

# Senior Housing and Services: Challenges and Opportunities in Rural America

## PD&R Expert Convenings Summary Report

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**Summary Report**  
**Senior Housing and Services:  
Challenges and Opportunities  
in Rural America**

Prepared for:  
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## Introduction

On September 29, 2015, HUD's Office of Policy Development and Research (PD&R) convened a panel of housing and health experts to better understand the challenges and strategies related to housing and service coordination for low-income seniors in rural America. Experts were invited to offer observations about the needs, barriers, and experiences with aging in place in diverse rural areas and discuss the feasibility of an enhanced service coordination pilot to support independence for aging seniors in rural communities.

## Background

The percentage of U.S. population aged 65 and over is expected to increase dramatically in the coming decades with one in five people projected to be over the age of 65 by 2030. Studies show that a quarter of older adults have some type of cognitive disability or difficulty with hearing, vision, or mobility.<sup>1</sup> Many seniors today are also cost burdened, paying a significant percentage of their income toward housing. According to HUD's 2013 Worst Case Housing Needs report, nearly 1.5 million elderly households with incomes below 50 percent of area median income paid more than half of their income toward rent. HUD administers several programs, such as Project-based Rental Assistance, Public Housing, and Section 202 Supportive Housing for the Elderly, that provide housing assistance to low-income seniors. Describing the purpose of the convening to participants, Mark Shroder, Associate Deputy Assistant Secretary for Research, Evaluation, and Monitoring at PD&R, noted that HUD assisted 1.46 million elderly households in 2014 through these and other programs.

HUD received approval from Congress for a demonstration to test housing with services model for the elderly that combines enhanced service coordination with an onsite wellness nurse in large Section 202 and Project-based Section 8 housing. The demonstration employs a randomized controlled trial to show that costly and preventable health events — such as some emergency room visits and hospitalizations — are reduced, that the quality of residents' lives is improved, and that early entry into nursing homes is avoided. Seniors in the treatment group will receive enhanced service coordination with a full-time service coordinator and part-time nurse and the control group will not have access to a wellness nurse but may have a service coordinator, though not necessarily focused on health.

There is concern that the demonstration may have the unintended consequence of excluding multifamily properties for the elderly that are not located in large metropolitan areas. According to HUD's Office of Multifamily Housing data, 25 percent of HUD-assisted multifamily properties for the elderly are located in rural/non-metropolitan areas. Congress has urged HUD to partner with other federal agencies in order to pursue a demonstration design on service coordination that is adapted to non-metropolitan areas. However, given the smaller scale and other service delivery challenges in rural areas, any interventions may have to be organized differently than for larger projects in metropolitan areas.

The convening featured brief presentations by two of the experts followed by group discussions, where participants provided their research and practice perspectives related to rural housing, health, and services for aging adults and strategies for conducting a meaningful evaluation in place of a randomized controlled trial.

## Aging in Place in Rural Areas

Lori Popejoy, Associate Professor at University of Missouri's Sinclair School of Nursing, gave a brief presentation on healthy aging in place in rural areas.

### *A Picture of the Rural Elderly*

- There are 50 million people living in rural America. About 15 percent are older adults.
- Ten percent of rural seniors live in poverty.

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<sup>1</sup> Joint Center for Housing Studies of Harvard University. 2014. "Housing America's Older Adults: Meeting the Needs of an Aging Population," 7–11.

- Rural elderly account for 25 percent of Medicare population. Thirty percent of Medicare beneficiaries in rural areas are dual eligible.
- Elderly in rural areas are more at risk for multiple chronic conditions which increases the likelihood of using health services and being hospitalized.

### **Healthy Aging in Place**

- A majority of older adults prefer to age in place in their own homes. Access to healthcare services, providers, home and community based services, transportation, and affordable and appropriate housing are needed to meet the needs of these older adults.
- Additionally, chronic condition management, community engagement, physical activity, and injury prevention are some of the key factors in promoting healthy aging.
- Home and community based long-term care has been shown to provide some cost savings and other benefits when compared to nursing home care.<sup>2</sup>
- There are several service access barriers to healthy aging and aging in place in rural areas.
  - Sixty-five percent of health professional shortage areas are in rural communities. Rural areas tend to have healthcare workers with lower-level licenses like licensed practical nurses and emergency medical technicians. In some areas, restrictive state regulations can prevent alternative providers like nurse practitioners and physician assistants from offering services.
  - Sixty-nine percent of adults turning 65 will need some form of long-term care service at some point. But, home and community based services are complex to manage. Furthermore, funding mechanisms for home-based services are inadequate. Nurses and other healthcare workers spend a lot more “windshield time” visiting rural patients, which affects the cost of the service.
  - Private health insurance and health insurance generally are less common among the rural elderly than the non-rural elderly, which has financial implications.
  - Care coordination is crucial for people with multiple health problems. Patients’ mental health problems often force complex (expensive, hard to coordinate) care interventions.
  - There are opportunities for telehealth but broadband availability is a problem. High-speed broadband is available to less than half the rural population, which negatively affects the feasibility of passive health monitoring services.

## **Connecting Rural Elderly to Services**

Stephen Golant, Professor in the Department of Geography at University of Florida, followed with a presentation on some of the challenges to connecting seniors in HUD-assisted rural properties to health and supportive services.

- Rural America is socially and economically diverse, therefore the demonstration should try to capture some of that diversity in site selection.
- Elderly in publicly subsidized rental housing have more unmet health and service needs compared to their counterparts living in non-subsidized housing. They are also more likely to be Medicaid eligible and have more chronic health conditions.
- In addition to the shortage of medical providers and specialists, fewer public transit options and longer travel times can be challenging for both seniors and service providers.
- Paratransit options are limited in rural locations and even in areas where such alternatives are available they can be unsatisfactory due to restricted trip purposes, destinations, times and advance scheduling requirements.
  - There is potential for models like Uber to increase transportation options for rural elders. A pilot program in Gainesville, Florida is delivering Uber service to two neighborhoods with a large senior population. The city subsidizes fares for seniors enrolled in the program based on their income.
- The range of supportive services that seniors in subsidized housing need can vary widely from basic care to management of chronic health conditions. Addressing diverse needs requires multiple providers and team-based approaches.

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<sup>2</sup> Marylin Rantz, Lori Popejoy, Colleen Galambos, Lorraine J. Phillips, Kari R. Lane, Karen Dorman Marek, Lanis Hicks, Katy Musterman, Jessica Back, Steven J. Miller. 2014. “The continued success of registered nurse care coordination in a state evaluation of aging in place in senior housing.” *Nursing Outlook*, 62:4, 237–46.

- Subsidized properties in rural areas tend to be smaller with fewer units and are less likely to have common areas or community spaces to facilitate service delivery.
  - Cost and organizational efficiencies can be achieved by serving large concentrations of elderly, so HUD should consider identifying and clustering multiple rural properties within a restricted geographic area. One potential way to achieve economies of scale would be to include U.S. Department of Agriculture's (USDA) Section 515 properties (a USDA rural rental assistance housing program).
  - Identify conveniently located senior centers and adult day care centers to compensate for lack of common areas within rural assisted properties.
- Family care givers are central to long-term care provision and to some extent can offset the lack of home care providers. Family involvement can improve outcomes, according to research, but there is need for training and support. The demonstration should consider how to make family caregivers, when present, more effective.
- Telehealth and smart home technologies offer avenues for monitoring health and daily activities of seniors in their homes. TigerPlace, an innovative independent senior living community in Missouri, offers a model where these passive technologies are being used.

## Participant Discussion

After the presentations, PD&R staff moderated group discussions on emerging trends, identifying sites and models most appropriate for the demonstration program, and federal, state, and local partnerships to support rural aging in place.

### *Emerging Trends and Potential Service Models*

- An increasing number of states are using Medicaid Managed Long Term Services and Supports to expand home and community based services.
- Enrollment in Medicare Advantage plans is increasing but these numbers may be lower in rural areas compared to urban areas. The numbers also differ between states and regions due to cultural differences.
- There is an increasing prevalence of Accountable Care Organizations (ACOs) in rural areas. For example, Vermont Support And Services at Home (SASH) works with three ACOs in the region.
- Because of the health provision benefits in the Affordable Care Act, there is a growing emphasis on prevention and integration between behavioral health and primary care.
- Expiring affordability requirements for subsidized properties and the need for preserving these units is a growing concern.
- Experts suggested that HUD should be strategic in deciding qualification requirements for service coordinators and nurses and task collaboration between service coordinators and wellness nurses who will be part of the demonstration program.
  - Medication management and health education programs for chronic conditions, which are a major aspect of elder care, require care providers with higher license requirements like Registered Nurses (RN). For other roles, that level of qualification may not be needed. Employing and retaining high level workers can be expensive and finding RN in rural areas is challenging. Proximity to a university-based nursing program can help staff the program.
  - In rural areas where higher level professionals may not be available, working with hospitals to hire coordinators or using evidence-based programs like HomeMeds can be potential solutions.
  - The requirements for the service coordinator should be more flexible. A college degree in social work may not be needed in all cases. For example, one expert suggested that in extremely rural areas, local knowledge of the community and existing social connections should be considered over educational qualifications.
  - The Vermont SASH program does not have specific education requirements for care coordinators but links less skilled coordinators with more experienced mentors.
  - If HUD were to cluster properties for the demonstration, experts suggested that it may be helpful to have the local community decide on the approach to service delivery.

- Instead of requiring the presence of one services coordinator and one nurse with certain qualifications, the demonstration should consider describing the roles that should be performed and letting communities propose how to staff those roles based on the resources that are available in the community (for example, with a pharmacist).
- One expert noted that savings in care coordination accrue mainly from high utilizers so demonstration program applicants should be able to identify this group for interventions.

### ***Site Selection and Evaluation***

Given the barriers to healthcare and service delivery in rural areas, including remoteness, smaller scale, and complexities associated with care coordination, PD&R staff asked experts to provide input on identifying sites and evaluation criteria for the demonstration.

#### Site Selection Criteria

- Rural America is very diverse, in terms of population density, economy, and accessibility. Rural communities closer to metro areas would differ vastly from frontier locations with regard to available services. Experts suggested that since the purpose of the demonstration is to generate evidence on any benefits of combining housing with services, HUD should avoid frontier sites and consider rural areas with some level of service infrastructure in place.
- The experts suggested targeting the demonstration to diverse geographies and to consider allowing non-elderly residents in assisted properties for the elderly to be served by the service coordination model.
- One expert stated that travel times should be a consideration. Services should preferably be located within 30 minutes of driving time for seniors. Others recommended considering states with transit programs for rural elderly, such as Section 5311 (a formula based program from the U.S. Department of Transportation (DOT) that provides funding to states for the purpose of supporting public transportation in rural areas, with population of less than 50,000) and Section 5310 (a discretionary capital assistance DOT grant program to private nonprofit organizations to serve the transportation needs of elderly persons and persons with disabilities).
- A couple of experts suggested relying on USDA county codes to distinguish metro and non-metro counties and to identify areas with an intermediary level of rurality.
- Experts suggested considering willingness of states, housing providers and other agencies such as primary care agencies, community health agencies, mental health agencies, local hospitals, Area Agencies on Aging (AAA), home health agencies, rural health clinics and Federally Qualified Health Clinics (FQHC).
- Some experts argue that the demonstration should focus on properties or areas with high utilizers to maximize the impact of service coordination on health care costs, while others argue that the demonstration should use a population-based approach that keeps healthy seniors healthy, such as in SASH.
- Discussing the types of properties to include in the demonstration, experts proposed considering USDA Section 515, Low Income Housing Tax Credit projects, Public Housing, Housing Choice Vouchers, and HOME properties in addition to the HUD Section 202 and project-based Section 8 housing. Other suggestions were to include:
  - At least one site with high-speed broadband access.
  - At least one cluster of properties with high needs.
  - A tribal property.
  - Sites with varied population densities.
- Experts listed multiple attributes that HUD should use to narrow sites/applicants for the demonstration. Per the direction of PD&R staff, experts grouped the attributes into those that should be threshold criteria and those that should be factors when judging applications.
  - Attributes that experts agreed should be **threshold criteria** include evidence of collaboration among relevant community partners, coordination with the local Area Agency on Aging or Aging and Disability Resource Center, having a memorandum of understanding with state agency or Medicaid to demonstrate partnership, sites with at least 75 units (when clustering approximately 3 properties) located within one hour distance of services, involvement of the housing authority or property owner (if nonprofit housing developer), being located in states that have Activities of Daily Living (ADL) and Independent Activities of Daily Living (IADL) data that can be



linked with claims data (areas where the Medicaid agency is a partner and is willing to provide the data and/or the Managed Care organization is a partner and is willing to provide the data), and availability of transit or alternative transportation options. Some experts suggested having applicants initially submit a letter of interest in lieu of a detailed application.

- Criteria that should be **factors** when judging applications include having a coordinated transportation plan, programs to support family caregivers, relationship with primary care service providers, ability to tap into community resources (university partnerships, nursing or medical schools, social work programs), ability to utilize technology, resident engagement plans, and cross-jurisdictional and cross-sector collaboration.

#### Evaluation Criteria

- Experts listed the following potential metrics for evaluation: costs in terms of emergency room visits and hospital readmissions, cost utilization shift from high-cost services to low-cost services, declining rates of ADLs and IADLs, nutrition risk (pre-post comparison) subjective well-being (pre-post), depression rates among residents (pre-post), community engagement (pre-post), turnover, number of falls, days in skilled care (using surveys), chronic disease management, use of hospice and end of life directives, targeted ranges for conditions like hypertension and diabetes levels, and cognitive decline.
- Experts cautioned against trying to measure and achieve cost savings. Several experts indicated that this is a very high bar to reach and it is a complex outcome because of the cost shift from acute care utilization to home and community based services and physician visits. Instead, the focus should be on measures that capture aging in place.
- Require grantees to conduct a baseline survey upfront, using standardized survey instruments. Primary data collection for the evaluation will be key.

#### *Partnerships to Consider*

In addition to challenges such as shortage of health professionals and lack of transportation options, experts pointed to other rural-specific issues to serving aging adults — outmigration of younger people leaving fewer family caregivers, persistent poverty, funding shortages, uneven expansion of Medicaid, lack of behavioral health centers, dilapidated housing, unwillingness to accept help, isolation, grandparents raising children, low density, overrepresentation of elderly, absence of funding for housing assistance, emphasis on institutionalization, and absence of leadership.

- The discussion on partnerships focused on mitigating some these challenges through cross-sector collaboration involving the right players:
  - Federal agencies, such as the Veterans Administration, USDA, Centers for Medicare and Medicaid Services, Health Resources and Services Administration, and Administration for Community Living.
  - National nonprofits such as National Council on Aging and AARP.
  - State Medicaid directors, state departments of transportation, state offices of rural health.
  - Area agencies on aging, housing finance agencies, public health departments, mental health agencies, public housing authorities, major area employers, and rural nonprofit housing developers.
  - Chambers of commerce, local hospitals, homeless assistance providers, and community action agencies.
- On effective partnership structures, experts suggested a decentralized structure defined by the local community based on partners and resources available to them. State and federal partners will provide support as needed and help with interpreting rules and regulations.
- According to the experts, some of the hallmarks of a good partnership that HUD should look for when judging applications are transparency, shared mission, accountability, shared data or willingness to share data, past accomplishments of partnerships, any existing agreements, and shared leadership.
- HUD can require applicants to provide documentation to demonstrate existing partnerships but experts suggested that site visits may be the only way to truly verify partnerships and existing relationships on the ground.

***Final Thoughts***

- On the question of whether to pre identify sites or open applications to all rural areas, some experts suggested a hybrid model, where properties that meet some of the above mentioned criteria are preselected and applications are invited from these preselected sites.
- Experts indicated that applicants could include community based organizations, AAAs, nonprofit housing providers, etc.
- Experts suggested that HUD consider finding comparison groups in assisted properties in the area to assess results.
- Experts also suggested that a 5-year demonstration would be ideal.
- PD&R staff noted that the demonstration is focused on not just outcomes but trying to understand the best interventions or models for rural areas that can be replicated. Additionally, since this will not be a randomized controlled trial, process evaluation will play a bigger role.
  - Experts noted that clarity of intent and comprehensive documentation of process information — including details on the intervention, internal factors that drove the intervention, context, how the intervention was implemented, and results/outcomes achieved — will make the demonstration credible.
  - In addition to the process information, for providers to replicate this model, they will need to see documentation on the time it takes to develop the intervention and the different funding sources.
  - Qualitative analysis of patient level stories or quality of life stories is another way to document the impact of interventions.

## Participants

- Joe Belden  
Housing Assistance Council
- Elise Bolda  
University of Maine
- Molly Dugan  
Cathedral Square Corporation
- Mary Beth Fields  
Lower Savannah Council of Governments
- Stephanie Firestone  
National Association Area Agencies on Aging
- Stephen Golant  
University of Florida
- Steve Hirsch  
National Advisory Committee on Rural Health and Human Services, HRSA
- Calvin Johnson  
Office of Policy Development and Research, HUD
- Rachelle Levitt  
Office of Policy Development and Research, HUD
- Jackie Mayo  
Home Source East Tennessee
- Siddhartha Mazumdar  
Centers for Medicare and Medicaid Services, HHS
- Lori Popejoy  
University of Missouri
- Todd Richardson  
Office of Policy Development and Research, HUD
- Emily Rosenoff  
ASPE, HHS
- Elizabeth Rudd  
Office of Policy Development and Research, HUD
- Mark Shroder  
Office of Policy Development and Research, HUD
- Teresa Souza  
Office of Policy Development and Research, HUD
- Suzanne Stack  
Federal Office of Rural Health Policy, HRSA
- Marianne Stock  
Federal Transit Administration, DOT
- Robyn Stone  
Leading Age
- Roula Sweis  
Office of Special Needs Assistance Programs, CPD, HUD