

Spotlight

Supportive Housing: Critical to Meeting the Needs of an Aging Population

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Supportive housing combines housing with health and other services in a supportive social community to help enable older adults and persons with disabilities maintain their independence. The demand for supportive housing options will increase as the baby boom population ages, life expectancies lengthen, and more older adults need health care and other supports to help them age in their communities. At the same time, health care costs continue to rise faster than the rate of inflation and there is a need for options to provide care more efficiently. For example, between 2004 and 2018, the average cost of care in a private nursing room increased 54 percent; the cost of assisted living rose 67 percent over that same period.¹ While new models of combining housing and services are promising, the availability of supportive housing options for older adults generally is not sufficient to meet demand.

Defining Supportive Housing

Supportive housing, a term that can be used differently in various contexts,² is an umbrella term for residential settings that are designed to provide a range of intensive supportive services onsite while providing residents a private living space. Housing

may be temporary or permanent and can offer different kinds of services and resources. A number of entities provide supportive housing, including health care agencies, faith-based organizations, and community-based volunteer groups. Some older adults remain in their homes and rely on health and social services in the community to meet their needs. For others, supportive housing provides an alternative where residents can live in a community with integrated, onsite health and social services. A key characteristic of all supportive housing is that health and other social services are provided in a residential, rather than an institutional, setting.

The types of services provided in a supportive housing model vary but can include meal deliveries, health monitoring, emergency

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response, housekeeping, laundry, and recreational opportunities. By providing residents with help on an as-needed basis within a small community, older adults are able to live comfortably while maintaining their independence and autonomy as they age.

Many different kinds of organizations have developed over the years to meet the demand for supportive housing. Assisted living communities, adult foster care homes, continuing care retirement communities, congregate housing, and villages have been developed across the country. The cost and type of supports vary widely, leaving older adults with multiple options to evaluate.

Assisted living communities provide private residences for older adults and offer a level of care that ranges from light “hospitality” services to more intensive nursing care. The Assisted Living Quality Coalition defines assisted living as “a congregate residential setting that provides or coordinates personal services designed to minimize the need to move; to accommodate individual residents’ changing needs and preferences; to maximize residents’ dignity, autonomy, privacy, independence, and safety; and to encourage family and community involvement.”³ Assisted living communities can provide disease-specific programs that range from Alzheimer’s, diabetes, cardiovascular to depression programs.⁴ State licensing requirements establish the parameters within which assisted living residences operate, including admission and discharge standards, the size of the units, and the availability of state reimbursement for care. Regulations vary widely among states and have a significant impact on the options available. Some people may view assisted living as a preferable option to institutional care, such as a nursing facility.

As of 2014, there were 30,200 assisted living communities with a total of 1 million licensed beds in the United States. The national median cost of assisted living was \$4,000 per month, or \$48,000 per year, for a private, one-bedroom unit.⁵ As individuals age and health care needs increase, so too does the cost of care.

Adult foster care homes (AFCHs) are a unique type of residential care usually furnished in a provider’s own home. While each state’s requirements vary, a common feature of AFCHs is supportive services on a 24-hour basis in a home-like setting, with a group of up to 5 or 6 adults. In 2014, nationally, there were about 18,900 AFCHs serving an estimated 64,189 residents.⁶ Approximately 50 to 60 percent of residents pay with private funding (including family resources).⁷ The median cost for care in an adult foster care home is about \$26,208 annually, or \$2,184 per month, based on 7 days per week of care.⁸

Continuing care retirement communities (CCRCs) offer a wide range of housing types with a continuum of services and amenities. CCRCs are designed to enable residents to transition from private homes to assisted living residences and ultimately skilled nursing facilities as their needs change. There are more than 1,900 CCRCs in the United States.⁹ CCRCs are a high-cost option for supportive housing, and can be cost-prohibitive for lower-income older adults.¹⁰ CCRCs are particularly known for having a large lump-sum entrance payment, which ranges from about \$107,000 to \$427,000. Even with such these high entry fees, residents also pay monthly fees, which are dependent on the type and amount of medical and nursing care needed. Average monthly service fees range from \$2,000 to \$4,000.¹¹

Congregate housing offers a less intensive level of service than the models described above. Here, older adults live independently in apartments but receive hospitality-style services, such as light housekeeping. Congregate housing is not licensed by the state, and most congregate housing expenses are paid out of pocket. Costs of congregate housing vary. The U.S. Department of Housing and Urban Development’s (HUD) Congregate Housing Services Program funds up to 40 percent of the cost of supportive services with states, localities or public housing authorities paying 50 percent of the service costs and individuals receiving services paying 10 percent of the costs.¹²

Villages are local membership organizations led by a small staff and volunteers who aim to support

older adults' desire to age in place. Members pay an average annual fee from \$200 to \$1,000. Villages are structured to meet members' unique needs (from home maintenance to health care referral) and to enhance social connections. Typically, residents live independently and need only occasional support services. There are over 200 villages across the United States offering a variety of services, including transportation services, grocery shopping and delivery, light home maintenance, cooking, and laundry. In general, villages are not designed to offer health care services, although transportation to medical appointments is sometimes provided.

Structuring Supportive Services

Supportive housing models strive for high-quality services and community-based housing that continually promotes independence and aging in place. To be successful, housing organizations must partner with health agencies, service providers, and government. There is no standard approach to combining and delivering supportive services in residential settings.

Some models choose to streamline all components using a single provider to manage both housing and the delivery of services. This arrangement can simplify information sharing and coordination of care, but it can also result in added training and staff costs for agencies that lack experience in one of these areas.

A growing number of housing developments, including some that receive federal subsidies, have contracted with outside vendors to provide health, social, and other services. Employing contractors can reduce staff costs and enable more efficient service delivery by taking advantage of expertise already available in the community.

Whether hiring contractors or providing everything in house, care managers and service coordinators play a key role in connecting residents with needed supports and facilitating communication between housing and services staff. Care managers are also critical in evaluating tenants during the admissions process, and on an ongoing basis, to ensure continued access to appropriate services. The health care sector is

critically important to the supportive housing model. Creating partnerships between multiple service providers to create a treatment plan for a resident requires a transparent form of communication between providers. To ensure the best care, care managers, residential managers, clinicians, and service providers need to establish a working relationship with residences.

Given the number of services and the amount of coordination needed, supportive housing options can be expensive. In some cases, it is prohibitively expensive. Some public subsidies are available to help lower-income older adults access supportive housing.¹³

A Growing Demand

Demand for supportive housing is outpacing availability. And the demand is expected to increase over the coming decades as the population ages. Between 2012 and 2014, the number of residents in supportive housing residences (ages 61+) increased at an average rate of 9 percent a year. Meanwhile, the population ages 65 and older is expected to increase by 64 percent between 2016 and 2040, according to US Census Bureau estimates. By comparison, the population under age 65 is expected to increase by just 7 percent during that period.¹⁴

The majority of older adults prefer to age in a home setting. A 2018 AARP survey showed three out of four adults ages 50 and older wished to remain in their homes or communities as they age.¹⁵ Therefore, it is critically important to find ways to integrate housing and services to support successful aging in place.

Recognizing affordable housing communities as an underutilized asset in the long-term care system, Cathedral Square Corporation launched the SASH program, focused on colocating wellness, prevention, and care management programs in multifamily housing for older adults. Each development is assigned a SASH coordinator and a wellness nurse, who serve up to 100 program participants. SASH also uses Medicaid funding to pay for a home health acute care nurse and a case manager onsite.

Case Study: Cathedral Square Corporation and Its Support and Services at Home (SASH) Program

Since 1977, the mission-driven Cathedral Square Corporation has developed and managed safe, secure, and affordable rental housing for older adults and persons with special needs. Starting in Burlington, Vermont, the organization's footprint expanded throughout the state to 30 communities. Housing options include light support for independent older adults, shared housing for independent adults seeking a more social environment, and assisted living and memory care options. While most of the units are restricted to lower-income households, approximately 10 percent have no income requirement.*



Photocredit: CathedralSquareCorporation

Allard Square, opened in October 2018, includes 39 one- and two-bedroom affordable and market-rate apartments. Amenities include an exercise room, community room with kitchen, activity room, and free SASH programming, similar to all other Cathedral Square properties.

*Cathedral Square, 2018, <https://cathedralsquare.org/>

SASH has been documented to reduce rates of hospital admissions, slow the growth of annual Medicare expenditure¹⁶ and physician costs, and improve medication management among participants.¹⁷ The effective coordination of services ensures that participants have the resources to remain in their homes, even as their need for more intensive health care and daily supports increases.

Future of Supportive Housing

Rising health care costs and a rapidly aging population suggest that it is more important than ever to find ways to support the health and well-being of older adults while making efficient use of limited health care resources. Increasing options that combine housing with necessary health care and other supportive services is an important goal for serving older adults in the future. Successful supportive housing models will expand partnerships among nonprofits, community and service providers, and housing developers. Supportive housing options need to be expanded in communities throughout the country – and available to older adults at all incomes – to meet growing demand.

The Livability Index

AARP's Livability Index: Great Neighborhoods for All Ages is an online resource that measures communities across several categories, including housing, on how well they are meeting the needs of people as they age. The tool scores any location in the United States against a set of indicators that, when combined, reflect AARP's livable communities principles.

The index includes several indicators that highlight a number of housing issues and policy solutions that contribute to community livability. To score your community, visit <http://www.aarp.org/livabilityindex>.



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- 2 In this publication, the term *supportive housing* refers to the general concept of housing developed to provide supportive services for older adults onsite. It is important to note that supportive housing in the broad sense can be used to provide support and stability for such vulnerable groups as the homeless, residents with physical and mental disabilities, and the older population.
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- 13 See "Affordable Supportive Housing Fills Gap for Older Adults and People with Disabilities," AARP, Washington, DC, 2019.
- 14 "Projected Age Groups and Sex Composition of the Population," US Census Bureau, 2017, <https://www.census.gov/data/tables/2017/demo/popproj/2017-summary-tables.html>.
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