



Housing Resources for Older Adults Under Money Follows the Person

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The Money Follows the Person (MFP) program¹ includes transitioning older adults out of nursing homes and other institutions into housing choices in the community. The purpose of this paper is to provide a brief overview of housing resources for older adults that may be available to assist MFP programs in providing housing options for these participants. Since MFP has certain participant eligibility and qualified housing requirements, this paper is focused on housing resources for older adults that would generally meet MFP

Older adults = 38% of MFP transitions

Where they go:

- » 47% to own/family home
- » 36% to apartment
- » 13% to assisted living
- » 4% to group home

requirements. Housing programs also have their respective income and other eligibility requirements for which references will be provided for further information.

Background

MFP Data on Transitions for Older Adults. Since 2007 when the MFP program began, 37 percent of individuals who have transitioned have been aged 65 or older, 38 percent have been people with physical disabilities, 19 percent have been people with intellectual or developmental disabilities and five percent have been individuals with mental illness.² Between January 1 and June 30, 2013, the last period for which data is available, 1,812 older

Who is an “older adult”?

- » 60+ years ACL
- » 62+ years HUD
- » 65+ years MFP/ Medicare/Medicaid

¹ Officially known as the Money Follows the Person Rebalancing Demonstration Program, there are 45 MFP grantee states and the District of Columbia that provide services to older adults who wish to move from institutions where they have resided for 90 days or more into community life.

² Mathematica Policy Research, *Money Follows the Person 2012 Annual Evaluation Report, Final Report*, October 15, 2013.

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adults moved from an institution into the community, or 38 percent of total transitions. Of those transitions, 47 percent moved into a home they or a family member owned or leased, 36 percent moved into an apartment, 13 percent into an apartment in a qualified assisted-living, and 4 percent moved into a group home.³

Defining “Older Adult.” The definition of “older adult,” “senior,” or “elder” varies depending on the agency, grant or funding source.

- » For purposes of MFP, an older adult is an individual aged 65 or older.
- » For purposes of Medicare and Medicaid, an older adult is an individual aged 65 or older.
- » For purposes of U.S. Department of Housing and Urban Development (HUD) programs, an older adult is an individual aged 62 or older.
- » For purposes of the Older Americans Act, “older adult” means an individual who is aged 60 or older.

Most of the Older Americans Act programs are administered at the federal level by the Administration on Community Living (ACL), part of the U.S. Department of Health & Human Services. The Older Americans Act may be the source for a number of key programs that may benefit low-income older adults transitioning to housing in the community or at risk of institutionalization, including state and local Area Agencies on Aging (AAA), Aging & Disability

Resource Centers (ADRCs), senior centers, “meals on wheels,” elder rights protections, and other home and community based long term services and supports.

MFP Qualified Residence

- » A home owned or leased by the individual and/or family
- » Apartment with individual lease
- » “Assisted Living” units must be apartment-style & meet specific requirements
- » “Group homes” are limited to 4 or fewer residents

Defining MFP Qualified Residence. CMS guidance provides a description of “qualified” residence that applies to housing options for older adults as well as other MFP participants. Elements of an MFP qualified residence include⁴:

- A. A home owned or leased by the individual or the individual's family member; the lease/deed must be held by the individual or the individual's family member.
- B. An apartment with an individual lease, with lockable access and egress, and which includes living, sleeping, bathing, and cooking areas over which the individual or the individual's family has domain and control.

³ Mathematica Policy Research, *Money Follows the Person Demonstration: Overview of State Grantee Progress, January to June 2013*, December 31, 2013.

⁴ Source: “Policy Guidance: Qualified Residences Released 02/25/2008,” available at: http://mfp-tac.com/Grantee/CMS_Guidance.aspx

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C. A residence, in a community-based residential setting, in which no more than four (4) unrelated individuals reside.

Defining “Assisted Living.” There is no nationally recognized definition of “assisted living.” Assisted living units generally are regulated and licensed at the state level, with more than two-thirds of states using the licensure term “assisted living,” to cover a range settings, including: residential care homes, assisted care living facilities, personal care homes and family care homes. These can range in size from a small house for one resident up to very large facilities providing services to hundreds of residents. Assisted living falls somewhere between an independent living community and a skilled nursing facility in terms of the level of care provided. Each state licensing agency has its own definition and descriptions. In states not licensing assisted living, the term is often used in marketing materials to describe a variety of licensed or unlicensed senior living communities.

Only assisted living apartments qualify as MFP housing. Although there are other types of assisted living configurations such as private or semi-private sleeping areas with a shared bath, these do not qualify as an MFP-qualified residence. To qualify under MFP, an assisted living unit must have:

- » A lease for the tenant
- » Living, sleeping, cooking and bathing areas
- » Lockable access and egress
- » It must not require that services beyond those provided by the facility be from a specific

company, nor require notification of absences⁵, nor reserve the right to assign apartments

- » It must have aging in place as a common practice.⁶

A “**group home**” is typically a single-family residence with a small number residents and a trained caregiver on-site, usually twenty-four hours a day. Residents may have their own room or share a room, and usually share bathroom, kitchen, laundry, and common living areas. A group home with four or fewer unrelated residents may qualify as an MFP qualified residence⁷.

Housing Resources to Help the Older Adult Return Home

Home Modifications. With the majority of older adults returning to their own home or a family member’s home, a successful transition often requires home modifications, adaptive equipment

State & Local Agencies Providing Resources for Older Adults

From the Older Americans Act:

- » [AoA’s Eldercare Locator](#)
- » [State & Local Area Agencies on Aging \(AAA\)](#)
- » [Aging & Disability Resource Center \(ADRC\)](#)

⁵ Unless the need is identified in the individual’s plan of care.

⁶ Source: “Waiver Provider Standards: Attachment C - Policy Guidance Addendum - Housing Qualified Residence (B) Apartment with an Individual Lease Released 07/30/2009,” available at: http://mfp-tac.com/Grantee/CMS_Guidance.aspx

⁷ Source: “Policy Guidance: Qualified Residences Released 02/25/2008,” available at: http://mfp-tac.com/Grantee/CMS_Guidance.aspx

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and/or medical devices and equipment to make the housing safe and physically accessible, and to promote independence for the individual.

State MFP programs provide home modifications specifically needed by the individual transitioning as either an MFP Demonstration Service or MFP Qualified Home & Community Based Service (HCBS), or both. States can put limits on the type and cost of modifications that are allowed, and modifications must be for the sole benefit of the individual for which the claim for home modifications would be made.⁸

HUD programs may also provide some funding for certain home modifications. These may include funds controlled by a state/local housing agency's Consolidated Plan, specifically Community Development Block Grants (CDBG) and HOME Investment Partnership program funds.⁹ In some states, the State Housing Finance Agency (HFA) may provide low-interest loans to make accessibility modifications.¹⁰

State and local agencies providing resources and information for older adults may provide assistance in finding local vendors who can accomplish the home modifications. These agencies may include:

[AoA's Eldercare Locator, State & Local Area](#)

⁸ Source: Housing Capacity Building Initiative for Community Living, *Reasonable Modifications under the Federal Fair Housing Laws and Potential Funding Resources*, prepared under contract by New Editions Consulting, Inc. and the Technical Assistance Collaborative, Inc. 2013. Available at: <http://mfp-tac.com/RenderFile.aspx?fid=2203>

⁹ For owner-occupied housing only.

¹⁰ Links for locating information on CDBG, HOME, and HFAs are listed in the sections below.

[Agencies on Aging \(AAA\)](#), and [Aging & Disability Resource Centers \(ADRC\)](#).

HUD Low-Income Housing Programs for Older Adults Transitioning to Apartments

With about one-third of MFP's older adults transitioning to apartments, MFP programs should work with local Public Housing Agencies and other public, private and non-profit organizations to determine available housing resources for individuals aged 62 years and older.

Housing Choice Vouchers/Rental Assistance.

[HUD's Housing Choice Voucher](#) program (formerly known as Section 8) provides rental assistance generally to very low-income families, older adults, and persons with disabilities, in the form of vouchers that may be used to cover the majority of the rent for housing. The participant may choose any housing that meets the requirements of the program. PHAs receive funds from HUD to administer the voucher program. A housing subsidy is paid to the landlord directly by the PHA on behalf of the participant. The participant then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program. The tenant's rent payment is calculated at 30 percent of the tenant's income. Eligibility is determined by the local PHA based on income and federal and local preferences. Approved applicants are placed on a waiting list.

Because there are not enough vouchers to meet all the housing needs, many PHAs have long waiting lists. PHAs may establish priorities for distributing vouchers, including a waiting list preference for

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older adults. MFP programs are encouraged to work with local PHAs and stakeholder groups to address waiting lists preferences and other collaborations to locate housing for older adults. [A list of PHAs by state is available on the HUD website.](#)

HUD's Inventory of Multifamily Housing Units.

In addition to voucher-type housing assistance, HUD also provides “project-based” assistance, where the housing subsidies and related services and incentives are provided to specific apartment buildings or other multifamily housing developments. The HUD programs that might be helpful to older adults are listed below. One place to start the search may be [HUD's inventory of multifamily housing units for persons who are elderly or disabled.](#)

HUD Section 202 Supportive Housing for the Elderly. [HUD's Section 202 supportive housing for the elderly program](#) provides funds to build affordable housing with supportive services for very low income elderly households with at least one person who is at least 62 years old at the time of initial occupancy. Specifically, the Section 202 program:

- » Provides interest-free capital advances to private, nonprofit sponsors to finance the development of supportive housing for older adults. The capital advance does not have to be repaid as long as the project serves very low-income older adults for 40 years.
- » Provides project-based rental assistance funds to cover the difference between the HUD-approved operating cost for the project and the tenants' contribution towards rent. The tenant's

rent contribution is generally calculated based on 30 percent of their income. Rental assistance is attached to the specific Section 202 building or unit. This is different from rental assistance under the Housing Choice Vouchers program, where the voucher usually goes with the individual.

- » HUD does not fund the supportive services associated with these units, such as meals, transportation, and other assistance; funding comes from sources other than HUD, such as federal, state or local long term supports and services (LTSS) programs.
- » HUD Section 202 programs are listed in HUD's inventory of multifamily housing, noted above.
- » Waiting lists for these units are typically managed by the property owners/managers.

Other Multifamily Project-Based Housing

Assistance. Housing assistance for low-income older adults may also be available through other multi-family project-based programs, where the assistance is attached to a specific building or unit. To receive this form of housing assistance, the low-income individual must live in the designated building or unit. These programs include:

- » [Low Income Housing Tax Credit \(LIHTC\) program](#), operated by the Internal Revenue Service, generally through [state housing finance agencies](#), where credits are part of a financing package assembled by developers to fund the capital investment in building affordable housing units.

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- » Many very low-income older adults participating in the MFP program are likely to need additional rent subsidies to afford the units in these developments.
- » These units often have site-based waiting lists managed by the property owners/managers.
- » LIHTC developments are listed in [HUD's LIHTC Database](#) and can be searched by state and local areas.
- » [Section 8 project-based housing assistance](#), where some PHAs may provide funding to for-profit and non-profit property owners to subsidize rents to very low income tenants, including older adults, in specific units in the owner's development. These "project-based vouchers" (PBVs), an optional program for PHAs, may be administered similar to the housing choice vouchers in calculating subsidies and waiting lists preferences. Some PHAs own/manage public housing apartment developments for older adults, and these project-based vouchers may be particularly helpful to extremely low-income older adults to afford the rent in these units.
- » [HUD Section 236 mortgage insurance](#) and interest subsidies, to help reduce operating costs, so developers could produce affordable rental housing units.
- » [HUD Section 221\(d\)\(3\) Below Market Interest Rate \(BMIR\) program](#), for insured and subsidized mortgage loans for new construction or substantial rehabilitation of multifamily housing for low income tenants.

Information on eligibility and other details on HUD's multifamily resources for housing older adults and people with disabilities are available in, [Accessing Multifamily Housing for MFP Participants](#)¹¹.

HUD's Multifamily Housing Service Coordinators Program. [HUD's Multifamily Housing Service Coordinators Program](#) provides funding for a social service staff person hired or contracted by the property's owner or management company¹². Service Coordinators assist older adults and persons with disabilities living in that specific property to obtain needed supportive services from community agencies. Eligibility for grant funding is limited to those owners of developments designed for older adults and persons with disabilities, such as Section 202 housing.

HUD CDBG and HOME Funds. HUD provides grants to state and local housing and community development agencies that may provide housing resources for older adults:

- » [Community Development Block Grant \(CDBG\) funds](#) have been used to rehabilitate affordable older adult housing, construct senior centers, and provide services such as congregational meals and transportation.

¹¹ Source: Housing Capacity Building Initiative for Community Living project, *Accessing Multifamily Housing for MFP Participants*, Technical Assistance Collaborative, Inc., June 2013, accessed at: <http://www.mfp-tac.com/RenderFile.aspx?fid=2618>

¹² Source: HUD's website, "Service Coordinators Program," accessed at: http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/mfh/scp/scphome

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- » [HOME Investment Partnerships Program \(HOME\) program](#) provides funds to states and localities to build, buy, and rehabilitate affordable housing for rent or homeownership. Also, funds can be used to provide tenant-based rental assistance to low-income individuals, often as a “bridge” while waiting for other rental assistance, such as a Housing Choice Voucher.

The housing agencies determine how these funds may be allocated through their Consolidated Plans, a public planning process that MFP programs, stakeholders, and advocates are encouraged to participate in¹³. To view approved Consolidated Plans by state and local agency, visit the [HUD Consolidated Planning portal](#).

Rural Housing Programs for Older Adults

Nearly one in five Americans live in rural areas, and older adults who have lived all their lives in rural communities, may want to return to there. MFP programs may be able to access housing resources for these individuals from various programs offered by the [U.S. Department of Agriculture \(USDA\)](#), through its [Rural Development](#) division. These include home modification assistance, rental subsidies, and other programs for individuals, landlords, and others in the rural community:

- » Section 504 USDA Rural Repair & Rehabilitation Grants for older adults (age 62 and older) for up to \$7,500 for

¹³ Source: HUD’s web portal on Consolidated Planning, accessed at: http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/about/conplan

repairs/improvements to enhance occupant health and safety

- » Section 521 Rental Assistance Subsidy
- » Section 502 Single Family Direct Homeownership Loans and Guaranteed Homeownership Loans
- » Section 523 Single Family Self-Help Technical Assistance Grants
- » Section 515 Rental Housing Direct Loans
- » Sections 514 and 516 Farm Labor Housing Loans and Grants
- » Section 533 Housing Preservation Grants
- » Sections 523 and 524 Housing Site Loans

These programs represent a significant federal investment in affordable rural housing. USDA’s Multi-Family Housing Programs offer Rural Rental Housing Loans to provide affordable multi-family rental housing for very low-, low-, and moderate-income families; persons who are elderly; and persons with disabilities. In addition, deep subsidy rental assistance is available to eligible families.¹⁴ More than 440,000 multifamily rental units have been developed (15,000 apartment complexes). These units can provide safe and decent housing for more than 750,000 individuals who otherwise could not afford it. A significant subset of these units are set aside for older adults and/or persons with disabilities. The multifamily housing rental assistance offers help to 270,000 low and very-low income families that enables those families to live in apartments financed through Rural Development.

¹⁴ Source: U.S. Department of Agriculture’s Rural Development Multi-Family Rental web portal, accessed at: http://rdmfhrentals.sc.egov.usda.gov/RDMFHRentals/about_mfh.jsp

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To find subsidized rental housing in a specific community, visit the [USDA's multifamily housing database](#).

Additional details on these and other rural resources for housing seniors and people with disabilities are available in *The MFP Rural Housing Toolkit*.¹⁵

Assisted Living and Other Housing

Assisted living residences and other housing, such as adult foster/family care homes are possible housing options for MFP older adults, if they meet MFP qualified residence requirements. Although most assisted living options are private, market-based units, some states have sponsored the development of affordable assisted living options that allow extremely and very-low income older adults to have access to these housing options, typically through their Low Income Housing Tax Credits and Project-Based Vouchers programs, described above.

Developing Assisted Living Units. [HUD's Assisted Living Conversion Program \(ALCP\)](#) provides grants to private, nonprofit owners of eligible developments to convert some or all of the dwelling units in the project into an Assisted Living Facility for older adults who need assistance with activities of daily living, or Service-Enriched Housing, that allows older adults to age in place. Owners of eligible developments can receive funding to cover the basic physical conversion of

existing project units, common and services space. As with other HUD older adult housing programs, the services are to be provided by MFP, Medicaid, and/or other long term services and supports programs.

Family care homes. Adult “foster care” or family care homes offer another option for older adults who need services and supports, particularly for older adults in rural areas. A number of states have successful models of small, community based family care homes. Models in Arizona, Maine, Oregon, Washington, and Wisconsin are described in the report, *Adult Foster Care: A Resource for Older Adults*.¹⁶

Case Study: Nellie's Story¹⁷

At the time of her transition, Nellie was an 84-year-old woman who entered the nursing facility because of increasing difficulties breathing and transferring between her bed and wheelchair. She had hoped her stay would be brief, but after 6 months, her health and strength had not improved. She had lived with her husband and grandson prior to her admission into the nursing facility, but her grandson was an over the road trucker so he was not often able to assist Nellie. Nellie's husband could not read and

¹⁶ Sources: Rutgers Center for State Health Policy, *Adult Foster Care: A Resource for Older Adults*, Robert L. Mollica, et al, 2008, available at: <http://www.mfp-tac.com/RenderFile.aspx?fid=2617> and Money Follows the Person Technical Assistance Center, presentation, *Adult Foster Care Models: Oregon, Washington, and New Jersey*, 2011, available at: <http://mfp-tac.com/RenderFile.aspx?fid=1021>

¹⁷ From the Michigan Nursing Facility Transition Initiative Training Module, Michigan Disability Rights Coalition.

¹⁵ Housing Capacity Building Initiative for Community Living, MFP Rural Housing Toolkit, New Editions Consulting, Inc. and Advocates for Human Potential, December 2013, available at: <http://mfp-tac.com/RenderFile.aspx?fid=2137>

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was very nervous about possibly giving Nellie the wrong medication.

In addition to Nellie's emphysema, she also had insulin-dependent diabetes, congestive heart failure, low vision, and gastrointestinal difficulties.

When the nursing facility Nellie was living in decided to shut down, Nellie indicated that she wanted to return home with needed supports instead of looking for a new nursing facility.

A Department of Human Services Worker, the nursing facility social worker, Area Agency on Aging staff, the long-term care ombudsman, and other nursing facility residents, in addition to her husband and family, helped Nellie plan an expedited transition.

Person-centered planning was evident in the planning process as Nellie and her husband identified their needs which included:

- » Home health care nursing for wound care
- » Home-delivered oxygen and training for her husband
- » Home-delivered meals
- » Emergency alert device
- » Installation of smoke detectors
- » Repair of wheelchair ramp
- » Widening of doorways to accommodate Nellie's wheelchair
- » Homemaker services
- » Personal Assistant services
- » Assistive Technology:
 - » Magnifiers to help Nellie read her medication labels

- » Pill dispensers to help Nellie's husband help her take her medications
- » Hoyer lift for transferring to and from her wheelchair, shower chair, handheld shower, and back scrubber.

The Area Agency on Aging Waiver staff took the lead in assisting Nellie with home care, meals, the emergency alert device, homemaker and personal assistant services. They also coordinated with the Department of Human Services to assure a smooth transition in her Medicaid coverage.

The nursing facility transition specialist arranged for assistive technology and home modifications. The specialist also met or spoke with Nellie frequently to reassure her and her family that the transition was going to be successful and to answer questions and concerns.

Because the nursing facility was closing, they donated a hospital bed to Nellie. The physical therapist worked with Nellie and her husband on safe transfers using a hooyer lift. Everyone knew their role and Nellie was comfortable in how her needs were being addressed.

Nellie lived successfully in the community with her husband and grandson for 18 months. As her heart and lung problems continued to worsen, Hospice was called in for additional support. Nellie died in her own home with her husband and grandson present, as was her wish.