
THE IMPACT OF THE AFFORDABILITY GAP

Approximately 4.8 million adults with disabilities who are between the ages of 18 and 64 received income from the Supplemental Security Income (SSI) program in 2016.³ The enormity of rental housing costs relative to monthly SSI payments affects the daily lives of millions of adults with disabilities. Unless they have rental assistance or live with other household members who have additional income, virtually everyone in this group has great difficulty finding housing that is affordable.

“To reverse the crisis, full support for federal rental assistance programs is the first priority.”

According to the Center on Budget and Policy Priorities, 19% of households using federal rental assistance are single non-elderly adults with disabilities, while 5% are non-elderly adults with disabilities who have at least one child.⁴ These 1.2 million households receive rental assistance through the Housing Choice Voucher, Public Housing, Project-Based Section 8, Section 811, and Section 202 programs funded by the U.S. Department of Housing and Urban Development (HUD), as well as rental assistance programs administered by the U.S. Department of Agriculture.⁵ In its *The Gap* report, the National Low Income Housing Coalition reported that there are only 35 affordable and available rental homes for every 100 extremely low-income households, a category that includes people with disabilities whose sole or primary source of income is SSI.⁶

What happens to those who can't close the gap?

People are Rent Burdened

Housing is considered affordable when a household pays 30 to 40 percent of its income towards rent and utilities. Those that pay more than 40% of their income are termed “rent burdened.” Households that pay more than 50% of their income for housing costs and/or live in seriously substandard housing are considered to have “worst case needs”; by definition, these households do not have rental assistance. In its 2017 *Worst Case Housing Needs Report to Congress*, HUD found that 1.39 million worst case needs households included a non-elderly person with disabilities, a 28% increase from 2013.⁷ As researcher Matthew Desmond’s recent work has illustrated, rent burdened households are at high risk of eviction.⁸ Not only does this risk mean the potential for loss of housing and for homelessness, but an eviction also makes it much harder for a household to secure new housing — even assisted housing.

Since HUD’s *Worst Case Housing Needs* report looks only at current renters, it fails to account for the housing needs of people with disabilities who are currently homeless or residing in institutions.

3) U.S. Social Security Administration (last updated September 2017). SSI recipients by state and county, 2016. https://www.socialsecurity.gov/policy/docs/statcomps/ssi_sc/2016/

4) Center on Budget and Policy Priorities (2017). United States Fact Sheet: Federal Rental Assistance, 3/30/17. <https://www.cbpp.org/sites/default/files/atoms/files/4-13-11hous-US.pdf>

5) Note that some of the 1.2 million households may have additional income from Social Security Disability Insurance (SSDI) or employment.

6) National Low-Income Housing Coalition (2017). The gap: A shortage of affordable homes, March 2017. http://nlihc.org/sites/default/files/Gap-Report_2017.pdf

7) Watson, N. et al. (2017). Worst case housing needs 2017 report to Congress. Office of Policy Development & Research, U.S. Department of Housing & Urban Development. <https://www.huduser.gov/portal/publications/Worst-Case-Housing-Needs.html>

8) Desmond, M. & Gershenson, C. (2017). Who gets evicted? Assessing individual, neighborhood, and network factors. *Social Science Research* 62: 362-377.

Desmond, M. (2016). *Evicted: Poverty and profit in the American city*. New York: Crown Publishers.

People are Homeless

Every year, on a single night in late January, advocates all across the country work together to conduct a count of homeless people in their communities, including those in shelters and those staying on the streets or in other places not meant for human habitation. This data is sent to HUD and compiled into its Annual Homeless Assessment Report (AHAR). Of the 369,081 total homeless individuals living emergency shelters, transitional housing, on the streets or in places not meant for human habitation identified in the 2017 AHAR, 86,962 or 24% were chronically homeless.⁹ A person is considered chronically homeless if they have a disability and if they have been continuously homeless for one year or more or have experienced at least four episodes of homelessness adding up to at least 12 months in the last three years.

People Live in Institutional Settings

The reported number of non-elderly persons with disabilities living in nursing facilities is between 200,000 and 300,000.^{10 11} Mathematica's most recent annual evaluation of the Money Follows the Person (MFP) program found almost 190,000 non-elderly people with physical disabilities, over 77,000 with intellectual or developmental disabilities (I/DD), and over 34,000 with psychiatric disabilities living in Medicaid-supported nursing homes, intermediate care facilities for individuals with intellectual disabilities, psychiatric facilities, or long-term care hospitals for at least 90 continuous days. The annual publication *State of the States in Intellectual and Developmental Disabilities* reports that in 2015 nearly 70,000 persons with I/DD lived in settings with 16 or more persons, including more than 27,000 in nursing facilities, more than 21,000 in state institutions, and more than 17,000 in private intermediate care facilities.¹² The National Association of State Mental Health Program Directors found that approximately 40,000 people with mental illness reside in state mental health institutions.¹³

The Money Follows the Person program is designed specifically to identify and transition individuals living in institutional settings who would prefer to live in the community. Through March 2015, Mathematica reports that MFP programs transitioned over 50,000 individuals back to the community (including both elders and non-elders). The Mathematica report notes that "Since the MFP demonstration began, state grantees have consistently noted . . . that the lack of affordable and accessible housing" is one of the primary barriers to helping a greater number of persons transition back to the community. Money Follows the Person has been a useful tool, helping states learn how to rebalance their systems toward community-based support for people with disabilities living in integrated settings. Federal funding for MFP is ending; hopefully, states will continue the shift towards integration.

People Live with Aging Family Members

The *State of the States* report cited above found that in 2015 more than 871,000 people with I/DD lived with caregivers who are 60 years of age or older. When their caregivers are no longer able to provide the necessary supports, some of these individuals can rely on siblings or other family, while others will have the

9) Henry, M. et al. (2017). The 2017 annual homeless assessment report to Congress. Washington, D.C.: U.S. Department of Housing & Urban Development, Office of Community Planning & Development. <https://www.hudexchange.info/resources/documents/2017-AHAR-Part-1.pdf>

10) Harris-Kojetin L. et al. (2013). Long-term care services in the United States: 2013 overview. National Center for Health Statistics. Vital Health Stat 3(37). https://www.cdc.gov/nchs/data/nsitcp/long_term_care_services_2013.pdf

11) Irvin, C., et al. (2017). Money Follows the Person 2015 annual evaluation report. Submitted to U.S. Department of Health & Human Services, Centers for Medicare & Medicaid Services. <https://www.mathematica-mpr.com/our-publications-and-findings/publications/money-follows-the-person-2015-annual-evaluation-report>. U.S. Census Bureau: Special tabulation of 2015 American Community Survey Group Quarters provided to TAC.

12) Braddock, D. et al (2017). *The state of the states in intellectual and developmental disabilities: 2017, 11th Edition*. Washington, DC: American Association on Intellectual and Developmental Disabilities.

13) Parks, J. & Radke, A., eds. (2014). The vital role of state psychiatric hospitals. National Association of State Mental Health Program Directors, Alexandria, VA. https://www.nasmhpd.org/sites/default/files/The%20Vital%20Role%20of%20State%20Psychiatric%20HospitalsTechnical%20Report_July_2014.pdf

means to pay for a market rate apartment and private supports. But for a great many, SSI will become their sole source of income and they will need affordable housing and supports in order to continue to live in the community rather than moving into an institutional setting.

State Efforts to Help People with Disabilities Live in Community-Based Housing

The Money Follows the Person program is not the only way states proactively seek to help people with disabilities live successfully in community-based housing.

The Olmstead Decision

Public entities such as state and local governments have a legal obligation to serve people with disabilities in the most integrated setting possible. On June 22, 1999, the U.S. Supreme Court issued its decision in *Olmstead v. LC*, a lawsuit that questioned the State of Georgia's continued confinement of two individuals with disabilities in a state institution after it had been determined that they could live in the community. The court described Georgia's actions as "unjustified isolation" and determined that Georgia had violated these individuals' rights under the Americans with Disabilities Act (ADA).

To meet their obligations under *Olmstead*, many states have implemented:

- "Olmstead Plans" that expand community-based supports, including new integrated permanent supportive housing (PSH) opportunities; or
- *Olmstead*-related "Settlement Agreements" that require thousands of new integrated PSH opportunities to be created in conjunction with the expansion of community-based services and supports.

Olmstead Settlement Agreements — such as those negotiated with the states of Connecticut, Georgia, Illinois, New Hampshire, New Jersey, New York, North Carolina, Oregon, Pennsylvania, Texas, Virginia, and Washington — call for more new integrated PSH opportunities to be created in those states. Virtually all of the individuals targeted for these housing opportunities have SSI-level incomes, which nationally average 20% of area median income. In spite of this progress, the housing affordability gap for the lowest-income people with disabilities poses a significant barrier to the successful implementation of these agreements and for states trying to avoid ADA litigation. Without significant federal rental assistance, states will be challenged to meet their targets.

Permanent Supportive Housing

Prioritizing the housing needs of people with disabilities who are institutionalized or homeless is not only a requirement of the ADA, it is also the most cost-effective strategy for states and the federal government. Permanent supportive housing combines lease-based, affordable housing with tenancy supports and other voluntary services to help individuals with disabilities achieve stable housing and recovery in the community. States are increasingly expanding this option within their housing and services continuums because of its alignment with the ADA's integration mandate, as well as with the housing preferences of many individuals with disabilities; this is well documented for people with mental illness in particular.¹⁴ This is especially true where lack of availability or access to such options, due in part to reliance on congregate or institutional

¹⁴ Carling, P. (1992). Housing, community support, and homelessness: Emerging policy in mental health systems. *New England Journal of Public Policy* 8: Issue 1, Article 24.

Tanzman, B. (1993). An overview of surveys of mental health consumers' preferences for housing and support services. *Hospital and Community Psychiatry* 44(5):450-455.

Yeich, S. et al. (1994). The case for a 'Supported Housing' approach: A study of consumer housing and support preferences. *Psychosocial Rehabilitation Journal* 18(2):75-86.

settings, seriously limits the housing choices of people with disabilities. Research has shown the cost-effectiveness of the PSH model, particularly for people with extensive or complex needs such as those with co-occurring conditions who often experience homelessness and who are frequent users of costly institutional and emergency care.¹⁵ The positive impacts of PSH on housing stability, health, and behavioral health have also been demonstrated.¹⁶ In one review of existing research studies, a consistent finding emerged that the “provision of housing had a strong, positive effect in promoting housing stability and reducing homelessness.”¹⁷

“State and local governments have a legal obligation to serve people with disabilities in the most integrated setting possible.”

Addressing the Priced Out Affordability Gap

Like the Bipartisan Policy Center’s 2013 report *Housing America’s Future: New Directions for National Policy*, the *Priced Out* report calls for a new federal commitment to affordable housing targeted to people with significant disabilities who rely on SSI.¹⁸ Compliance with *Olmstead* and an end to chronic homelessness can be achieved only with additional targeted federal affordable housing resources. Together, the Consortium for Citizens with Disabilities Housing Task Force and the Technical Assistance Collaborative urge the federal government to make this commitment through investments in authorized federal housing programs specifically designed to assist extremely low-income households. The supply of affordable housing for people with disabilities is increased through the Housing Choice Voucher program, the Section 811 Project Rental Assistance program, HUD’s Homeless Assistance Programs funded through the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act, and the National Housing Trust Fund. Preserving the existing supply of \$4.6 million HUD-subsidized housing resources is another critical part of any plan to ensure an adequate supply of decent, safe, and affordable housing for people with disabilities and other extremely low-income households. Specific strategies to achieve these goals are included in the Policy Recommendations on [page 14](#).

¹⁵ Culhane, D. P. et al. (2002). Public service reductions associated with placement of homeless persons with severe mental illness in supportive housing. *Housing Policy Debate*, 13(1):107–163

Larimer, M. E. (2009). Health care and public service use and costs before and after provision of housing for chronically homeless persons with severe alcohol problems. *The Journal of the American Medical Association* 301(13):1349

Chalmers McLaughlin, T. (2010). Using common themes: Cost-effectiveness of permanent supported housing for people with mental illness. *Research on Social Work Practice*, 21(4):404–411.

¹⁶ Rog, D. et al. (2014). Permanent supportive housing: Assessing the evidence. *Psychiatric Services* 65(3):287–294

Padgett, et al. (2011). Substance use outcomes among homeless clients with serious mental illness: Comparing Housing First with Treatment First programs. *Community Mental Health Journal* 47(2):227–232.

Wolitski et al. (2009). Randomized trial of the effects of housing assistance on the health and risk behaviors of homeless and unstably housed people living with HIV. *AIDS and Behavior* 14(3):493–503.

¹⁷ Rog, D. et al. (2013). Permanent supportive housing: Assessing the evidence. *Psychiatric Services* 65(3):290.

¹⁸ Founded in 2007 by former Senate Majority Leaders Howard Baker, Tom Daschle, Bob Dole and George Mitchell, the Bipartisan Policy Center (BPC) is a nonprofit organization that drives principled solutions through rigorous analysis, reasoned negotiation and respectful dialogue. See www.bipartisanpolicy.org.