



TO: Jon Jennings, Portland City Manager
FROM: Dana Totman, President, Avesta Housing
CC: Councilor Belinda Ray, Chair, HHS/PS Committee
Councilor Brian Batson
Councilor Pious Ali
DATE: November 20, 2018
RE: New Concepts for Addressing Senior Homelessness in Portland

Background:

Avesta Housing is a nonprofit housing organization with more than 45 years of experience as a leader in affordable housing development and property management in southern Maine and New Hampshire. The organization is headquartered in Portland, Maine and currently has 87 properties (including three Housing First developments), 2,400 apartments, and two Assisted Living facilities in its portfolio. Avesta's mission is to improve lives and strengthen communities by promoting and providing quality affordable homes for people in need. Its five areas of focus are advocacy, housing development, property management, senior/assisted living, and homeownership.

Proposal:

Avesta Housing is currently studying the feasibility of three programs that would serve homeless persons who are 55 or older. Our initial plan is conceptual in nature and is based on our knowledge and research of homeless individuals who are older and our experience in owning and managing Assisted Living Facilities, Housing First and Senior Developments.

36 Unit Assisted Living Facility: This would be a traditional Assisted Living Facility where residents receive assistance with Activities of Daily Living (ADL's) including dressing, bathing, ambulation, medication management, etc. Assisted Living, sometimes referred to as Residential Care, is a Maine DHHS licensing designation and in simple terms is a level of care less than Long-Term Care/Nursing Home and greater than home health service provided to independent living residents. This type of licensure mandates minimum staffing levels to ensure the care needs of all residents are met and to provide adequate supervision 24 hours per day, 7 days per week. Traditionally, residents either pay for their room, board and care with private funds or the cost of providing these

services is paid for by MaineCare (Maine's Medicaid Program). In Maine, Assisted Living Facilities that rely on MaineCare as a funding source are called Level IV Private Non-Medical Institutions (PNMI's). It is assumed the older homeless population that would live in the proposed facility would be low income and thereby financially eligible for MaineCare. In addition to financial eligibility, DHHS requires that a resident of a PNMI be medically eligible for services as well. This medical eligibility is determined by Maximus, a third party contracted by DHHS to conduct assessments on all nursing home and assisted living residents prior to admission. Our proposed Assisted Living Facility would be held to the same standards.

MaineCare will be the primary funding mechanism and ideally will be adequate to pay for the debt on the facility. The most common debt are loans with the Maine Health and Higher Education Facilities Authority (MHHEFA). If the PNMI revenue is inadequate to support the debt and operations of the facility, either ongoing alternative funds will be necessary to fund the ongoing debt and operations, ongoing services will partially be provided in-kind, or the amount of debt may be reduced up front by grants and/or donations which could cover some of the capital costs. Avesta currently operates two similar Level IV PNMI programs.

30 Unit Housing First Development: This would be similar to Avesta's three other Housing First Developments: Huston Commons, Florence House and Logan Place. Each of these developments has housed chronically homeless individuals. The real estate development costs associated with these three projects has been paid for by several layers of financing. Most of the development costs are covered by the State of Maine through the Housing First Development Fund. The remaining costs are covered by the State of Maine through the Housing First Development Fund. The remaining costs are covered by the State of Maine through the Housing First Development Fund.

Services (CMS) identifies potential State mechanisms for using Medicaid resources to pay for housing related services. According to the bulletin, “States can use a 1915(c)HCBS (Housing and Community Based Services) waiver program to cover some housing related services.” “...States can reimburse for... tenancy sustaining services....” Previous discussions with Maine’s DHHS Commissioner did not generate support for seeking a 1915(c)HCBS waiver, however changes in Administration may create more interest.

15-Bed Assessment Center. This would be a temporary (up to 14 days) residential program. Individuals would enter this program and would then be assessed for appropriate placement. It is assumed that some would be referred to Long-Term Care/Nursing Home level of care; some would be referred to the PNMI supported Assisted Living programs (Avesta’s or others); some would be referred to the housing first development; and some would be referred to other community options. The funding for the assessment center is less clear, however the 1915(c)HCBS information bulletin has extensive discussion of using Medicaid resources to pay for assessing older individuals’ housing and service needs.

The actual facilities have not yet been designed or cost estimated. It is assumed the three components of this proposal could potentially be in one building with condominium splits for the distinct programs with floors or wings representing the separate operations. Alternatively, the three programs could be in multiple buildings on the same campus.

Avesta Housing looks forward to continued discussions with the Council and city staff to bring the aforementioned proposal to fruition. We are committed to a continued partnership with the City of Portland in ending senior homelessness.