

In Brief: *Adding Assisted Living Services to Subsidized Housing:****Serving Frail Older Persons with Low Incomes***

Assisted living has grown rapidly as a supportive housing arrangement for many frail individuals who need help with activities of daily living but do not need constant skilled nursing. Because costs are high and public reimbursements are scarce, older persons with modest means have had limited access to assisted living. Policy decisionmakers have looked with increasing interest to the possibility of offering assisted living services in federally subsidized housing because of the concentration of frail older persons with low incomes who live in those settings.¹

Federally subsidized housing has efficiently, if inadvertently, targeted older persons at risk of receiving nursing home services — especially those at risk of receiving Medicaid assistance for such services. Subsidized housing residents: are overwhelming female; report more disabilities than older persons who do not live in subsidized housing; have very low incomes; and tend to have no one to whom they can turn if they become sick or disabled.

Key Findings

Case studies of seventeen sponsors of subsidized housing for older persons located in nine states demonstrate that assisted living services can be successfully integrated into subsidized housing projects for older persons. While each project was unique, the following findings describe the important issues confronted by sponsors of subsidized housing for older persons who are offering assisted living services.

1. FINANCIAL ISSUES

- Finding funding sources for assisted living services is one of the most difficult issues faced by sponsors. Limited funding often requires developing multiple funding sources and can result in low staff pay and high turnover.
- Assisted living services can sometimes help troubled housing projects and may result in overall cost savings compared to costs in a nursing home or a market-rate assisted living facility.

2. SERVICE DELIVERY ISSUES

- Projects offering assisted living have retained a residential environment, and most provide services to residents throughout the building rather than grouping those who need services into one location.

¹ This In Brief summarizes a report of the same title by Robert Wilden and Donald L. Redfoot, AARP Public Policy Institute Publication, 2002-01 (January 2002).

- Most sponsors provide services à la carte and contract out at least some of their assisted living services.
- Smaller sponsors and those without mandatory meals programs may have more difficulty developing meal programs for assisted living residents.

3. LEVEL OF EFFORT AND TYPE OF HOUSING

- States can greatly facilitate the expansion of assisted living programs in subsidized housing by developing statewide strategies and funding mechanisms.
- Public housing authorities and private nonprofit sponsors bring different strengths and resources to assisted living programs.

4. MANAGEMENT ISSUES

- An effective assisted living program requires housing and services professionals to think and operate differently from how they might in a more traditional environment. Effective coordination, both within the building and with external service providers, can eliminate overlapping services, confusion, and potential conflicts.
- The assisted living programs have enhanced access to services by all residents, whether or not they needed full assisted living, with no evidence that providing such services has increased liability or insurance costs for the sponsors interviewed.

5. OTHER ISSUES

- States vary widely as to how they regulate assisted living programs.
- Many facilities would benefit from modifications to accommodate assisted living programs and residents.

Policy Implications

States that want to extend assisted living services to frail older persons with low incomes may want to consider adding assisted living services to subsidized housing. However, state efforts to develop regulations and monitor the quality of assisted living services in subsidized housing are in their nascent stages. Research is needed to develop models and strategies for expanding assisted living services in subsidized housing nationwide and improving their quality.

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