 7.8 percent indicating a lack of accessibility as a barrier to securing housing. As the Olmstead Court noted, "institutional placement of persons who can handle and benefit from community settings perpetuates unwarranted assumptions that persons so isolated are incapable of or unworthy of participating in community life."

¹ Con Plan <https://development.ohio.gov/files/cs/Draft%20PY2016%20Con%20Plan.pdf>

² http://ohiohome.org/news/documents/annualreport_15.pdf

³ Id.

⁴ <http://cepr.net/documents/publications/poverty-disability-2009-09.pdf>

⁵ PBRA Pilot White Paper

⁶ PBRA Pilot White Paper

⁷ Id.

Innovation

The Ohio Medicaid Demonstration (OMD) is a \$3 million, three-year pilot project awarding 15-year operating subsidies to augment the Ohio 811 Project Rental Assistance Program. Allocated through the Ohio Department of Medicaid's Money Follows the Person grant, it will fund approximately 10 units per year with new construction costs offset through the Housing Tax Credit program. In exchange for a 15-year restrictive use covenant, OMD pays the housing owners the difference between 30 percent of the residents' income and 50 percent of the Area Median Income as required by the Housing Tax Credit program. All units must conform to Section 504 of the Rehabilitation Act of 1973.

OMD targets low-income individuals who want to transition from institutions, but need an accessible unit. Eligible tenants are currently enrolled in HOME Choice and/or receive Medicaid services, are at least 18 years of age, receive SSI, and whose incomes are at or below 30% AMI.

This program leverages established housing and healthcare institutions to create a pioneering model that breaks government silos to further cross-departmental agendas. OMD's reply to a market need through reliance on public-private partnerships results in a politically-palatable solution to an entrenched housing problem.

With funding secured and participation agreements executed, the outreach and program development phase is now underway. The first round of participating owners will be unveiled following the June 15, 2016, Housing Tax Credit award announcements. OHFA estimates that the first units will be available in late 2017 or early 2018.

Response

OMD serves multiple objectives in both the housing and healthcare arenas. It aims to expand the number of Housing Tax Credit program units designed for and affordable to individuals receiving Supplemental Security Income. This extremely low-income population is challenging to serve with the limited availability of full-coverage operating subsidies that currently exist. While OMD makes these funds available on a demonstration basis, Ohio anticipates strong program outcomes that will justify both expansion and permanence.

OMD is also designed to increase the stock of ADA-accessible housing regardless of price-point. By incorporating applicant selection into the Qualified Allocation Plan (QAP), the strategic use of set asides and point incentives to select OMD participants encourages developers to create accessible housing. To promote community integration, no more than 25 percent of units in a property may be designated for persons with disabilities. Additionally, subsidies are not available to projects that are solely designated for persons with a disability such as permanent supportive housing. By ensuring new units are better integrated with the larger community, OMD purposely advances the Olmstead mission. Irrespective of the OMD subsidy, this housing will remain available and affordable to special needs populations for the duration of the Housing Tax Credit compliance period.

From a Medicaid perspective, OMD curtails preventable healthcare spending. The predicted cost savings for individuals with physical, mental or developmental disability transitioning from a nursing facility to a community care setting are set forth below and net nearly \$46,500 per unit per year.

Population Disability Type	Avg. NF/year	Avg. Cost post Transition	Annual Cost Savings	Weighted Rent Avg/Mo	Weighted Rent Subsidy Avg/Yr	Net Cost Savings
All	\$63,875.00	\$4,233.00	\$50,796.00	\$359.52	\$4,314.24	\$46,481.76
Physical	\$63,875.00	\$4,702.00	\$56,424.00	\$359.52	\$4,314.24	\$52,109.76
Mental	\$63,875.00	\$3,739.00	\$44,868.00	\$359.52	\$4,314.24	\$40,553.76
Developmental	\$63,875.00	\$2,632.00	\$31,584.00	\$359.52	\$4,314.24	\$27,269.76

Partnerships

The **Ohio Department of Medicaid** establishes minimum eligibility requirements for tenants, ensures services and supports are in place, refers individuals who meet tenant eligibility criteria to participating housing providers, and facilitates tenant retention solutions. Dedicated HOME Choice Transition Coordinators work with eligible tenants to find a suitable unit.

The **Ohio Housing Finance Agency** evaluates projects and awards operating subsidies, approves annual reporting and process grant payments, monitors properties for compliance and maintains public information about participating properties through its Ohio Housing Locator tool.

Housing owners are responsible for verifying income, screening tenants, issuing leases and maintaining compliance with all OHFA and Housing Tax Credit program requirements.

Replicability

OMD is fully replicable and scalable for any state participating in the Center for Medicaid and CHIP Services' Money Follows the Person rebalancing demonstration grant. Housing finance agencies with strong intergovernmental relationships will be best suited for this type of programming. Ohio was fortunate to have housing experts on both sides of the table, with members of the Medicaid team having formerly worked at OHFA, eliminating the need for significant awareness building.

Benefits & Efficiency

OHFA is committed to creating and subsidizing 10 units per year for the next three years, leveraging \$3 million in Medicaid funds and additional funds in construction and development costs supported by various public and private financing tools. The projected Medicaid cost savings of \$46,500 per unit is a prime example of activating government cooperation to effectuate strong public policy and conserve limited resources.

Ohio Department of Medicaid Subsidy Demonstration

Overview

The Ohio Department of Medicaid (ODM) allocated \$3 million from its Money Follows the Person (MFP) Demonstration Grant for a housing pilot program targeting low-income individuals who want to transition from institutions but need an accessible unit.

ODM partners with the Ohio Housing Finance Agency (OHFA) to administer the program - formerly known as the *18% Pilot*.

Program Goals

1. To increase the number of Housing Credit Program units for those who receive Supplemental Security Income (SSI)
2. To increase the number of fully accessible units for those with a disability
3. To demonstrate a cost savings to Medicaid

Program Details

- » Funds available: \$3,000,000 (SFY16 \$1M, SFY17 \$1M, SFY18 \$1M). This is subject to change based on the availability of funds.
- » Estimated number of units receiving funds to provide 15 years of Project-Based Rental Assistance: Approximately 30-36 units total; approximately 10-12 units per state fiscal year
- » Estimated Start Date: Units will be available in late 2017 or early 2018; outreach will begin prior to the 2016 Qualified Allocation Plan submission

Program Partners

Ohio Department of Medicaid

- » Establishes minimum eligibility requirements for tenants; establishes individuals' eligibility for the program
- » Ensures services and supports are in place

Ohio Housing Finance Agency

- » Evaluates developments and awards Operating Subsidy Grants
- » Approves annual reporting and processes grant payments
- » Monitors properties for compliance
- » Maintains a Housing Locator or an equivalent database

Participating Project Owners

- » Verifies income
- » Screens tenants
- » Issues leases
- » Maintains compliance with all OHFA Housing Credit Program requirements

Eligible Individuals

- » Individuals participating in the HOME Choice program or any qualified individual receiving Medicaid who require an accessible housing unit
- » Individuals who receive SSI or equivalent income and who are extremely low-income and at or below [30% Area Median Gross Income \(AMGI\)](#)
- » Individuals may be eligible for home and community-based long-term care services and supports

Eligible Properties

- » New Construction Family and Senior (55+) properties awarded through the OHFA 2016, 2017, 2018 Housing Credit Program
- » Properties can have no more than 25% of their units designated for persons with disabilities
- » Units will be one- and two- bedroom units (SFY16 funding will be targeted to one-bedroom units only)
- » All units must conform to [Section 504 of the Rehabilitation Act of 1973](#)
- » Properties must meet all applicable requirements of the Housing Credit program
- » Units that receive rental assistance are not eligible under this program

Operating Subsidy Information

- » Assistance will be provided through an Operating Subsidy covering the 15-year Housing Credit Program Compliance Period
- » Operating Subsidy will cover the difference between 30% of the resident's income and 50% AMGI rent level calculated for the Housing Credit Program

Housing Credit Project Selection Process

- » Existing or previously awarded Housing Credit developments are not eligible
- » Applicants must submit a 2016, 2017, or 2018 Housing Credit Program application
- » Preference to counties with a high rate of HOME Choice enrollments (Enrollments by County)

Evaluation Process

- » Properties receiving an Operating Subsidy agree to participate in a program evaluation

For more information, contact: MedicaidSubsidy@ohiohome.org

**18% Pilot: Project Based Rental Assistance
For Individuals with Physical Mobility Disabilities Living on SSI**

**Prepared by Leah Werner, Housing Coordinator, Ohio Department of Medicaid
October 2014**

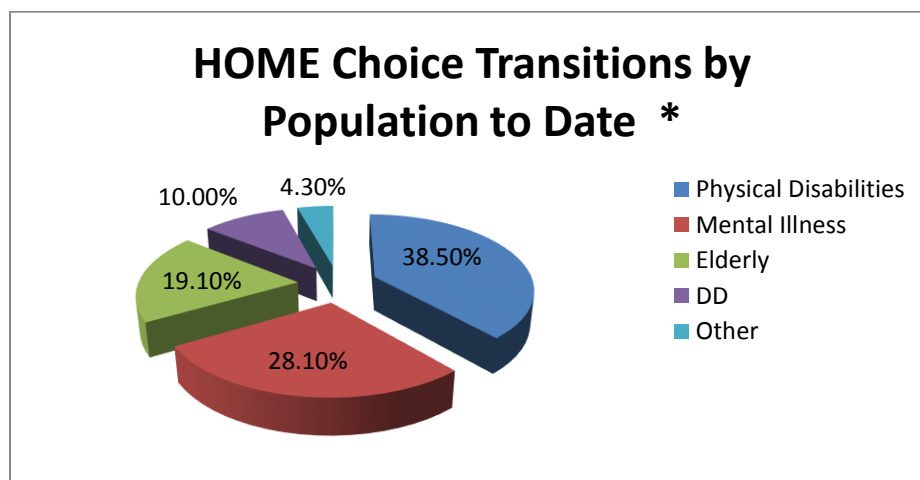
Introduction

Over 10,000 persons currently reside in nursing facilities throughout Ohio. Of those waiting to relocate, 18% have waited more than a year, primarily due to housing barriers. The lack of adequate, affordable and accessible housing results in the unnecessary institutionalization of impoverished individuals with disabilities. This is particularly true for individuals who use wheelchairs or mobility devices. The current ADA accessible housing gap necessitates the creation of more affordable, accessible housing units. The State of Ohio's HOME Choice program should incentivize the creation of affordable, accessible housing for persons living at 18% of the AMGI who require fully ADA accessible units. The suggested changes presented here would save the state significant money in unnecessary nursing home and other institutional housing costs.

HOME Choice

Since 2008, the Ohio Department of Medicaid has successfully transitioned over 5,400 (Oct. 2014) people from institutional settings back into the community through HOME Choice, Ohio's Money Follows the Person Demonstration program. In its six years of operation, HOME Choice, through the work of Pre Transition Case Managers and Transition Coordinators, has transitioned persons with disabilities to affordable, accessible housing and connected them to much needed services and supports, including Medicaid Waivers, ensuring a successful, long lasting transition. Transition Coordinators report from the field that persons with disabilities living on 18% of the Area Median Gross Income (AMGI), the average income level of a person living on SSI, remain unnecessarily in facilities due to the lack of affordable, accessible housing.

Transitions to date (N=5,443) by service population include:



*It's important to note that the HOME Choice database only allows for one population subgroup to be identified. Therefore an individual with a developmental disability could also have a physical disability and be elderly, but the data wouldn't indicate this complexity. Only the primary population category is tabulated. Note the 'other' category most likely represents individuals with substance abuse issues.

Olmstead Decision

The Department of Justice summarizes the Olmstead Decision accordingly:

On June 22, 1999, the United States Supreme Court held in Olmstead v. L.C. that unjustified segregation of persons with disabilities constitutes discrimination in violation of title II of the Americans with Disabilities Act. The Court held that public entities must provide community-based services to persons with disabilities when (1) such services are appropriate; (2) the affected persons do not oppose community-based treatment; and (3) community-based services can be reasonably accommodated, taking into account the resources available to the public entity and the needs of others who are receiving disability services from the entity.

States were encouraged to develop comprehensive plans aimed at serving individuals with disabilities in the most integrated setting possible. HOME Choice was, and still is, an integral part of Ohio's comprehensive plan, ensuring that individuals with disabilities have a choice in where they live and receive services. While the success of HOME Choice is significant - the State of Ohio ranks second in the nation to Texas in the number of successful transitions - more needs to be done to ensure compliance with *Olmstead*.

Barriers to Affordable, Accessible Housing

The 2014 Ohio Needs Assessment, created by the Ohio Housing Finance Agency, articulates the following income disparities and housing accessibility barriers for persons with disabilities:

- 13.3% of Ohioans are disabled; 1,505,340 persons
- 36.5% of individuals with disabilities are aged 65 and over with 23.5% reporting ambulatory difficulty; 6% of persons aged between 18-64 reported ambulatory difficulty
- 45.1% of persons with disabilities reported less than \$15,000 in annual income compared to 29.2% of the population without disability
- 23% of persons with a disability were considered to be living below the poverty level compared to 12% without a disability

Housing affordability among SSI recipients presents a more a significant problem, as the average rent for a one bedroom apartment in Hamilton, Franklin and Cuyahoga Counties is \$602, which represents 83% of the average SSI monthly income of \$721 per month. This illustrates the dire situation facing SSI recipients, with the rent burden exceeding \$392 over the 30% income model of housing affordability. SSI recipients have the greatest disparity between income and Fair Market Rent costs

The interconnection between poverty and disability is also articulated in data provided by Recovery Requires a Community (RRC), a program administered by the Department of Mental Health and Addiction Services. RRC offers resources to persons with severe and persistent mental health issues so they can successfully and permanently transition from an institution to a community setting. Since its inception in the fall of 2013, RRC has funded 102 individuals, all but 2 of whom were extremely low income and living solely on SSI or SSDI. 10% of the RRC consumers had zero income. This data, coupled with overall trends of persons with physical disabilities living in poverty, illustrates the need for an increase in affordable, accessible housing throughout the State of Ohio.

Current Demand for Affordable, Accessible Housing

A query of Ohio's Minimum Data Set in May 2014 showed that 10,264 individuals residing in nursing homes have community living potential. Based on past HOME Choice transition data, 66% of those individuals will move into a one bedroom apartment and that the majority will need some type of subsidized housing. Of the individuals who are waiting to transition from an institutional setting, 18% have waited more than a year due primarily to housing barriers.

Of the current 1,105 **HOME Choice** enrollees, 15.5% have indicated the lack of affordable housing as a barrier to securing housing, with an additional 7.8% indicating a lack of accessible housing as a barrier to securing their own home. 52 persons, or 4.7%, answered yes to both questions.

Affordable and accessible housing market constraints are also illustrated in **Public Housing Authorities'** waiting lists for accessible public housing units and vouchers for both project and tenant based. For example, Columbus Metropolitan Housing Authority, as of October 2014, has 1,351 individuals, or 27% of person with disabilities, on the Public Housing wait list, and 1,348 individuals, or 53% of person with disabilities, are on a voucher wait list, with 81% of them on the wait list for supportive housing opportunities. Currently, Lucas County Metropolitan Housing Authority has 509 families on the Public Housing waiting list, 31% of those families are in need of accessible housing. Similar housing needs can be found in the major Public Housing Authorities throughout the State.

Columbus Metropolitan Housing Authority reports an average wait list processing time of three years. There is a similar timeline throughout the state with other PHAs. It is important to note that the level of available vouchers is decreasing over time through attrition.

Similar demand can be seen in the volume of calls received by **Ohio's Centers for Independent Living** from individuals requesting information about affordable, accessible housing:

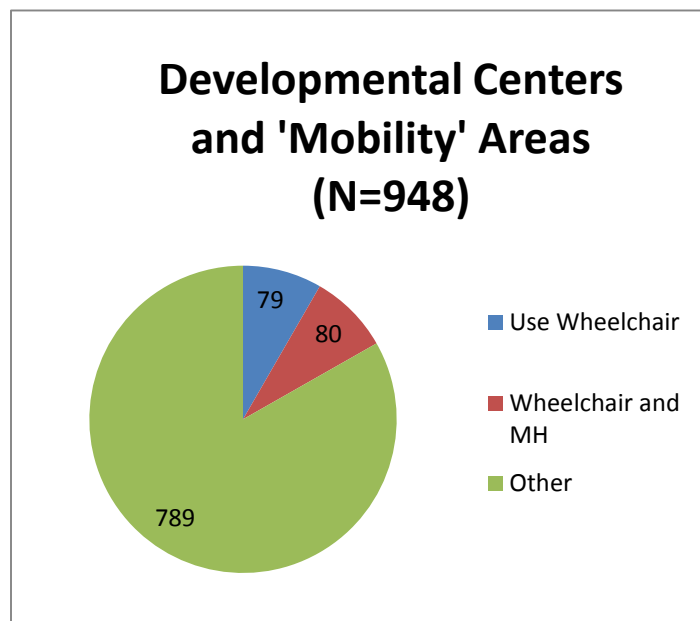
- Center for Independent Living Options in Cincinnati reported 682 Information and Referral calls between 10/1/2012 and 9/30/14; 614 or 90% of those calls were from persons with disabilities seeking affordable, accessible housing.
- Services for Independent Living in Cleveland reported 691 Information and Referral calls in one calendar year; 27% of those calls were requesting information about affordable, accessible housing.

Growing Demand for Affordable, Accessible Housing

Ohio's Waiver Setting Transition Plan:

As a result of the new HCBS Waiver Regulations issued by the Center for Medicaid and Medicare Services, the State of Ohio is currently developing its Waiver Setting Transition Plan, which is due to CMS on March 17, 2015. Integral to the Transition Plan is the promotion of integrated community settings that include where individuals on waivers both live and work.

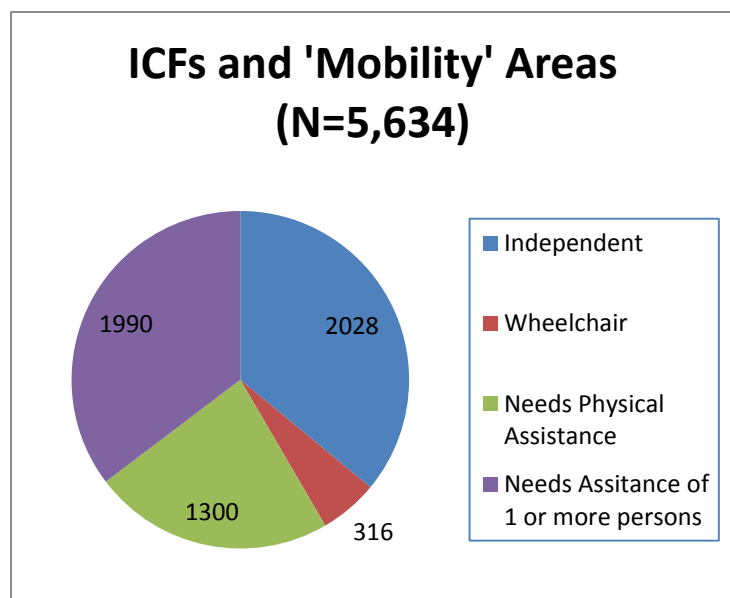
42 CFR 441.301 (ii) requires the State to promote settings that are selected by the individual from setting options including non-disability specific settings and an option for a private unit in a residential setting. The setting options are identified and documented in the person-centered service plan and are based on the individual needs, preferences and for residential settings, resources available for room and board.



Currently, the State of Ohio has 10 Development Centers. Of the DC population, 25% or 239 persons use a wheelchair; 80 of those individuals also have a mental health diagnosis. Of the 5,634 persons living in Intermediate Care Facilities, 5.6% or 316 use a mobility device such as a wheel chair, requiring fully ADA accessible and affordable housing. Additionally there are 1,300 individuals or 23% needing physical assistance for specific

situations such as navigating stairs, creating a subset of that population potentially needing fully ADA accessible, affordable housing in the future.

It's important to note that Ohio's nine Home and Community Based Waivers serve older adults and people with physical and developmental disabilities. CMS' new waiver regulations call for integrated housing for all persons with disabilities on all of the nine waivers. Given the interconnectedness of poverty, aging and disability, as illustrated in the above mentioned data sets, the demand for affordable, accessible housing will continue to increase as baby boomers come of age. According to the Scripps Gerontology Center, the State of Ohio will experience a population growth of 51.9% for person between the ages of 65-69 from 2010 to 2030. Accordingly, those in the same age bracket with severe disabilities (needing assistance with 2 or more ADLs) will increase by 206% from 2010 thru 2030. Those with severe disabilities who live at or below 200% of the Federal Poverty Level are projected to increase at a rate of 214% over the same time span.



18% Pilot Overview

Implementation

Given that the current cost for Nursing Facility care is \$175 per day and \$63,875 per year, the Ohio Department of Medicaid proposes to save Medicaid dollars, and consequently cut spending by the State of Ohio, by utilizing \$1 million of MFP Balancing Funds as a vehicle to incentivize the creation of more fully ADA accessible and affordable

housing units through the creation of the *18% Pilot* for persons with disabilities living at 18% of the Area Median Gross Income. Through a partnership between the Ohio Department of Medicaid and the Ohio Housing Finance Agency, developers applying for Low Income Housing Tax Credits, would be incentivized to increase ADA accessible units in affordable housing developments from 10% of total unit production up to 25%, as ODM, would provide five years' worth of Project Based Rental Assistance on those ADA units. This pilot will subsidize the gap between a 50% Low Income Housing Tax Credit unit rent and 30% of tenant's gross income. During the five year pilot period ODM and the State of Ohio will work to secure increased funding for this type of rental subsidy. ODM also seeks to partner with the Ohio Departments of Developmental Disabilities and Mental Health and Addiction Services to expand the capacity of pilot.

Financial Assumptions

Under the 18% Pilot, tenants will pay no more than 30% of their gross income on rent. All program units will be ‘fixed’ throughout the project, which will target 1 and 2 bedroom apartments. ODM and OHFA recognized that many eligible households will only require one bedroom units. However, owners will be expected to lease the appropriately sized unit to each qualifying household. No one will be over- or under-housed.

The 5-year Project Based Rental Assistance Budget makes the following assumptions:

- Target population includes persons living at or below 20% of the AMGI – individuals and families living on SSI.
- Rent targets for units will be no greater than the lower of the applicable FMR or 50% of LIHTC rent.
- Tenants will pay no more than 30% of Area Median Gross Income.
- 80% of the units will be one bedroom, 20% will be two bedrooms.
- Lease up will begin during calendar year 2017.
- Projected Cost Of Living Adjustment increase of 1.5% annually for SSI recipients –from 2014 base rate of \$721.
- Projected increase of 1.5% from 2014 AMGI levels for Franklin County

5 Year Rent & Subsidy Schedule	Year 1	Year 2	Year 3	Year 4	Year 5
	2017	2018	2019	2020	2021
SSI Payment/ Indv	\$753.93	\$765.24	\$776.72	\$788.37	\$800.20
50% Rent 1 BR	\$559.73	\$569.25	\$578.92	\$588.77	\$598.77
Tenant Pays (30% of Gross Income)	\$226.18	\$229.57	\$233.02	\$236.51	\$240.06
Pilot Subsidy	\$333.55	\$339.68	\$345.90	\$352.26	\$358.71
2 Person Household at 18% AMI	\$878.37	\$891.55	\$904.92	\$918.49	\$932.27

50% Rent 2 BR	\$728.30	\$740.68	\$753.27	\$766.08	\$779.10
Tenant Pays (30% of Gross Income)	\$263.51	\$267.46	\$271.48	\$275.55	\$279.68
Pilot Subsidy	\$464.79	\$473.22	\$481.79	\$490.53	\$499.42

5 Year Projected SUBSIDY Budget - \$1,000,000

5 Year Projected SUBSIDY Budget						
Years	1	2	3	4	5	TOTALS
	2017	2018	2019	2020	2021	
1 BR Rents (32)	\$128,083.11	\$130,435.99	\$132,826.93	\$135,267.16	\$137,744.85	\$664,358.04
2 BR Rents (8)	\$44,619.75	\$45,428.77	\$46,252.27	\$47,091.10	\$47,944.23	\$231,336.12
Admin	\$13,816.23	\$14,069.18	\$14,326.34	\$14,588.66	\$14,855.13	\$71,655.53
Total	\$186,519.09	\$189,933.95	\$193,405.53	\$196,946.92	\$200,544.21	\$967,349.69

*Per 40 participants/ 40 units -\$1M

** Each additional \$500,000 will provide rental subsidies for approximately 20 persons with an additional 20 units of ADA housing created

Pre Development and Implementation

The *18% Pilot* will be incorporated into a new State Initiatives Pool within OHFA's 2016 Qualified Allocation Plan. Developers seeking to partner with ODM will submit proposals to OHFA with the understanding that up to 25% of the units must be fully ADA Accessible in exchange for the 5 year Project Based Rental Assistance Subsidy. Recognizing that Low Income Housing Tax Credits are awarded on a competitive basis, ODM will work with multiple developers during pre-development to ensure that proposals are competitive and to increase opportunities to receive Low Income Housing Tax Credits. ODM and OHFA will work with developers to ensure a robust referral network encompassing HOME Choice Transition Coordination Agencies, Centers for Independent Living and local county boards of Developmental Disabilities and Mental Health and Addiction Services to ensure that units are

leased quickly and that waiting lists are maintained. Developments securing tax credit funding would be ready for lease up during 2017.

Administration

The roles, responsibilities, fiscal management and oversight would mirror the agreed upon terms already established between ODM and OHFA for the 2013 and 2014 HUD 811 PRA application. The 811 PRA application sought funds to offer rental assistance to persons with disabilities paying 30% of their gross monthly income toward rent. The proposed 18% Pilot would be administered and structured similarly to the 811 PRA.

Long Term Goal

During the pilot's five year period, ODM, in partnership with OHFA, will assess the cost effectiveness of the program by looking at 1) Medicaid claims data before and after transition a 2) Length of stay in an institution and barriers to transition and 3) Statewide aggregate demand for affordable, accessible housing for institutionalized individuals coupled with level of accessible housing units to meet that demand. The long term goal of the 18% Pilot is to study the cost savings to Medicaid and the State of Ohio and to use that data and market analysis to secure, more permanent and increased funding for this type of subsidy.

Projected Cost Savings for 18% Pilot: HOME Choice Data and ODM Cost Savings

HOME Choice data was analyzed to assess the average cost savings to ODM once a HOME Choice participant had successfully transitioned from an institution. The data cohort represents 526 HOME Choice participants that exited HOME Choice during the first eight months of 2014. The chart below illustrates the cost savings to ODM for person with 1) Physical Disabilities; 2) Mental Health Disabilities and 3) Developmental Disabilities leaving a nursing facility. The proposed rent subsidy is subtracted from the average ODM cost savings to yield the net cost savings of implementing the 18% Pilot. The ratio of cost savings illustrates that for every dollar ODM spends on rent subsidy it will save between \$7.32 and \$14.06 dollars in Medicaid expenses depending on population.

Individuals with Physical, Mental or Developmental Disability Transitioning from a Nursing Facility to Community.

Population Type	Avg. NF/year	Avg. Cost Savings per month to ODM post Transition	Annual Cost Savings	Weighted Rent Avg/Mo	Weighted Rent Subsidy Avg/Yr	Net Cost Savings	Ratio of Cost Savings*
Total for All Populations (N=526)	\$63,875	\$4,233	\$50,796	\$359.52	\$4,314.24	\$46,481.76	1:11.77

Physical Disability (N=183)	\$63,875	\$4,702	\$56,424	\$359.52	\$4,314.24	\$52,109.76	1:13.07
Mental Health (N=256)	\$63,875	\$3,739	\$44,868	\$359.52	\$4,314.24	\$40,553.76	1:10.39
Developmental Disability (N=12)	\$63,875	\$2,632	\$31,584	\$359.52	\$4,314.24	\$27,269.76	1:7.32

*Annual Cost Savings/Annual Weighted Rent Subsidy

ODM/ DODD Cost Savings for Individuals with Developmental Disabilities Transitioning from ICFs or DCs into the Community

To date, the overwhelming majority of individuals with developmental disabilities transition from 1) Non-governmental ICFs, 2) Governmental ICFs or 3) Developmental Centers into the community at a rate of 83.9% over the 13.8% from Nursing Facilities.

Currently there are 6,582 individuals with developmental disabilities that reside in Developmental Centers (948) and ICFs (5634). Because there are three types of facilities, there are three different per diem/yearly rate structures. Note that while individuals with DD are living in one of the three types of facilities they are not on a DD waiver. The costs of services are embedded in the per diem. Cost savings with the 18% Pilot include the net savings after the cost of waivers and HOME Choice transitions are included.

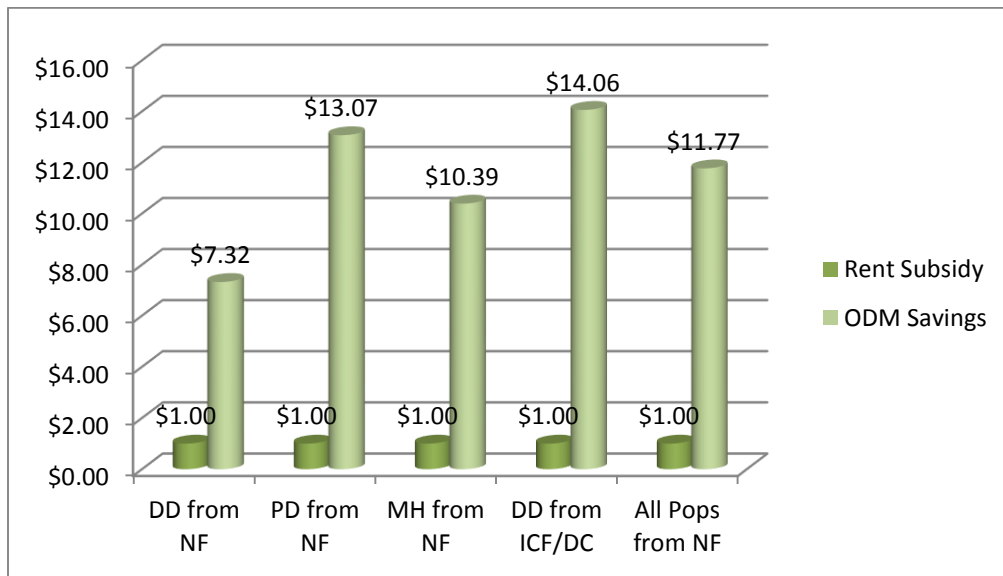
Individuals with Developmental Disabilities (N=73)	Avg Cost Savings per month to ODM/DODD Post Transition	Annual Cost Savings	Weighted Rent Avg/mo	Weighted Rent Subsidy Avg/yr	Net Cost Savings	Ratio of Cost Savings*
	\$5,055	\$60,660	\$359.52	\$4,314.24	\$56,345.76	1:14.06

*Annual Cost Savings/Annual Weighted Rent Subsidy

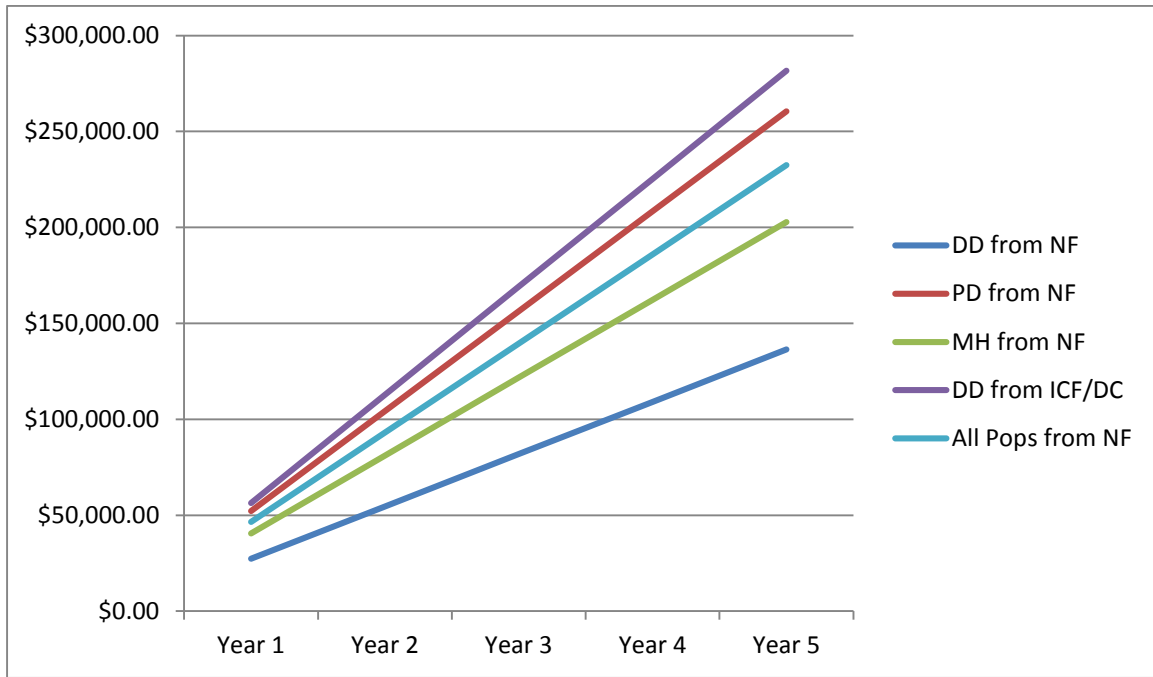
Fee Structure for ICFs and DCs and DD Waivers

Non Gov ICFs Avg Cost/ Yr	Gov ICFs Avg Cost/Yr	Developmental Ctr Avg Cost/ Yr	Weighted Avg of Yr DC/ICF Cost	Weighted Avg of Yr of DD Waivers Cost (excluding SELF)
\$99,086.55	\$126,742.60	\$191,114	\$115,712.52	\$54,942.31
4800 total est. pop.	800 total est pop	948 total		

Ratio of ODM Cost Savings Per Dollar Spent on Rental Subsidy



Overall Projected 5 Year Net Cost Savings of 18% Pilot



*5 year trajectory of cost savings doesn't account for inflation. Net savings are accounted for in 2014 projected savings

Data Methodology

Methodology/Population Sample: Cost data from recent participants in the Ohio Department of Medicaid's HOME Choice demonstration program were used to support arguments for non-institutionalized living arrangements for Medicaid clients. The sample population (n=526) included HOME Choice participants (enrollees/transitioners) who exited the HOME Choice program during the first eight months of 2014. The sample population was also limited to those persons 18 years of age and older, and the mental health, physically disabled, and developmentally disabled populations of this exit cohort.

For cost analysis purposes, the length of both the HOME Choice transition episode and the prior institutionalization episode were considered, measured in terms of days, as well as data on the **total cost of coverage (TTC)**, which was pulled from the MITS system. To standardize costs, overall costs for an episode were divided by a time variable, set to months, to get the average cost of a specific placement or living arrangement for each participant.

Institutional Cost Summary: Prior to entering the HOME Choice program, participants resided an average of 646 days or 21.5 months in institutional settings, mostly nursing facilities. The cost of these facilities ranged from \$400 to \$85,502 per month depending on the individual participant's circumstances. The combined average monthly TTC of institutionalization for the 2014 HOME Choice exit cohort amounted to \$6,938 (n=526).

HOME Choice Cost Summary: Once enrolled in the HOME Choice program, participants remained in the program an average of 330 days or 11.0 months. The cost of being in the HOME Choice program ranged from zero dollars per month to \$33,977 a month depending on the given participant's circumstances. The combined average monthly TTC of being in the HOME Choice program for the 2014 exit cohort amounted to \$2,705 (n=526).

Institutional Versus HC Costs:

Of the HOME Choice participants in this study, the overwhelming majority, 490 out of 526 or 93.2%, saw cost-savings in terms of monthly average of the total cost of coverage while enrolled in the HOME Choice program. All study cases were included (n=526) when calculating average cost savings comparisons between HOME Choice placements and institutionalization. As indicated above, the monthly average TTC of institutionalization prior to HOME Choice enrollment amounted to \$6,938 for the population of 526 combined, while the monthly average TTC while in HOME Choice transition dropped to \$2,705 per month. The difference between the two shows a net cost savings of the HOME Choice community placement program of \$4,233 per month or \$50,796 per year. It should be noted that cost savings may vary by service population (e.g., disability, age) and other factors.

Conclusions

In order for Ohio to continue to successfully transition individuals from institutions, the State must look for innovative ways to incentivize the creation of affordable and fully accessible housing. The affordable and accessible housing shortage as it stands today is growing at an alarming rate. This crisis illuminates the State's need to redirect its efforts to ensure compliance with Olmstead and accordingly assure that individuals with disabilities have the opportunity to live full lives in the community and avoid unnecessary and costly institutionalization. The 18% Pilot will establish the groundwork for ways in which the State can partner with the Ohio Housing Finance Agency, the housing development community and statewide service and advocacy organizations to ensure that individuals with disabilities have access to affordable, accessible housing. Furthermore, the 18% Pilot will show the significant overall cost savings to the State when the creation of affordable and accessible housing is incentivized, in addition to provide the leverage needed to find a permanent solution to the affordable and accessible housing discrepancy in Ohio.

Works Cited

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