

HUD-Funded Service Coordination Programs:

ROSS, FAMILY SELF-SUFFICIENCY, AND SERVICE COORDINATORS IN MULTIFAMILY HOUSING FOR ELDERLY AND DISABLED

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HUD currently has three distinct service coordinator programs, each with its own federally-appropriated funding stream:

1. The Resident Opportunities and Self-Sufficiency (ROSS) Service Coordinator program.
2. The Family Self-Sufficiency (FSS) program.
3. Service Coordinators in Multifamily Housing for the Elderly/Disabled.

HUD's Office of Public and Indian Housing administers the ROSS Service Coordinator and FSS programs. The Service Coordinators in Multifamily Housing for the Elderly/Disabled program funds the work of service coordinators in Section 202 housing and is administered by HUD's Office of Multifamily Housing Programs. That office also oversees the FSS program for owners of private multifamily projects that have a project-based Section 8 Housing Assistance Payment contract.

A service coordinator is defined as a social service staff person hired or contracted by a property owner, housing management company, public housing agency (PHA), resident association (RA), or Tribal Housing entity.

In the past, a service coordinator was a social service professional who acted as an information and referral resource for families, seniors, and persons with disabilities residing in publicly funded subsidized apartments or other affordable housing environments. However, the role of the service coordinator has evolved to a more hands-on, enhanced level of coordination, assistance and services/case management.

This model represents a proactive approach to service coordination in which the service coordinator reaches out to and engages residents, conducts non-clinical assessments of resident interests and needs, and makes referrals to service providers in the community as necessary and appropriate. The service coordinator's primary role

is to coordinate the provision of supportive services and provide access to benefits, entitlements, and community-based resources for low income residents.

Many service coordinators value and cultivate an empowering attitude—they see their roles as facilitators rather than fixers and as resources rather than rescuers. Specifically, service coordinators help the residents in these settings to remain independent, increase their assets and self-sufficiency by connecting them with community-based services, supports and other income-related benefits.

HISTORY

Service coordination is a growing profession that has expanded since beginning when Congress created HUD's Service Coordinator program through Section 808 of the National Affordable Housing Act of 1990 (also known as the Cranston-Gonzalez Affordable Housing Act, Public Law 101-625). This law gave HUD the authority to use Section 8 funds to employ service coordinators in Section 202 Multifamily Housing for the Elderly/Disabled. The Act also enacted the FSS program.

Service coordination programs received additional authority through the 1992 Housing and Community Development Act (HCDA; Public Law 102-550). The HCDA Amendments of 1992 amended Section 808 through Sections 674 and 677, and added Sections 675 and 676. Section 851 of the American Homeownership and Economic Opportunity Act of 2000 (Public Law 106-569), which further amended these Acts. These amendments allowed service coordinators to serve low income elderly and disabled persons living in the vicinity of the development, and expanded the program by broadening authority for funding of service coordinators in most HUD-assisted and conventional public housing (PH) developments designated for the elderly and people with disabilities. The Consolidated Appropriations Act of 2015 authorized voluntary FSS participation for owners of private multifamily projects that have a project-based Section 8 Housing Assistance Payment contract.

As a response to the Quality Housing and Work Responsibility Act of 1998 (the Public Housing Reform Act), ROSS is a redefined and restructured combination of programs funded in prior years: The Tenant Opportunities Program, Economic Development and Supportive Services Program, and Public Housing Service Coordinators Program.

PROGRAM SUCCESSES

National research conducted in the past 30 years has chronicled the widely recognized preference by older adults to remain independent and in their own homes and communities for as long as possible. A research study on service coordination offers some exciting information on the benefits of service coordination across the country. Additionally, national data from the American Association of Service Coordinators' (AASC) Online documentation system has shown the benefits of service coordination in terms of: providing access to services and supports; increased length of independent living; and, most recent data from the system is also showing improved health outcomes for elderly residents through wellness and healthy habits programs, health status checks, and other services arranged for and brought to the property by the service coordinator. Additionally, the AASC Online system has been able to identify cost savings for the residents from their access to needed services, benefits, and supports; and, for property owners/managers by preventing evictions, intervening faster when tenancy issues arise and keeping the property "leased up."

In terms of cost savings, a comparison of the national average monthly cost of nursing home care versus keeping a low income, frail elderly person in their own apartment with access to benefits, supports, and services at a property with a service coordinator reveals some startling data. According to the *Genworth 2016 Cost of Care Survey of Home Care Providers, Adult Day Health Care Facilities, Assisted Living Facilities and Nursing Homes*, the average monthly cost of a semi-private room in a nursing home is \$6,844. Keeping a frail elderly person independent in his/her own subsidized apartment with supportive services and public benefits can reduce spending of taxpayer dollars to approximately 64% less than the monthly average cost of nursing home care. This figure is based on the average SNAP (food stamp) benefit for seniors of \$194/month; Homemaker/Home Health Aide

services at an average of 40 hours/month; 70% of the national average of HUD's 2016 fair market rent for a one-bedroom apartment; and, the average monthly cost of a service coordinator based on the *AASC 2016 Service Coordinator Salary Survey*.

HUD's Office of Policy Development and Research evaluated the level of satisfaction among property managers in multifamily housing properties with the provision of service coordination. The report, *Multifamily Property Managers' Satisfaction with Service Coordination*, was based on a survey of property managers in multifamily developments who have or did not have a service coordinator program in place.

Overall, the report found a high level of satisfaction from property managers regarding the service coordinator program, as well as a strong belief that service coordinators improve the quality of life for the residents in their housing properties. The report also goes on to find resident occupancy appears to be longer in properties with a service coordinator when compared to properties without the position. Specifically, the report stated that the length of occupancy at developments with a service coordinator was 10% longer than at developments without a service coordinator. This increased length of independent living serves to reduce the long-term care costs for this population.

SUMMARIES OF THE PROGRAMS

Service Coordinators in Multifamily Housing for the Elderly/Disabled, and Resident Opportunities and Self-Sufficiency Service Coordinators

The service coordinator position is funded to carry out the following activities:

- Assessing each elderly resident's needs in Activities of Daily Living and determining their respective service needs.
- Assisting residents with obtaining needed community-based services and/or public benefits.
- Monitoring and evaluating the effectiveness of the supportive services provided to residents individually and collectively.
- Identifying and networking with appropriate community-based supports and services.
- Advocating on behalf of residents individually and collectively to ensure their needs are met.

- Assisting residents with establishing and working with RAs/Resident Councils, as requested.
- Assisting residents in setting up informal support networks.
- Assisting heads of family households with removing barriers to gainful employment and self-sufficiency
- Assisting residents with resolving problems with their tenancy.
- Developing and updating a profile of the property, as a whole, through resident capacity and needs assessments to acquire appropriate health, wellness, education and other programs for the housing community.
- Developing and acquiring appropriate health and wellness programs for the housing community.
- Developing after-school youth, job readiness, literacy, volunteer, and financial management programs for residents and their families.
- Developing health/wellness and other property-wide outcomes to promote improved health conditions among residents as well as increased independence and financial self-sufficiency.
- Performing other functions to eliminate barriers to enable frail and at-risk low income elderly, people with disabilities, and families to live with dignity and independence.

Service coordinators are specifically prohibited from directly providing support services, serving as an activities director, or coordinator or assisting with other administrative work of the property. However, based on the collective needs of the residents of the property or properties where they work, service coordinators will develop health, wellness, financial literacy, after-school programs, and other beneficial group presentations or programs at the property. Additionally, service coordinators assist residents at a property with starting a residents' or tenants' association, and will provide guidance, contacts, and strategies for planning events, conducting effective meetings, and completing tasks. However, they do not conduct or attend these meetings unless they are specifically invited to do so.

Eligible applicants for Service Coordinator in Housing for the Elderly and Disabled funds include

owners of HUD-assisted multifamily housing, namely developments built with or subsidized by the following programs: Section 202, project-based Section 8, Section 236, and Section 221(d)(3) Below-Market Interest Rate. All housing must be designed or designated for sole occupancy by elderly persons aged 62 and older, or by people with disabilities aged 18 to 61. Prior to FY14, funds were distributed by national competitive grant processes through HUD Notices of Funding Availability (NOFAs). Beginning with FY14, federal appropriations have been insufficient to allow for new grants in the Service Coordinator in Housing for the Elderly and Disabled program. Currently, federal appropriations for this program are distributed by one-year grant renewal/extension procedures.

Eligible applicants for ROSS Service Coordinator funds include PHAs, tribes/tribally designated housing entities, RAs such as resident management corporations, resident councils, and intermediary resident organizations and nonprofit organizations supported by residents and/or PHAs. Funds are distributed by national competitive grant processes through HUD NOFAs. As of the three most recent federal appropriations cycles, federal appropriations have only been sufficient to renew existing three-year ROSS grants.

Although HUD allows service coordinators to be funded through a property's residual receipts funds or to be incorporated into the property's operations budget, most federally assisted properties and PHAs do not have sufficient resources in their operating budgets or are unable to complete a modest rent increase to staff service coordinators.

Family Self-Sufficiency

The FSS program helps housing choice voucher (HCV) holders and PH residents to build assets, increase their earnings, and achieve other individual goals including homeownership, if desired. FSS supplements stable, affordable housing in two ways: (1) with case management to help families overcome barriers to work and develop individualized skills training and services plans, and (2) with escrow accounts that grow as families' earnings rise. The program is voluntary and allows participants up to five years to achieve their goals and "graduate" from the program.

The FSS program is administered through PHAs that elect to participate in FSS by filing an FSS

Action Plan with HUD. Housing agencies may also choose to apply for funding for FSS coordinator costs as part of an annual competitive grant process. Some agencies are required to continue to participate in FSS until they graduate a sufficient number of families to satisfy mandates associated with receipt of incremental housing assistance in the mid-1990s. For all other agencies and for mandated agencies once they satisfy their mandate, participation is voluntary.

Each family participating in the FSS program works with an FSS coordinator/case manager who assists the family in developing an individual training and services plan, and helps the family access work-promoting services in the community, such as résumé building, job search, job counseling and education and training. The nature of the services varies based on families' needs and local program offerings.

A significant component of the FSS program is the escrow account that serves as both a work incentive and an asset-building tool. Like most families in public or assisted housing, participants in the FSS program must pay higher rental payments if their incomes increase. FSS participants, however, have an opportunity to obtain a refund of some or all of these increased rent payments. As the rent of an FSS participant increases due to increased earnings, an amount generally equal to the rent increase is deposited into an escrow account monthly. Upon graduation, the participant receives all of the escrowed funds to meet a need he or she has identified. If the housing agency agrees, the participant may also make an interim withdrawal when needed to meet expenses related to work or other goals specified in the participant's FSS plan. A participant who fails to successfully complete the FSS program loses the funds in his or her escrow account.

FUNDING

For FY17, Congress appropriated \$75 million for the Service Coordinators in Multifamily Housing for the Elderly and Disabled grant program. This was a reduction in funding that served to minimally fund one-year grant extensions for existing service coordinator grants with no Cost of Living increase for the grantees. There was no funding to provide for new three-year grants for properties to hire a service coordinator.

The president's FY18 budget requested a \$90 million funding level for the Service Coordinators in Multifamily Housing for the Elderly and Disabled grant program. At this funding level, it is anticipated that all one-year grant extensions will be fully funded with funding for new three-year grants. As of the writing of this *Advocates' Guide* article, FY18 funding has been appropriated via a Continuing Resolution that maintains funding at the FY17 level through December 22, 2017.

For ROSS Service Coordinator grants, FY17 funds were appropriated at a level of \$35 million. As has been the practice in this as well as previous administrations, no funding was requested in the FY18 budget for the ROSS Service Coordinator grant program. However, the House Appropriations Committee's FY18 Transportation, Housing and Urban Development (T-HUD) funding bill (H.R. 3353) appropriated \$35 million for the ROSS program with the Senate Appropriations Committee's FY18 bill (S. 1655) appropriating \$25 million for the ROSS grant program. Neither bill has passed from its respective chamber.

In the FY14 Omnibus Appropriations Act, the FSS program was consolidated into one program and funded at a \$75 million level to pay the salary and benefits of FSS coordinators/case managers. This funding level constitutes "flat funding," meaning there was no increase in funding for the FSS program. Previously, there were two separate FSS programs with separate funding streams—one specifically for HCV holders (funded at the \$60 million level for the past few funding cycles) and another for PH residents with funding carved out of ROSS funds (approximately \$15 million out of a total ROSS funding level of \$50 million for the past few funding cycles).

For HCV participants, FSS escrow deposits are eligible expenses for reimbursement under the housing assistance payments that HUD makes to PHAs. For PH residents, PHAs are compensated for FSS escrow deposits through the PH operating subsidy calculation.

The president's FY18 budget request and both the House and Senate FY18 T-HUD appropriations bills maintains the funding level for the consolidated FSS programs at \$75 million, and maintains the expansion of the program to allow privately owned Project-Based Rental Assistance multifamily projects with a Section 8 contract to voluntarily make a FSS program available to their tenants.

In an August 2016 Notice to Multifamily Housing Managers, Owners, Management Agents and HUD laid out the parameters for establishing a voluntary FSS program at a privately-owned HUD-assisted multifamily housing property. Participation in the FSS program is voluntary for families living in these properties. Congress has not appropriated funds for FSS in private multifamily projects that have a project-based Section 8 Housing Assistance Payment contract. However, owners who participate in FSS may now use residual receipts to hire FSS program coordinators.

FORECAST FOR 2018

Service Coordinators in Multifamily Housing for the Elderly and Disabled Grant Program.

There continues to be a need for a multifaceted strategy for funding service coordinators that includes maintaining the service coordinator grant programs and increasing the ability for routine staffing of service coordinators from a property's operating budget or through modest rent adjustments or the property's residual receipts. Although statutory authority exists to allow HUD-subsidized properties to fund service coordinators, many senior housing facilities continue to not be able to secure the necessary rent adjustments to accommodate them. Currently, there are more than 12,000 properties for low income elderly that are eligible for a service coordinator. However, only one-third—approximately 4,300+—of the eligible properties have a service coordinator on staff. There is a critical need for service coordinators in these properties to provide assistance with accessing benefits, supportive social and health/wellness services to maintain the independence and improve the health outcomes for these low income elderly tenants.

A promising initiative is developing that is anticipated to provide evidence-based data on the benefits of an “enhanced” form of service coordination in improving the health/wellness outcomes for low income, frail elderly residents in multifamily housing. On January 20, 2016, HUD announced the availability of \$15 million (from FY14 appropriations) for a Supportive Services Demonstration/Integrated Wellness in Supportive Housing. This three-year demonstration seeks to test models of housing-with-services that demonstrate the potential to delay or avoid the need for nursing home care. The demonstration

is expected to produce evidence about the impact of housing with an expanded and “enhanced” service coordinator role and a wellness nurse on site on aging in place, transitions to institutional care, housing stability, well-being and improved health/wellness outcomes, and proactive health care utilization. As of the writing of this *Advocates' Guide* article, the demonstration has identified properties that will be both the “treatment” and “control” groups and are finalizing the budgets and respective contracts for participation.

There is also a need to expand the funding for housing-based service coordinators to assist frail seniors and non-elderly people with disabilities in the surrounding community where the property is located. Even though Section 851 of the American Homeownership and Economic Opportunity Act of 2000 (Public Law 106-569) granted authority to enable service coordinators to assist residents in the surrounding community, there are insufficient funds to enable service coordinators to effectively assist these residents, especially as the needs of this population are increasing as residents age in place.

Additionally, Section 515 of the American Housing Act of 1949 (Public Law 81-171) provided preliminary language for the use of service coordinators at rural multifamily housing developments administered by the U.S. Department of Agriculture (USDA). In the 515 program, the service coordinator can be funded through the property's operations budget. Again, lack of sufficient resources in the operations budgets at these properties has prevented many properties from staffing a service coordinator. If a Section 515 Rural Housing property has a Section 8 contract, they are also eligible to apply for Service Coordinators in Multifamily Housing for the Elderly/Disabled new grant funds, if available, and are eligible for one-year extension funding for existing grants.

Resident Opportunities and Self-Sufficiency Service Coordinator Grant Program. The need for service coordination in PHAs continues to be a critical concern as older adults are becoming the predominant residents of public housing properties. For the past few funding cycles, the Operating and Capital Funds appropriated to PHAs have decreased to the point that funds are insufficient to meet PH operating and repair needs, much less fund a service coordinator. It is imperative that PHA

residents have access to the information, assistance, and case management of a service coordinator that would enable them to gain or maintain their independence, improve their health outcomes, and achieve economic self-sufficiency. If a \$45 million funding level could be achieved without any carve-outs for other initiatives, there would be a modest amount available to fund new ROSS Service Coordinators in additional PHAs.

Family Self-Sufficiency Grant Program. For the FSS program, the key issue is expanding and making effective use of the FSS program to help families build assets and make progress toward self-sufficiency. There is no limit to the number of families that may be enrolled in FSS, so one key goal for local advocacy is expansion of current programs to serve additional families. For housing agencies without an FSS program, advocates may wish to focus on starting a new FSS program at a multifamily property operated by a nonprofit housing organization.

At the same time, there is a limit to the number of families that can be effectively served with a given number of coordinators. There is no formal caseload standard, but HUD generally uses 50 families per coordinator as a rule of thumb. Caseloads vary dramatically from agency to agency, and in some cases, it may be more important to add FSS coordinator staff to reduce caseloads to manageable levels at the outset and then work to expand the number of enrolled families. Advocates should work collaboratively with local housing agencies to find local in-kind or cash resources to expand the number of FSS program coordinators/case managers to serve additional families.

The key federal advocacy issue related to FSS is funding stability, principally for FSS coordinators. Congress should renew and expand funding for FSS coordinators. AASC continues to advocate for a change in the program's funding restrictions and an increase in funding for FSS coordinators to cover the costs of training, computer equipment, and case management software for FSS coordinators/case managers. It should be noted that shortfalls in Section 8 and PH funding hurt FSS by making it more difficult for housing agencies to rely on HUD funding to cover the costs of escrow deposits for FSS participants.

In previous Congressional sessions, a number of legislative proposals have sought to streamline the

FSS program and stabilize its funding, including S. 454, The Family Self-Sufficiency Act sponsored by Senator Jack Reed (D-RI). In addition to simplifying the funding, these proposals would also open up funding to additional housing types and agencies that wanted to start or expand their FSS programs. Unfortunately, S.454 did not make significant progress through the federal legislative process of the 113th Congress, and was never enacted into law.

WHAT TO SAY TO LEGISLATORS

Service Coordinators in Multifamily Housing for the Elderly and Disabled Grant Program

Advocates are encouraged to contact their Members of Congress with the message that Service Coordinators in Multifamily Housing for the Elderly/Disabled save taxpayer dollars by keeping frail, low income seniors living independently in cost-effective housing instead of being placed in costly institutional (nursing home) care. Funding for service coordinators remains very limited despite the critical need in eligible properties without a service coordinator on staff. The supportive services demonstration will provide evidence-based data on the cost-effective impact service coordinators have on maintaining low income, frail elderly with multiple chronic medical conditions in stable, subsidized housing in the community with access to adequate care and treatment in lieu of more costly nursing home settings.

Members of Congress should be urged to:

- Appropriate the \$90 million funding level, as identified and passed in both the House and Senate Appropriations Committees' FY18 T-HUD appropriations bills for service coordinators in federally-assisted housing, particularly to ensure adequate funds for expiring grants for existing service coordinator positions, and to expand the number of properties with a service coordinator since the number of low income, frail older adults is growing.
- Fully fund Section 8, PRAC, other rent subsidies, and project operating funds to permit the staffing of a service coordinator as a routine part of the housing property's operating budget. Just like the property manager and maintenance person, the service coordinator should be considered essential staff for the operation of

affordable housing for the elderly. The service coordinator position not only saves funds for the residents on fixed incomes, but also saves taxpayer dollars by keeping residents in less costly, independent living environments as opposed to assisted living or even more costly nursing home care.

- Appropriate a minimum of \$10 million in FY18 to fund a competitive grant for service coordinators in Section 514, 515, and 516 programs under USDA.
- Direct HUD and its regional hub offices to provide necessary budget adjustments and regulatory relief to remove any barriers restricting the staffing of service coordinators through a property's operating budget.

Resident Opportunities and Self-Sufficiency Service Coordinator Grant Program

Advocates are urged to contact their Members of Congress with the message that service coordination in PH is as critical a need as it is in multifamily housing for the elderly. Residents of PHAs should be afforded access to information, assistance, and linkages to community-based supports and services afforded by a service coordinator to enable them to gain or maintain their independence, improve health/wellness outcomes, and achieve economic self-sufficiency.

Members of Congress should be urged to:

- Restore the \$45 million funding level as a stand-alone appropriations line item for ROSS Service Coordinator grants without any carve-outs for other programs. This would ensure that existing ROSS grants are maintained and would allow more PHAs to have access to grant funds for service coordinators.

Family Self-Sufficiency Coordinators Grant Program

Advocates should speak to the person in the office of their member of Congress who deals with housing policy with the message that:

- HUD's FSS program is critical for helping families in subsidized housing to build assets and make progress toward self-sufficiency and economic independence.
- To better support FSS in the near term and moving forward, Congress should appropriate funding for FSS program coordinators at the \$85 million level so as to include training for FSS coordinators as well as needed case management tools and equipment as allowable expenses.
- Congress should pass legislation that strengthens the FSS program, and stabilizes funding for FSS coordinators, their training, and necessary equipment to effectively perform their case management duties.

FOR MORE INFORMATION

American Association of Service Coordinators, 614-848-5958, www.servicecoordinator.org

HUD's Office of Public and Indian Housing's ROSS and FSS website is at, <http://1.usa.gov/1gxezRs>

HUD's Office of Multifamily Housing Program's Service Coordinator's website is at, <http://1.usa.gov/1qzW0Tf>

HUD's Office of Multifamily Housing Program's Notice H-2016-08 implementing FSS in private, HUD-assisted housing is at <http://bit.ly/2mlUgTF>

The HUD report *Multifamily Property Managers' Satisfaction with Service Coordination*, <http://bit.ly/XoZo5d>