

## Housing is Health Care for Nursing Facility Eligible Individuals Living in the Community

### Housing is a Key Social Determinant of Health

Housing is the foundation from which we build our lives. We spend most of our lives in our homes. The affordability, quality, and stability of our homes is directly linked to our health and well-being. Ensuring that people live in healthy homes is a critical public health issue. The Housing Alliance of Pennsylvania is advocating for safe, decent, and affordable homes for low-income persons so they have stable housing and can improve and maintain their health.

### The Impact of Housing Quality on Health

Housing is a social determinant of health. For many, quality and decent housing includes accessibility needs, home support services, and social stimulation. Unfortunately, the ability to stay in the community when requiring higher levels of care has one-time and/or long-term costs.

Pennsylvania has a relatively old housing stock, with mostly multi-story homes. That means the need for and cost of home repairs are high and that few homes are accessible. Therefore, for low-income individuals with accessibility and/or medical needs, finding a home that they can afford that also meets their health care needs can be difficult. A nursing facility may be the next option, even though it is usually the costliest option and not the preferred option of the majority of individuals.<sup>1</sup>

### Cost Considerations For Living in the Community

#### Cost of Living in a Nursing Facility

In Pennsylvania, the cost to live in a nursing facility in 2018 ranged from \$115,340 for a semi-private room to \$121,363 for a private room.<sup>2</sup>

#### Cost to Live in the Community

There are several costs to consider, in addition to rent or mortgage, when estimating how much living in the community costs for a person with medical needs that qualifies them for a nursing facility.

##### Home Repair

The Federal Reserve Bank of Philadelphia conducted a nationwide study of home repair costs by home-ownership status and income levels. It estimated the average cost of home repairs for those living below the federal poverty line is \$3,482.<sup>3</sup>

##### Accessibility Modifications

Home modifications can range from adding grab bars to a shower to modifying a multi-story home to be fully wheelchair accessible. Remodeling costs range from \$140 to \$40,000. Fixr.com estimates the average aging in place remodeling cost to be \$9,000.<sup>4</sup>

##### Home Health Care

Home health care needs can include companion care services, skilled nursing care, or 24-hour care. Costs estimates for these services are \$51,777 for daytime companion care,<sup>5</sup> \$79,200 for skilled nursing,<sup>6</sup> and \$192,000 for 24-hour care.<sup>7</sup>

1 Arling, Greg et al. "Targeting residents for transitions from nursing home to community." *Health services research* vol. 45,3 (2010): 691-711. doi:10.1111/j.1475-6773.2010.01105.x

2 "2018 Cost of Care Survey." *Genworth*.

3 Divringi, Eileen et al. "Measuring and Understanding Home Repair Costs, A National Typology of Households." *Federal Reserve Bank of Philadelphia and Policy Map*, September 2019 <https://www.philadelphiafed.org/-/media/community-development/publications/special-reports/home-repair-costs-national-report.pdf?la=en>.

4 Disability Remodeling Cost. *Fixr.com*, Accessed in October 2019, <https://www.fixr.com/costs/disability-remodeling>.

5 "2018 Cost of Care Survey." *Genworth*.

6 "Nursing Home Costs in 2019 by State and Type of Care." *SeniorLiving.org*, 22 June 2019, <https://www.seniorliving.org/nursing-homes/costs/>.

## Comparing the Cost of Living in a Nursing Facility with the Cost of Living in the Community

In many cases, the cost of living in the community is lower than the cost of living in a nursing facility. Circumstances where this is not the case is if 24-hour care is needed or significant home modifications are needed along with skilled nursing care.

We present three examples of potential costs to live in the community for a low-income individual that are less expensive than living in a semi-private room in a nursing facility at a cost of \$115,340 (see Table 1).

We included estimates for median rents for low-income families in Pennsylvania, median annual housing costs with a mortgage in Pennsylvania, average home repair costs, average and maximum costs for home modifications, and different levels of home health care in Pennsylvania.<sup>8</sup>

## Identifying Solutions: Community Based Services and Supports

In Pennsylvania, the Department of Human Services recognizes the preference for older adults and/or persons living with disabilities to live in the community. We profile two programs in Pennsylvania that provide services and supports to assist individuals who are nursing facility eligible to live in the community that warrant continued exploration and expansion. Along with being the preferred choice of most individuals to live in the community, overall, these services and supports that allow a person to remain in the community are usually more cost efficient than living in a nursing facility.

### Senior LIFE: Living Independence for the Elderly

Senior LIFE provides programs that allow older adults to remain in the community instead of living in a nursing

**Table 1. Potential Costs of Living in The Community**

Costs	Example 1	Example 2	Example 3
Mortgage <sup>9</sup>			\$17,352
Rent <sup>10</sup>	\$12,072	\$12,072	
Home repair (average)	\$3,482	\$3,482	\$3,482
Home modification	\$9,000	\$9,000	\$40,000
Daytime home health care		\$51,777	\$51,777
Skilled nursing	\$79,200		
<b>Total</b>	<b>\$103,754</b>	<b>\$76,331</b>	<b>\$112,611</b>

facility. Senior LIFE provides coordinated services in the home and at their senior LIFE Health and Wellness Centers. A sample of services include transportation to medical appointments, behavioral health care and counseling, light housekeeping, meal services, in-home modifications, and home health aides.

Senior LIFE has LIFE Health and Wellness Centers in 12 cities across the state and their services are only available in certain counties. There are no enrollment costs for older adults who are Medicaid eligible and there are private pay options for older adults who are not Medicaid eligible.

### Community HealthChoices

Community HealthChoices is Pennsylvania's mandatory managed care program for individuals dually eligible for Medicare and Medicaid and for individuals with physical disabilities. The program is being rolled out in phases. It began in the southwest region of the state in 2018 and will be available throughout the entire state in 2020.

Along with health, wellness, and personal assistance services provided in the home for all of its members, Community HealthChoices also provides tenancy and pre-tenancy supports to those individuals that want to transition to the community from a nursing facility. Some of these services include community transition services, community integration, and pest eradication.

7 "Home Care May Not Be Cheaper than Assisted Living or a Nursing Home." *ElderLawAnswers*, 22 Feb. 2007, <https://www.elderlawanswers.com/home-care-may-not-be-cheaper-than-assisted-living-or-a-nursing-home-6056>.

8 These examples do not assume a person lives in subsidized housing.

9 2013-2017 American Community Survey Five-Year Average, *U.S. Census*, Median cost, Owner-occupied with mortgage, Pennsylvania.

10 "Out of Reach 2019." *National Low Income Housing Coalition*, Low-Income Renters Income, Pennsylvania <https://reports.nlihc.org/oor>.