



# Coming Home: Vermont Project Develops First Affordable Assisted-Living Facility

## Coming Home™: Affordable Assisted Living

### SUMMARY

Vermont developed a model of affordable assisted living—Cathedral Square Senior Living in Burlington, Vt.—that has 80 units of independent living and 28 units of assisted living.

The Vermont Department of Aging & Disabilities, the Vermont Department of Social Welfare and the Vermont Housing Finance Authority partnered on the project starting in January 2001.

Cathedral Square Corp. owns the building and provides the direct care services.

The project was part of the Robert Wood Johnson Foundation (RWJF) national program *Coming Home™: Affordable Assisted Living*.

### Key Results

- The grantee, the Vermont Department of Aging & Disabilities, partnered with Cathedral Square and several other state agencies to form an assisted living roundtable.
- Project staff worked with the state to craft a regulatory and Medicaid program that supported the development of high quality, affordable housing programs.

### Funding

RWJF supported this project with a grant of \$299,994 from January 2001 to November 2004.

### THE PROBLEM

The Vermont Housing and Urban Development office published a Consolidated Plan for 2000–2004 that indicated a need for at least 2,000 units of affordable senior housing.

The plan, based on a state survey, indicated that much of the existing affordable housing for older people lacked support services and that a reduction in the number of residential care units and a caregiver shortage would contribute to the need. Nationally, Vermont has the highest percentage of people aged 65 and older residing in a rural community. In addition, nearly 13 percent of Vermonters aged 65 and older were at or below the poverty level, according to AARP (2002).

## **Initial Challenges**

When the State of Vermont submitted its *Coming Home* application, a variety of challenges existed in Vermont, including:

- The lack of state regulations for high-service assisted-living programs. A regulatory drafting process was underway but had been blocked in 1998, forcing the Department of Aging & Disabilities to withdraw the proposed regulations to respond to concerns raised by a group of developers and residential care home operators.
- The lack of an adequate reimbursement program for individuals below a nursing-home level of need.
- The lack of a viable, small-scale assisted-living model to respond to Vermont's rural community needs and preferences (e.g., 20 or fewer private occupancy units).

These obstacles had prevented even the most mission-driven organizations from trying to address the need for affordable assisted living in Vermont.

## **THE PROJECT**

The goals of Vermont's *Coming Home* project were to:

- support four demonstration projects
- implement assisted-living regulations that support high service affordable assisted living
- create an unlicensed assisted-living model to facilitate creative operations and financing approaches
- identify real costs for assisted living
- create appropriate reimbursement rates
- explore additional public subsidies
- build technical expertise on affordable assisted living within the affordable housing and service communities in Vermont in order to foster replication.

The Vermont Department of Aging & Disabilities, the grant applicant, partnered with the Vermont Department of Social Welfare and the Vermont Housing Finance Authority. The partners formed an affordable assisted-living roundtable that also included Cathedral Square Corp. (a nonprofit developer and manager of affordable senior housing) and the Agency of Human Services; representatives from demonstration projects were added as they were identified.

## RESULTS

The Vermont *Coming Home* project developed a model of affordable assisted living—Cathedral Square Senior Living in Burlington, Vt. Cathedral Square Senior Living is Vermont's first affordable assisted-living residence, the first facility licensed under the new rules, and the first project to receive a Housing and Urban Development Assisted Living Conversion Program award.

The building, a Housing and Urban Development 202 project, has 80 units of independent living and 28 units of assisted living. Through an agreement with Housing and Urban Development, seven new apartments were constructed with funding from other sources, including the Vermont Housing Conservation Board and federal special purpose funds. These seven units were built for residents who can afford to pay market rate.

Cathedral Square owns the building and provides the direct care services. Although it had previously provided limited social services, such as congregate meals, the assisted-living program is Cathedral Square entry into full-time personal and health service provision.

The project was developed as the regulations and Medicaid program were in development. Project staff worked closely with the state to craft a regulatory and Medicaid program that supported the development of high quality, affordable programs. In 2003, new assisted-living regulations were adopted, and reimbursement levels were increased for residential care and assisted-living models.

## LESSONS LEARNED

This project generated the following lessons:

1. **Developing affordable assisted living requires technical expertise that may not initially be available in the state.** The *Coming Home* program allowed Vermont to facilitate collaborative partnerships, including workshops with experts that resulted in a transfer of knowledge from national experts to agency and housing sponsors.
2. **Develop models and tools for other assisted-living projects.** NCB Development Corp. and Vermont's *Coming Home* project are developing a financial model for small projects to continue the knowledge transfer and provide organizations with a

critical development tool. The model will also allow the state to understand the reimbursement levels required to support small scale, high-service assisted-living projects in rural communities.

3. **Technical assistance, policy work and program enhancements are effective in creating affordable assisted-living facilities.** The technical assistance, policy work and program enhancements created in Vermont have been effective in creating affordable assisted-living resources, with one operational demonstration program and seven demonstrations projects at various stages of development.

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## BIBLIOGRAPHY

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### Article

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