Housing as Healthcare: Practical Models to Create Social Impact

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For more than 30 years, Mercy Housing Lakefront (MHL) has provided service-enriched housing to individuals and families, many of whom face tremendous health-related barriers to long-term stability, in Chicago and elsewhere in Illinois, Wisconsin, and Indiana. Among the residents served by the organization are working families, seniors, and people with special needs (i.e., veterans, those experiencing homelessness, individuals who are HIV positive or have AIDS, and those with disabilities), all of whom lack the economic resources to access quality, safe housing opportunities. Many of these individuals have acute medical needs, including mental health challenges, substance use disorders, and limited mobility, among others. Addressing these challenges requires individualized wraparound support, but MHL's approach to helping them lead healthy lives always begins by providing them with a safe, stable, and affordable home that can serve as a foundation for a better life.

The reason for this is simple: housing is healthcare. As the Corporation for Supportive Housing stated in a 2014 report,

> access to safe, quality, affordable housing—and the supports necessary to maintain that housing—constitute one of the most basic and powerful social determinants of health. In particular, for individuals and families trapped in a cycle of crisis and housing instability due to extreme poverty, trauma, violence, mental illness, addiction or other chronic health conditions, housing can entirely dictate their health and health trajectory. For these populations, housing is a necessary precursor of health.[1]

This claim has been validated by numerous studies, finding that those who are housing insecure have elevated levels of stress, depression, and feelings of hopelessness[2] and are unable to devote limited resources to

1. Corporation for Supportive Housing, *Housing Is the Best Medicine: Supportive Housing and the Social Determinants of Health* (July 2014), *available at* http://www.csh.org/wp-content/uploads/2014/07/SocialDeterminantsofHealth_2014.pdf.

2. Carolina Guzman, Rajiv Bhatia & Chris Durazo, *Anticipated Effects of Residential Displacement on Health: Results from Qualitative Research* (San Francisco Dep't of Pub. Health & South of Market Community Action Network 2005), *available at* http://www.pewtrusts.org/~/media/assets/2005/hiareporttrinityplazahousingredevelopment.pdf?la=en.

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essential needs like nutritious food.[3] Often forced to live in substandard housing, they are disproportionately exposed to environmental hazards, such as mold and cockroach infestation[4] or lead paint,[5] all of which negatively impact their health, and are more likely than those who are stably housed to visit the emergency room for health issues that could have been treated with preventative care.[6]

Without stable housing, medical interventions to address health challenges faced by low-income populations are unlikely to do anything more than temporarily alleviate the symptoms of housing instability. It is for this reason that healthcare and housing providers must work together to identify opportunities for collaboration. These partnerships benefit not only those served, but also the communities in which these relationships are formed. Through integration of health and housing systems, the whole is greater than the sum of its parts, enabling positive social impact that would not be possible otherwise.

Throughout its history, MHL has actively pursued such relationships with health providers, and in the process, has greatly enhanced the ability of the organization's resident services department to empower residents to address their economic, educational, and community challenges. This is illustrated by the outcomes of MHL's most recent annual resident survey (administered between August 1, 2017, and September 30, 2017), inwhich 95.4 percent of residents reported having health insurance; nearly 80 percent reported having a primary care physician; 86.3 percent indicated they underwent at least one preventative care checkup in the previous year; almost 70 percent reported no overnight hospital stays in the previous year; and 64.4 percent indicated that they exercised for 30 minutes or longer at least three days per week. With improved health, MHL's residents, both adults and children, are empowered to overcome poverty, pursue educational and career opportunities, and achieve independence that would otherwise be out of reach.[7] In fact, a recent analysis of 25,000

3. Barbara J. Lipman, *Something's Gotta Give: Working Families and the Cost of Housing*, 5(2) New Century Housing (2005), *available at* http://www.tbrpc.org/resource_center/pdfs/housing/Somethings_gotta_give.pdf.

4. Richard D. Cohn et al., *National Prevalence and Exposure Risk for Cockroach Allergen in U.S. Households*, 114(4) Envtl. Health Perspectives 522–27 (2006), *available at* https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1440774/.

5. David E. Jacobs et al., *The prevalence of lead-based paint hazards in U.S. housing*, 110(10) Envtl. Health Perspectives A599–A606 (2002), *available at* https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1241046/.

6. Daniel G. Garrett, *The Business Case for Ending Homelessness: Having a Home Improves Health, Reduces Healthcare Utilization and Costs*, 5(1) Am. Health & Drug Benefits 17–19 (2012), *available at* https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4046466/.

7. *The State of the Nation's Housing 2013* (Joint Center for Housing Studies of Harvard University 2013), *available at* http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/son2013.pdf.

individuals/families living at Mercy Housing Lakefront properties and those of our sister organizations across the country determined that the average annual increase in income among these Mercy Housing residents was $814 in 2016 and $733 in 2017. This represents a drastic increase in each individual's or family's capacity to cover basic necessities and to invest in long-term stability.

A Paradigm Shift

While the integration of health and housing was not a novel idea in 2010 when the Affordable Care Act (ACA) was passed, the law fundamentally changed the way in which housing and healthcare providers work together. The first benefit of the ACA was the expansion of Medicaid to people with annual incomes below 138 percent of the federal poverty level, reducing the barriers to quality healthcare for low-income Americans, individuals with chronic mental illness or disabilities, and those with HIV, among others. This opened the door for millions of Americans to receive quality medical care at an affordable rate, reducing the "heat or eat" decisions that are endemic among those struggling with poverty. The second major benefit of the ACA was shifting the focus of healthcare delivery from procedures and volume of service provisions to service outcomes that achieve and sustain patients' well being,[8] incentivizing healthcare providers to find new ways to deliver services, to the benefit of the individuals being treated (and the housing providers who serve them).

This resulted in a more holistic approach to healthcare that rewards providers who treat the "whole person," rather than simply addressing the symptoms of poor health. Because housing is the primary social determinant of health, the ACA created an environment in which it was in the best interests of healthcare providers to work with housing providers like MHL to develop comprehensive strategies to improve the health of low-income patients by addressing their housing instability. In the years since, MHL has prioritized financial and operational models that take advantage of this environment, identifying new ways to ensure that residents have access to the services needed to thrive, and gaining extensive practical knowledge of how to successfully integrate health and housing systems in the process.

This experience can be categorized in the following ways: (1) linkage agreements with healthcare providers to deliver services, (2) integrating health services on-site at housing developments, (3) working with healthcare providers to house high utilizers of costly medical services, (4) adaptive reuse to save hospital systems money by reutilizing exhausted assets, and (5) capital investment to reimagine how care can be provided to the benefit

8. Henry Aaron & Gary Burtless, *Potential Effects of the Affordable Care Act on Income Inequality*, Brookings Inst. (Jan. 24, 2014), *available at* https://www.brookings.edu/wp-content/uploads/2016/06/potential-effects-affordable-care-act-income-inequality-aaron-burtless.pdf.

of the community. While the examples in the following sections are unique to MHL, they serve as case studies meant to provide practical knowledge for other individuals and organizations in the health and housing sectors.

Linkage Agreements

Among the least complex methods to integrate health and housing are linkage agreements between providers that establish formal partnerships that allow the housing provider to refer residents for specialized services. MHL has developed numerous linkage agreements with health and community-based organizations across its 52-property portfolio, which focus on coordinating on-site clinical services, on-site health education, and referrals to the appropriate healthcare provider, thereby promoting the continuity of healthcare for MHL's residents.

One example of this is a partnership with Heartland Health Outreach (HHO), a Federally Qualified Health Center (FQHC) located in the Uptown neighborhood of Chicago. Near six of MHL's permanent supportive housing properties, with studio housing for approximately 600 high-need residents, HHO focuses on providing primary, oral, and behavioral healthcare to people experiencing challenges such as homelessness or struggling with mental illness. Due to the proximity of the Uptown properties to HHO and having a shared target population, HHO is one of the primary providers of healthcare services to residents of MHL's Uptown properties. MHL's relationship with HHO improves the continuity of care for residents through referring residents to HHO's health services and coordinating on-site services, such as primary care nursing services and HIV testing.

Another example of this is a partnership between MHL and Aurora Health Care (which recently merged with Advocate Health) in Milwaukee for the Safe Housing Environment (SHE) program. SHE provides a safe home environment and supportive services for pregnant and postpartum victims of domestic violence who are participating in the Aurora Safe Mom Safe Baby (SMSB) program. The program combines nurse case management, prenatal and perinatal care, and advocacy services to enhance the health and safety of abused pregnant women and improve birth outcomes. SMSB addresses the commingled problems of intimate partner violence during pregnancy and high-risk for poor birth outcomes and infant mortality, particularly among low-income women of color in Milwaukee.

Through referrals from Aurora, MHL provides residents with safe housing, a sense of community, support, education, and mentoring at St. Catherine Residence, which offers 164 supportive homes for low-income women and their children. During the first 18 months of their stay at St. Catherine Residence, clients are eligible for subsidized rent while receiving ongoing care management and support. Residents referred through SHE can remain at St. Catherine Residence for three years and have ongoing access to professionals trained in money management, substance abuse, family counseling, physical and emotional health, sexual

abuse and domestic violence, and other factors that could lead to a relapse into homelessness.

On-Site Integration of Health Services

Another approach to integrate health and housing services is to bring external health services within the housing development itself. In Kankakee, Illinois, MHL recently completed River Station Senior Residences, a mixed-use development that includes commercial space on the ground floor for a health clinic open to residents and members of the community. River Station was developed with the financial support of Presence St. Mary's Hospital (now a part of the AMITA health system), and the health clinic will be operated by the hospital. The on-site clinic is part of an innovative model intended to provide St. Mary's Medicare and Medicaid patients a convenient, inviting place to receive primary care services, while also helping keep the River Station seniors healthy and in their independent homes longer. This is in alignment with the goals of the Affordable Care Act, as the clinic will provide preventative care and community-based post-hospitalization care that reduce emergency room usage and repeat hospitalizations. This will allow the hospital to provide services at a much lower cost than in the emergency room and in a manner that improves patient satisfaction. River Station is contributing to several community revitalization goals and is a model for addressing the needs of aging populations in small U.S. cities. River Station adjoins a planned greenway along the Kankakee River, which will provide opportunities for active recreation, and is within walking distance of a grocery store, commercial businesses, and religious institutions.

In Danville, Illinois, MHL completed in 2017 a permanent supportive housing development called Cannon Place, which serves homeless veterans and their families. Through the U.S. Department of Veterans Affairs' (VA) Enhanced Use Lease program, which allows the VA to lease its underutilized property to private sector partners to develop supportive housing for veterans, MHL was able to create 65 one-, two-, and three-bedroom apartments on the campus of the VA Illiana Health Care System. Through this partnership, residents are able to access medical services with minimal difficulty because Cannon Place is within walking distance of all health services provided by the VA. Additionally, through close collaborations with community health partners, enhanced services are available to members of the veterans' families within the facility, thus creating a comprehensive system of care.

Housing High Utilizers

For individuals experiencing homelessness, every day is a struggle to access the resources necessary to survive, causing a wide range of medical issues that are often treated in an emergency room when the associated pain becomes too acute to ignore any longer, or when the person becomes incapacitated by illness. This poses a major challenge for healthcare providers,

as services rendered in the emergency room are among the most expensive forms of treatment. With nearly one-third of all visits to the emergency room made by people experiencing chronic homelessness,[9] many of whom have complex medical needs (e.g., chronic health conditions, behavioral disorders), and the average cost of a visit being $3,700,[10] it is logical that healthcare providers would work to reduce costs by partnering with housing providers to house these high utilizers. This not only benefits the individuals served, but also taxpayers because public insurers are no longer subsidizing the costs of expensive emergency room visits or paying for repeated treatments for chronic conditions.

To address the needs of Chicago's chronically homeless population, MHL joined a collaborative called Better Health Through Housing several years ago, which is a partnership between the Center for Housing and Health, University of Illinois Hospital and Health System, and local housing providers. The goal of Better Health Through Housing is to "reduce healthcare costs and provide stability for the chronically homeless by moving individuals directly from hospital emergency rooms into stable, supportive housing."[11] Program participants are assigned a case manager who helps them with scheduling medical appointments and managing money, as well as referrals to other critical services. The initiative's combination of healthcare, housing, and human services fosters a sense of home, independence, and self-determination to help speed individuals' reintegration into the community, promotes long-term health, and reduces overall healthcare costs.

Currently, MHL is exploring two new partnerships with health providers to house those at risk of becoming high utilizers of costly health services, but with negotiations ongoing, identifying details have been removed. The first is a collaborative that will work at the intersection of housing, health, and the criminal justice system to eliminate systemic barriers to permanent housing and healthcare to promote successful reintegration into society for justice-involved populations. There is an urgent need for this type of partnership in the Chicago area: the lack of permanent housing options for justice involved populations leads to longer stays in Cook County Jail, is a barrier to successful community reintegration, and leads to recidivism. The collaborative will map systemic barriers in the housing, health, and criminal justice systems and identify existing interventions, including new models for financing housing, that can be scaled. Core to our effort will be building alternative financing models

9. *The Cost of Homelessness Facts*, Green Doors, *available at* www.greendoors.org/facts/cost.php.

10. *Id.*

11. *Better Health Through Housing*, UI Health, *available at* https://hospital.uillinois.edu/about-ui-health/community-commitment/better-health-through-housing.

with a local property investment manager. We will then produce a "road map" that will include policy, program, and financing recommendations across all three systems at the county level.

The second partnership is with another Chicago-based social services provider and, with funding from the Department of Health and Human Services Offender Reentry Program, will build on established reentry services for individuals exiting the justice system. MHL's partner will provide participants with risk, needs, and employment assessments; behavioral interventions; case management; pro-social activities; wraparound supports (including housing); and job placement and retention services. In addition, the proposed program would incorporate career planning services, supported by labor market data, and employer career pathways to provide participants the support needed to achieve in-demand and industry recognized credentials, employment, and job retention. To ensure that participants have a stable foundation, MHL will provide two units of housing at a centrally located, transit-accessible property in Chicago under a master lease agreement to be used as transitional housing for the duration of the program. After completing the program (and contingent upon unit availability and income limits), participants will have the opportunity to assume a lease at the property, allowing for a smooth transition to quality permanent housing at an affordable, below-market rate.

Adaptive Reuse

As healthcare systems increasingly focus on ambulatory care, hospitals across the country are no longer being used in the same ways they once were and, in many cases, are being decommissioned entirely. This is particularly true in rural communities, which saw 83 hospitals disappear between January 2010 and January 2018.[12] While renovating outdated hospitals for continued medical use may not be feasible for current medical needs and patient expectations, these facilities are ideal for conversion to affordable housing. In addition to being generally well-constructed and located in amenity rich neighborhoods, adaptive reuse is likely to result in significant cost savings while supporting the core mission of the health provider. These projects are frequently cornerstones in community revitalization efforts, as they occupy large tracts of land that would not be redeveloped otherwise.

In 2011, MHL completed one such project, which converted Milwaukee's historic Johnston Medical Center into 41 apartments for chronically homeless, low-income, and disabled individuals. In addition, MHL developed 43 apartments through new construction on an adjacent parcel of land for extremely low-income individuals at high risk of homelessness,

12. Ayla Ellison, *State-by-state breakdown of 83 rural hospital closures*, Becker's Hosp. CFO Rep. (Jan. 26, 2018), *available at* https://www.beckershospitalreview.com/finance/state-by-state-breakdown-of-83-rural-hospital-closures.html.

with a building connector linking the two facilities. Renamed the Johnston Center Residences, the combined facility features green design elements, including a solar hot water heater, green roof and outdoor green space, resident lounges, laundry facilities, an exercise room, and computer lab, providing residents with a modern living environment in which intensive on-site case management services are easily accessible. Through the redevelopment of the medical center, MHL created 10+ permanent jobs, injected $12.7 million into Milwaukee's economy, and helped to create and modify policies and procedures in county and state government around supportive affordable housing.

MHL is currently exploring the possibility of several new conversion projects with various nonprofit hospital systems, which would involve the adaptation of historic medical facilities that are no longer functional for their original use. One of these potential projects, summarized below, is still in the planning stages, and identifying details have been removed as a result. However, the model itself is worth discussing within the context of mutually beneficial partnerships between health and housing providers. Although purchase price has not yet been negotiated, the health provider has agreed to give MHL control of the property at no cost while MHL secures approvals and financing. It is advantageous for the health provider to do this, because turning over control of the property to MHL for conversion to housing will prevent the health provider from continued carrying costs on the vacant building, which are significant, and from an eventual expensive tear-down if it were to retain ownership. While selling the property to a purchaser in the private sector would similarly allow the hospital to avoid ongoing carrying costs and/or the costs associated with demolition, it is unlikely to also result in a mission-consistent reuse of the property. Because MHL intends to convert the building into supportive housing serving those in need in a manner consistent with the hospital system's values, the organization is able to provide the value of maintaining an important social mission of the hospital system that a purchaser driven by profit would be unable to deliver.

For MHL, this arrangement will allow for greater investment in the property during the conversion to housing, resulting in higher quality finishes and amenities, and in enhanced service delivery to residents after the project is completed. Finally, the community in which this facility is located would reap the rewards of the partnership, as a vibrant, service-enriched housing option would be created in place of a deteriorating vacant building or empty lot. As with any affordable housing project, the potential for NIMBY pushback exists, but we are partnering closely with the hospital system and conducting extensive outreach to existing stakeholders in the community to convey the benefit gained by adding high-quality housing to the area to serve its high-need population. This is consistent with our approach to every project, and we have found that proactively working with the community generally results in outcomes that are satisfactory to all stakeholders, thereby diffusing NIMBYism.

Investment as Community Benefit

The final intersection between housing and health at which MHL has worked is coordination with health systems to develop financing models that allow health providers to reimagine the ways in which ambulatory care can be delivered to members of the community, while also supporting the development of quality affordable housing. River Station Senior Residences, mentioned previously as an example of the on-site integration of health and housing services, was possible only because of a $330,000 capital investment from Presence St. Mary's Hospital. This investment served as the final piece of construction funding, clearing the way for the deal to close. In addition, the health system is paying rent for the on-site health clinic, enabling MHL to support a portion of the debt needed to borrow as part of the construction capital stack. This type of investment addresses an identified community health need and fulfills the health system's obligation as a non-profit to provide community benefit through housing. Without investments like these, non-profit health providers are at risk of losing their tax-exempt status. MHL is currently meeting with other non-profit health providers to underscore how partnering with the organization to develop housing opportunities can help protect their tax-exempt status.

Conclusion

The most significant "data point" in predicting an individual's current and future well-being is his or her zip code, as multiple studies have identified large discrepancies between wealthy and poorer communities not only in terms of current well-being, but also life expectancies.[13] In fact, the danger of living in the "wrong" (i.e., poorer) neighborhood is so severe that one such study referenced them as "hot spots of death."[14]

At the same time, our health systems and taxpayers are massively weighed down by ever increasing consumption and cost of healthcare services. Many significant, costly, and life-impairing chronic health conditions (e.g., obesity, diabetes, respiratory ailments) are affecting more Americans across wider age spans, and, as a result, the resources required to treat these largely preventable conditions continue to increase. Without intervention, these individuals have severe limits placed on both their quality of life and on the positive contributions they can make to our economy and to society at-large.

The combination of spatially determined quality of life and the subsequent enormous cost burden leaves us with a societal condition that is

13. *Mapping Life Expectancy* (Sept. 11, 2015), *available at* https://www.rwjf.org/en/library/articles-and-news/2015/09/city-maps.html.

14. Robin Hindery, *Zip code, race, class trump genetics and health care as predictors of public health*, UCSF News (Jan. 30, 2009), *available at* https://www.ucsf.edu/news/2009/01/8246/zip-code-may-predict-health-expert-says.

both economically unsustainable and morally questionable. As daunting as the task is, the solution is not hard to envision: channel more capital to the prevention, rather than treatment, of avoidable chronic conditions, starting with enhancing the most significant social determinant of health—turning low-quality, dangerous, relatively expensive housing into high-quality, safe, and affordable housing.

Once stably housed, focused attention can be paid to addressing the unique health needs of each individual through initiatives like MHL's Community Health Worker (CHW) Program, a soon-to-launch pilot program, in partnership with Blue Cross and Blue Shield of Illinois and the Washington Square Health Foundation. Designed to address health disparities and increase self-efficacy among formerly homeless residents with chronic health conditions such as hypertension, high cholesterol, and diabetes, the program will establish a team of community health workers providing services to three permanent supportive housing properties in Chicago. Community health workers will have characteristics and experiences like the individuals they serve and may include MHL residents, allowing for peer-based programming that effectively reaches an extraordinarily vulnerable population and empowers them to better manage their health. Through a partnership with local health providers, community health workers will receive approximately 50 hours of initial training to ensure that they have the foundational skills necessary to effectively support program participants, followed by ongoing clinical guidance from a nurse or nurse practitioner.

In the not-so-long-run, by investing in housing and supportive services like the CHW program, we can make our communities more vibrant places to live[15] and help those members of the community who are currently struggling and marginalized to achieve the original American dream: life, liberty, and the pursuit of happiness as families have more funds to direct toward savings, healthy food, clothing, and the education of their children, who will be far more school-ready living in safe, quality housing.

This benefits families like Latisha Lacey's, an MHL resident who lived in six apartments in 14 years before finding MHL.[16] Forced to move repeatedly because of low-quality housing with issues like infestation and lead paint, Latisha's children began to display the signs of "toxic stress," negatively impacting their emotional and behavioral development. Now

15. National Low Income Housing Coalition, *A Place to Call Home: The Case for Increased Federal Investments in Housing*, *available at* http://nlihc.org/sites/default/files/A-Place-To-Call-Home.pdf.

16. Liz Duffrin, *Unstable, Unsafe Housing Harms Children's Brain Development*, CROSSWALK, *available at* https://medium.com/bhpn-crosswalk/unstable-unsafe-housing-damages-childrens-brains-9da54b267d50.

housed at MHL's Lofts on Arthington, Latisha and her sons have been stabilized, and, for the first time, are able to look to the future with a feeling of hope. With further integration of the health and housing sectors, we can help more families like Latisha's and eliminate the zip code as a marker of what kind of life is available to our fellow Americans.