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**Joint Legislative Public Hearing  
on Housing  
Testimony Presented by:  
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SelfHelp Community Services, Inc.  
February 13, 2012**

**Presented to:**  
Senate Standing Committee on Finance  
John A. DeFrancisco, Chair

Assembly Standing Committee on Ways and Means  
Herman D. Farrell, Chair

**Hearing Room B  
Legislative Office Building  
Albany, New York**



Testimony - Joint Legislative Public Hearings on 2012-2013  
Executive Budget Proposal- Housing  
February 13, 2012

Good morning, my name is Stuart C. Kaplan and I am CEO of Selfhelp Community Services, Inc. in New York City. I am testifying today on behalf of LeadingAge NY, where I serve as Chair of its Statewide Housing Cabinet. This morning I will be discussing Housing proposals in the Governor's 2012-2013 Executive Budget. It is our hope that the legislature will not only support the Governor's proposals that incorporate recommendations of the MRT Affordable Housing Work Group, but also further embrace the need for adequate funding that advances affordable housing as the platform for health, social and gerontechnology services for New York's seniors.

Founded in 1961, LeadingAge New York, formerly the New York Association of Homes & Services for the Aging (NYAHSAs), represents not-for-profit, mission-driven and public continuing care providers, including nursing homes, senior housing, adult care facilities, continuing care retirement communities, assisted living and community service providers. LeadingAge New York's members employ 150,000 professionals serving more than 500,000 New Yorkers annually in all 62 counties of the State.

Selfhelp Community Services, Inc. Selfhelp is a non-sectarian, not-for-profit, 501(c)(3) organization dedicated to maintaining the independence and dignity of seniors and at-risk populations through a spectrum of housing, home health care and social services and will lead in applying new methods and technologies to address changing needs of its community. Selfhelp will continue to serve as the "last surviving relative" to its historic constituency, victims of Nazi persecution. Selfhelp currently serves over 20,000 New Yorkers in 22 community-based sites throughout New York City and Long Island. Selfhelp developed and owns six apartment buildings, where over 1,000 low income residents live independently, with a seventh under construction, all having availability of social services for seniors.

### Need

Final recommendations by the Medicaid Redesign Team's Affordable Housing Work Group acknowledge that targeted investments in affordable housing and supportive services for high need, high cost Medicaid populations can be an effective strategy for addressing high Medicaid costs. Indeed, affordable supportive housing is currently underutilized asset in our State's health care reform strategy. And, given the large dual eligible population living in affordable senior housing, such entities are perfectly matched with the State's Managed Long Term Care initiative. A growing body of literature shows reductions in Medicaid and other health care spending when seniors and other special needs individuals are served in supportive housing.

Seniors often face growing threats to their ability to live independently and with health and dignity. Older people are the fastest-growing age group, and older New Yorkers are expected to be poorer, live longer, and require more in-home services. And, between 2000 and 2030, the number of people age 65 and older is projected to increase nearly 45 percent. Of all New York City residents over the age of 60, an estimated 35 percent of these people live alone, 44 percent have some mobility or self-care limitation, and 25 percent of them – over 70,000 individuals – live in poverty. Many more face difficulties with everyday tasks like shopping, cleaning, and finding a way to visit their doctor. Low income seniors often cycle in and out of the emergency room and hospital, at high cost to Medicaid. Some transfer unnecessarily or prematurely to nursing homes, costs paid by Medicaid, because they need more care or oversight than is available at their housing site.

These have been longstanding conundrums but major system change is afoot in New York and the MRT has recognized that affordable housing must be made part of the solution.

### **Executive Budget Impacts**

The Governor's Executive Budget adopts several MRT recommendations, including the Supportive Housing Development Reinvestment Program, which seeks to develop a program for supportive housing funded by Medicaid savings realized from reduced inpatient hospital and nursing home expenses. While this nod to the need for supportive housing and its cost effectiveness is important, we ask the legislature to specifically consider the distinct need for an Affordable Housing with Services Model for New York State's elderly population. This model would make available important supportive living services on an "if and when" needed basis---an efficient and effective solution that promotes consumer choice and dignity.

It is important that health and social services be taken together in New York's health care system for seniors and not be managed as two distinct silos. As the State looks to lower its healthcare costs, leveraging programs with different funding streams that reach people in a variety of community based settings, with the appropriate combination of low cost and high cost services can pre-empt health related maladies that would increase the likelihood of increased expense due to the loss of independence, and institutionalization. By way of example, New York State funds a network of Naturally Occurring Retirement Communities (NORC's) and Neighborhood NORC's. These programs bring an array of low cost services to elderly New Yorkers and serve as the forerunner to the Affordable Housing with Services Model. We are therefore urge the legislature to restore the Governor's \$457,000 cut to Naturally Occurring Retirement Communities (NORCs) and Neighborhood NORCs (NNORCs).

As previously established, there is a demographic imperative to increase affordable senior housing in New York State.

This summer, LeadingAge NY will be releasing a study entitled "Senior Housing in New York State" which will outline the existing senior housing capacity, services delivered to seniors in these facilities, existing New York regulations for assisted living and senior housing, innovative models of senior housing with supportive services, and the future needs of senior housing.

Senior housing is the least restrictive, most affordable, and most flexible congregate living arrangement in the senior living continuum. It offers an ideal platform for efficiently and effectively delivering home care, other health services and social, environmental and gerontechnology supports. These services enable seniors to remain independent at home.

At the same time, a growing shortage of senior housing and supports is emerging. The current unmet need for affordable senior housing is reaching exacerbated proportions. Even as New York State and the MRT acknowledge the cost savings potential and value of supportive services offered in residential settings, traditional sources of dollars are dwindling. The Section 202 Supportive Housing for the Elderly program is the Federal Government's principal tool for providing new and renovated affordable housing to seniors. While demand continues to grow, the Federal Government's response has been insufficient, with no new construction funding currently allocated. Federal secondary "gap" financing for construction has also been greatly reduced. Making matters worse, several subsidized property owners are opting out of federal and state affordable housing programs when their mortgages are satisfied so they can increase their rental income. In addition, much of the current senior housing infrastructure is 30+ years old and in need of extensive renovations. Increasing the production of modernized subsidized housing capacity must become a priority.

In New York City 5+ year waiting lists for affordable senior housing are commonplace with applicants who are 75, 80, 85 years old or older. Included on these lists are thousands of low income seniors who are living in poorly sited housing to meet senior needs or in housing with rentals so high that decisions to pay for food and medication are forgone in order to pay rent and avoid eviction. We are pleased with the Governor's budget increases from \$4 million to \$8 million for State Low- Income Housing Tax Credits which would result in \$80 million in new funding capacity for affordable housing over the next ten years but frankly, it will not meet present need let alone growing needs of a graying poor population.

In tandem with the governor's initiatives, we urge the Legislature to include funding for capital investments to help create safe affordable housing for New York's seniors. Please support the LeadingAge New York Senior Housing Affordable Rental Program

(NY\*SHARP) proposal that calls for a \$1 billion dedicated capital grant program to develop, preserve and reconfigure affordable senior housing throughout New York State. NY\*SHARP will not only save Medicaid dollars, but will also stimulate the economy and promote creative public-private and state-local partnerships, along with hundreds of jobs, positively influencing the State's economy.

### **Further Recommendations**

A commitment to housing with services can be cost effective to the State and beneficial to seniors by enabling them to safely age in their communities by making available a range of services to meet their evolving needs. Residents may initially be independent and benefit from wellness and prevention programs (e.g., falls prevention). With advancing age and frailty, they may benefit from congregate meals, help keeping up their apartments, self-care education and medication management to ultimately needing assistance with managing their personal care. The most frail, chronically ill elderly residents may benefit from more intensive care coordination, including efforts to minimize ER and hospital use and, where necessary, facilitating appropriate transfers to and from the housing property or bringing in hospice. The use of technology such as wireless sensor monitoring systems, telehealth and even learning to use a computer to encourage socialization and connection to family, can also help to prolong independence.

Selfhelp Community Services is nationally recognized for its concept of housing with services. With over 1,000 low-income older adults living in its six housing complexes, Selfhelp is proud of the way it successfully makes available supportive services so that residents can safely and enjoyably age in place. A recent New York Times article (<http://www.nytimes.com/2011/11/27/nyregion/community-of-holocaust-survivors-dwindles-in-queens.html>) discusses some of the challenges residents of our building experience as they age-in-place over a long period and effects they experience as they lose their friends in the building. The article addresses the change in demographics among our buildings and some effects it has on residents; essentially triggering social isolation and how Selfhelp addresses these issues. The outcome of this effort is only 1% of the residents permanently move out of Selfhelp's housing for a skilled nursing facility.

Embracing new and innovative technology can further reduce the cost burden on the State and enhance the lives of elderly residents. Technology offers many opportunities to improve the lives of New York's elderly in congregate settings as well as those who are homebound or have limited mobility. Nearly 17% of New York's elderly are homebound or at risk for social isolation. The AARP Foundation has made social isolation a major area of focus. Technology can help to rescue these seniors and bring them back into their communities. Technology comes with a cost however, as older buildings need to be retrofitted, initial investments in infrastructure and software must

be made, and the very vital component of broadband internet access is not yet accessible to all New Yorkers. We hope that the legislature will undertake to find ways to fund technology for seniors in their homes. The State should examine options like waivers for telemedicine and broadband access dollars from the federal government that currently exist.

Selfhelp has installed two telehealth kiosks in our buildings. Telehealth empowers people with chronic conditions by making possible personal active participation in disease management. A telehealth kiosk – a device that communicates with its user via touchscreen (swipecards secure access), gathers information about symptoms during a “virtual interview.” The kiosk features medical peripherals including a blood pressure cuff, scale, and pulse oximeter (for instance, for monitoring oxygen saturation levels in individuals with chronic lung disease). These peripherals are used to measure vital signs, track trends, and identify health indicators, and then transmit them instantly and securely to a telehealth nurse, who monitors the information and initiates appropriate action when a potential problem is indicated. A kiosk allows for more frequent and timely data on health indicators, which reduces hospitalizations among their clients by identifying problems before they became crisis situations.

Another technology used by Selfhelp with our housing residents is passive, ADL monitoring. With a combination of PERS (personal emergency response system) and a series of unobtrusive motion detectors installed in the resident’s apartment, the resident makes family members aware of trends in ADL activities or changes in condition. This is comforting especially for residents living alone, because they appreciate knowing that someone is looking out for them.

### Conclusion

Thank you for allowing me to speak with you today on behalf of LeadingAge NY. It is our hope that the legislature will not only support the Governor’s proposals that incorporate recommendations of the MRT Affordable Housing Work Group, but further embrace the need for adequate funding for community based in home social services and affordable housing with services for New York’s Seniors