Mercy Housing

Affordable Housing and Healthcare

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Health and Housing
Operations Initiatives

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Mercy Housing

- Mission: to create stable, vibrant, healthy communities by developing, financing, and operating affordable, program-enriched housing for families, seniors and people with special needs who lack the economic resources to access quality, safe, housing opportunities.

- National organization founded by the Sisters of Mercy of Omaha in 1981 and currently sponsored by nine communities of Catholic sisters who support the organization by giving time and resources to support our mission.

- Presence in 41 states and we currently operate over 17,000 units of affordable housing.

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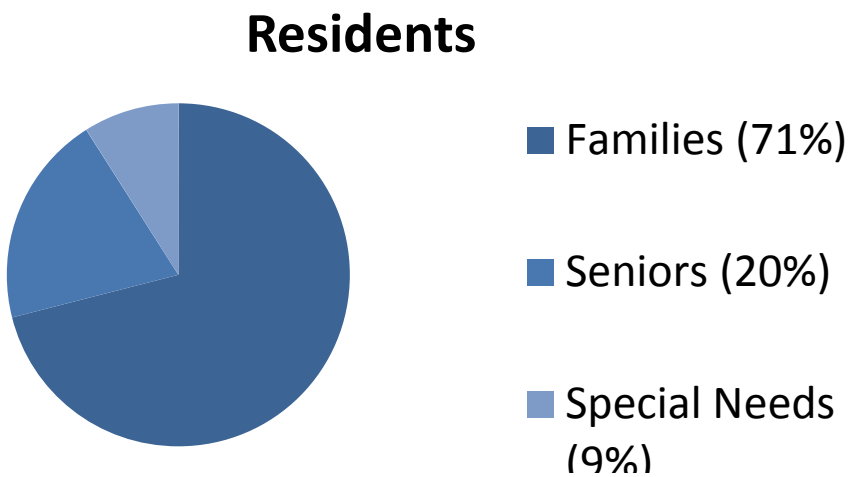
Mercy Housing

Our affordable housing is typically housing financed with public funds or tax credit investments and restricted to tenants who are low income.

Residents :

- Families (71%) Annual Median Income $16,678
- Seniors (20%) $10,968
- Special Needs (9%) $8616



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Currently we have many and varied health care partnerships

Strategic Health Care Partners

- Catholic Healthcare Systems: Dignity, St. Joseph, Catholic Health Initiative, Trinity Health, Ascension Health, Catholic Healthcare Partners , and Bon Secours Health System

- Conceived in 1998 with a shared commitment to healthy communities and service to those in need.

- Specific collaborations vary from community to community
  - ✓ Grants for programs and services
  - ✓ Health education and screening
  - ✓ Immunizations
  - ✓ Fitness classes
  - ✓ Free car seats
  - ✓ Treatment referrals for the uninsured
  - ✓ Village Nurses
  - ✓ School supplies for children

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Current opportunities to better serve low income populations in partnership with health care

The Affordable Care Act

- New models of care and dual demonstration projects
- Increased emphasis on managed care and community based services
- Medicaid Expansion

Our approach …

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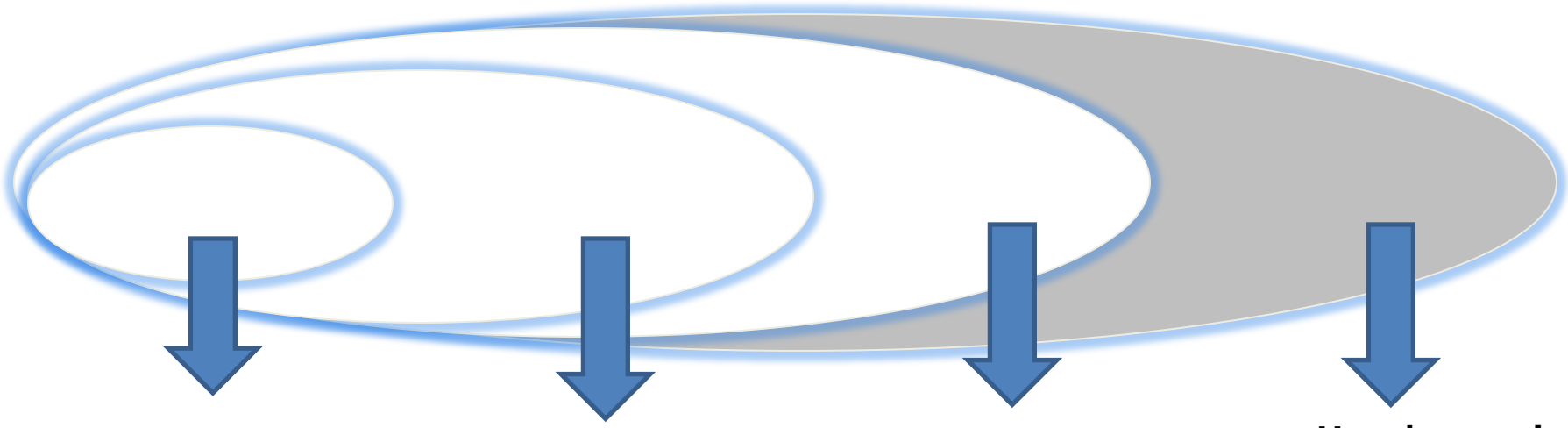
Housing and Health Care Linkages Continuum



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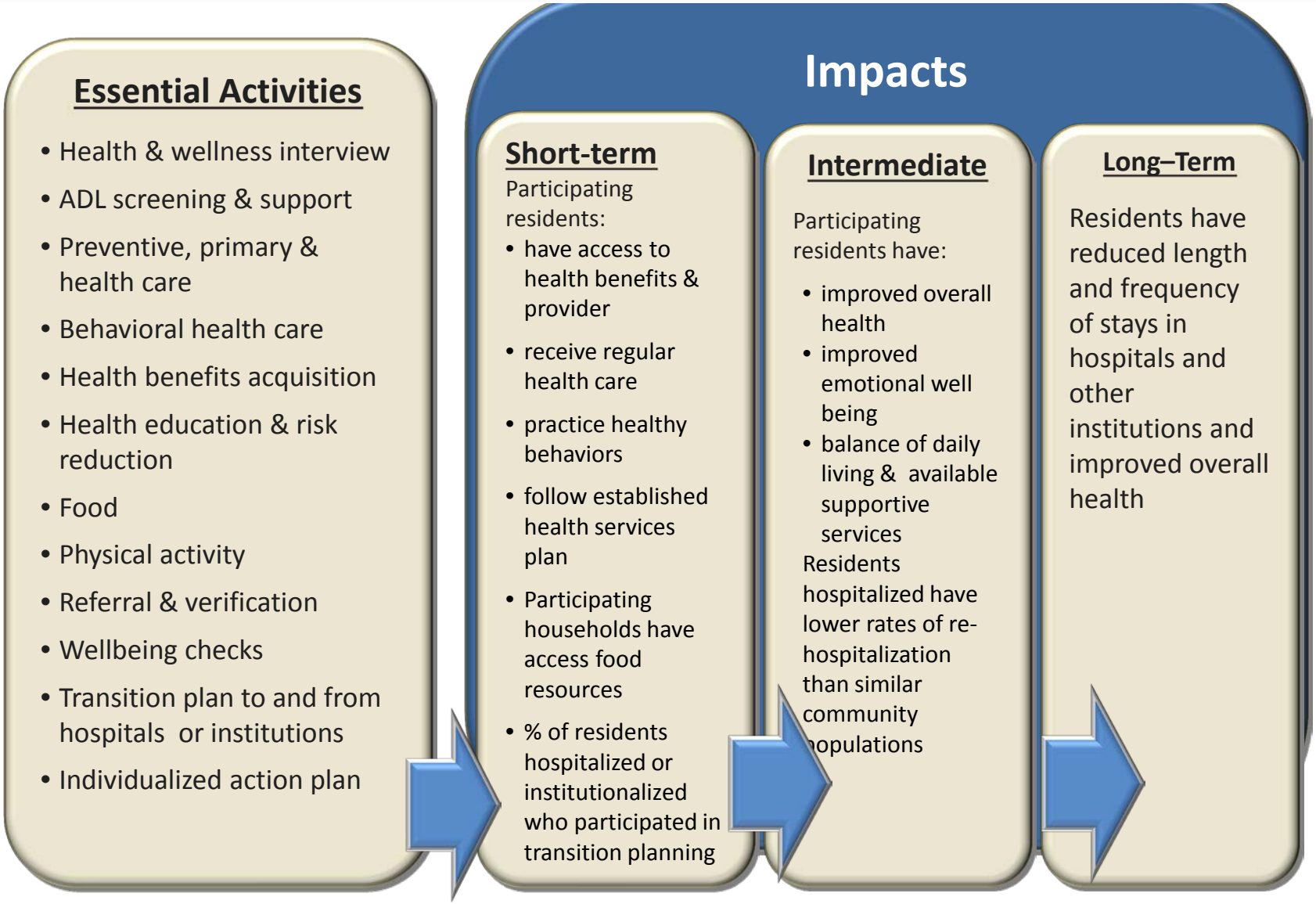
Health and Wellness



Services to Healthcare Outcomes

Health-Related Services

- Assistance With Benefits
- Assistance with Healthcare
- Coordination of Activities of Daily Living
- Monitoring of Community Services
- Health Education Programs
- Care Coordination
- Health Fairs, Community Events
- Onsite Health Screenings
- Nutrition and Exercise
- Aging in Place

High Value Service Areas

- **Maintaining Health Coverage**
- **Care Coordination/ Navigation**
- **Health Education/ Risk Reduction/ Outreach**
- **Care Transitions Support**
- **Direct Healthcare Services (Onsite)**
- **Stable, Affordable Housing**

Healthcare Outcomes

- Increased Access (Individual Experience)
- Reduced Costs (Affordability)
- Improved Quality (Population Health)

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Case Study: Mission Creek Senior Community San Francisco

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- Close to public transportation
- Adjacent to public multi use walking path
- Public Library on ground floor
- Adult Day Health Center on premises
- Protected outside space for activities
- Large, sunny, and ample community spaces
- Lovely apartments with good light, ventilation and views
- Strong partnership and payer relationship with the SF Department of Public Health

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Case Study: Mission Creek Senior Community San Francisco

- Service-enriched independent living alternative to nursing home beds at Laguna Honda
- 50 of 140 units direct referral of SF Dept of Public Health from skilled nursing, hospitals and shelters
- SF DPH pays $700/month operating subsidy for exclusive access to those units.

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Case Study: Mission Creek Senior Community San Francisco

- Mercy's on-site team provides a holistic "blended" approach to services and property management

Service Coordination	Health Interview
Health Education	Food banks
Physical Activity	Well-being Checks
Transition Plans	Benefits Acquisition

- SF DPH also provides access to a roving team that can meet the "medical" needs of residents

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Study Findings: San Francisco Department of Public Health

- Medicaid/Medicare costs of the 50 original DPH referrals shrank from $1.7 million per year to $253,000
- Per capita, $29,000 annual savings, Medicaid and Medicare
- Savings: reduced hospitalizations and skilled nursing stays

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Market Inefficiencies

- Medicaid will pay for skilled nursing or residential care facilities at three to four times the monthly cost of Mission Creek
- Medicare will pay 20X the daily cost of Mission Creek for hospital beds for patients that lack a home to be discharged to.
- Once the patient's medical needs have been met, hospitals pay the cost of "housing" the dual eligibles in their $1,000/night beds

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If Mission Creek is so great why aren't we doing more of it?

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Replication is limited by 3 factors:

1. Low income people cannot afford to pay the full cost of housing or services

2. Medicaid does not currently pay for supportive housing as an alternative to skilled nursing facilities

3. New government programs or public funding are not politically feasible in this environment

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Cost-Savings from Health Care Can Create the Revenue for a New Model

1. Reduced hospitalizations
   (average price per hospitalization is $18,000)

2. Reduced institutional care
   (skilled nursing--$66k-$95k per year)

3. More efficient or better integrated delivery of community-based services

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Shifts in Health Care Industry Provide Opportunity for a New Funding Model

1. Industry moving from “pay for volume” to “pay for value”
2. Shift from access to “sick care” to health care” and “well care”
3. Public Purchasers are shifting their patients to managed care plans
    - Capitated rates with cost savings and risk potential for health plans
    - Better potential for aligning costs and savings

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Key Issues:
Moving from Concept to Implementation

1. How will we get paid?

2. What will we get paid for?

3. How can we shape the health care industries approach to realizing these partnerships?

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