

## **Special Needs Nursing Home Transition Rental Assistance**

Pennsylvania, like many states, is facing a crisis with the restrictions and escalating costs associated with nursing home care. Currently Pennsylvania ranks 4th in the percentage of people aged 65 or over. As our population ages, this problem is only going to grow - and it is not exclusive to the elderly. Individuals of all ages find themselves in nursing homes due to illness or accidents, when other treatment options may be available.

In addition to the unsustainable financial burden placed on the state and federal governments, any bias towards nursing home placement is unacceptable, and has been repeatedly repudiated by the Commonwealth and other judicial entities. Recently, Pennsylvania embarked on a series of activities to rebalance the ratio of services delivered in a nursing home versus those delivered in the community. There was a dramatic shift in investment for home and community-based service programs. As a cornerstone of this effort, nursing home transition programs attempt to move individuals already in nursing homes into less restrictive community settings, while diverting those about to be admitted to nursing home care to community care.

This rebalancing effort achieved much success and revealed significant barriers, one of which was a lack of affordable housing. Some individuals, whose nursing and treatment goals had been achieved, were still in a care facility because that was the only housing option they had. In many instances, a nursing home patient who has been in a facility for six or more months has lost their previous home in the community and can no longer afford to pay rent or purchase a home. Consumers in many PA counties face waiting lists of several years for an affordable and/or accessible housing unit.

Because PHFA had worked for years to develop a strong relationship with our Medicaid state agency, the Pennsylvania Department of Public Welfare (DPW), PHFA was a part of the rebalancing conversation from the beginning. PHFA and DPW developed a plan to deal with the lack of affordable housing by establishing the Nursing Home Transition Rental Assistance (NHTRA) program. After months of planning, PHFA and DPW entered into an agreement to implement NHTRA statewide.

One of the concerns of DPW in developing this program was that due to current budget restrictions and the uncertainty of budgets in future years, their resources were limited and they could not commit to provide rental assistance for life for individuals deemed eligible for the program. Because of that limitation, NHTRA is designed to serve as a bridge to another subsidy or other permanently affordable rental situation. PHFA set out to design the program so that it would be flexible enough to be compatible with a wide variety of subsequent subsidies and to work in all 67 counties in Pennsylvania.

The major tenets of NHTRA include:

- It is a temporary subsidy designed to last up to 24 months, but with the flexibility to be extended if specific situations warrant an extension.
- Individuals using NHTRA must have a plan for permanent affordable housing to be in place after NHTRA expires. This can include a Housing Choice Voucher, project-based Section 8, deeply subsidized units in PHFA's Low Income Housing Tax Credit developments, and other subsidies or otherwise affordable options.

- Individuals receiving this rental assistance must be receiving nursing home care paid for by DPW or be identified as a candidate through a diversion effort to keep the nursing home admission from occurring in the first place.

PHFA worked closely with DPW and local nursing home transition staff to identify high priority areas in Pennsylvania to focus our effort. At the same time, the NHTRA program was opened up statewide for any individual who was able to qualify based on the above three program tenets. Many of the high priority areas were identified as such specifically because of a lack of affordable housing, and a lack of subsidies that could be used in conjunction with NHTRA. In these areas, PHFA embarked on an outreach campaign with local public housing authorities to identify strategies that might alleviate the affordable housing shortage. As a result of those efforts, many local housing authorities have committed resources to support the nursing home transition effort. Some of these include:

- Set asides of vouchers specifically for NHTRA consumers, e.g. Philadelphia Housing Authority set aside 75 Housing Choice Vouchers for individuals after 24 months on NHTRA; Allegheny County Housing Authority set aside 25 vouchers in the same manner; 11 other local housing authorities created their own set asides.
- Washington County Housing Authority committed 6 vouchers for a diversion effort to keep people from entering the nursing home in the first place. This follows the use of NHTRA funding for 12 months.
- Several housing authorities created a Housing Choice Voucher preference for individuals transitioning out of a nursing home. Typically, this has resulted in the use of NHTRA funding while waiting for a voucher to become available. In some areas, the preference now enables the transitioning individual to move directly to a voucher without using any NHTRA funding.
- A partnership with a PACE (Program for All-inclusive Care for the Elderly) site has enabled a 24 unit apartment complex with a preference for individuals needing PACE services to operate along with NHTRA in all 24 units.
- A city housing authority and county housing authority have worked together to float a combined 13 vouchers to individuals receiving NHTRA, and to continue to sustain that level of voucher availability as individuals cycle through the program.
- York Housing Authority has set aside several accessible public housing units for individuals transitioning out of nursing homes.

In addition to the benefit of PHFA using its influence to negotiate with local housing authorities for some of these resources, our operational capacity has allowed us to work in areas where economies of scale are not available, e.g. very rural areas where only one or two transitions will take place. At PHFA, we have also been able to provide the flexibility that this program requires in order to be successful. We have a bias towards saying yes to a request and are committed to finding a way to support as many transitions as possible.

The success that has been generated from this nursing home transition effort is significant. The most recent statistics show that:

- 40% of Pennsylvanians receiving Medicaid long-term living services, will receive those services in home and community-based settings. That is more than double the rate from five years ago.
- The number of Medical Assistance recipients over age 60 in nursing facilities has **decreased** by more than 3% - at a time when the number of Pennsylvanians over age 85 has been **increasing** by 3% annually.

Over the course of the past three years in which NHTRA has been operational, more than 180 individuals have been assisted by the program, not including those who were moved directly to other subsidies as a result of PHFA's efforts with local partners. Of these 180, a few have avoided nursing home placement through a diversion effort, but the vast majority of those 180 individuals have enjoyed the liberating impact of moving to their own space in which they make their own rules, choose whether or not to have a roommate, decide whether or not they want the lights on or off, want it quiet or noisy and have all the other freedoms that patients typically lose when they must live in an institution.

Achieving the goal of balancing Pennsylvania's long-term living system requires steady investments in cost-effective home and community-based services – AND in the affordable and accessible housing units to accommodate them. Success in rebalancing the Commonwealth's long-term living system requires a comprehensive, coordinated approach among all relevant partners. PHFA and DPW recognize that with each transition, we are not only benefitting Pennsylvania's financial bottom line, more importantly, we are changing lives and giving people the freedom of choice to which they are entitled.