



Rethinking Aging in Place: A Study on Home Rehab Costs and Resources

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Objectives

- Describe the circumstances and context for barriers faced by older adults who wish to maintain at home, and live safely and independently.
- Share cost comparisons of home-based and facility-based strategies that can meet older adults' needs.
- Discuss effective strategies for pairing home rehabilitation and in-home services that can reduce the likelihood of institutionalization.

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Background

MN Housing (Finance Agency)

- Serves extremely low-income older adult homeowners through interest-free, deferred loans
- Contracted with Wilder Research in 2016 to conduct study about the home improvement needs of extremely low-income older adults

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Evaluation questions for MN Housing study

1. How many extremely low-income older adult homeowner households have home rehabilitation or improvement work that is needed for them to age-in-place appropriately?
2. How much will it cost to do this rehabilitation or improvement work?
3. How many of the older adult households that need home rehabilitation or improvement also have unmet home and community-based service needs?

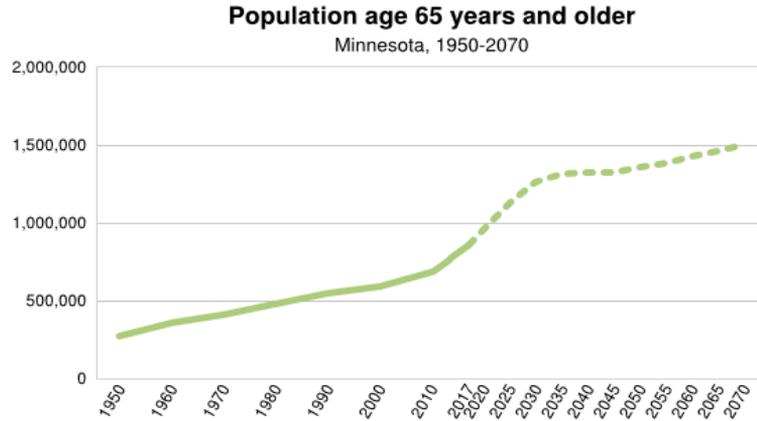
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Background information

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Changing demographic profile



Sources:
U.S. Census Bureau, Decennial Census and Population Estimates.
Minnesota State Demographic Center.

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Functional limitations

- Older adults are living longer, but with multiple chronic conditions
- About 1 in 3 Minnesotans aged 65+ have a disability¹
- About 1 in 2 Minnesotans aged 65+ **in poverty** have a disability²

¹ MN State Demographic Center (from U.S. Census Bureau ACS data)

² Ibid.

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Functional limitations

- More than 1 in 4 U.S. households aged 50+ have a member with at least one vision, hearing, cognitive, self-care, mobility or independent living limitation³
- Mobility limitations are the most common and increase with age⁴
- Medical care for injuries from falls is expensive⁵

³ *Housing America's Older Adults*, Joint Center for Housing Studies, (2018).

⁴ Ibid.

⁵ CDC Injury Center

Older adults remaining in homes

- About 79% of Minnesotans aged 65+ own their homes¹
- 86 percent of older adults want to remain in their homes for as long as possible²
- Home and community-based services help older adults to remain independent for as long as possible

¹ U.S. Census Bureau, Decennial Census and American Community Survey. <http://factfinder.census.gov/>

² Keenan, Teresa A. 2010a. *Home and Community: Preferences of the 45+ Population*. AARP Research & Strategic Analysis



Older adults with declining financial resources

- 32 percent of MN households age 65+ pay at least 30 percent of monthly gross income for housing
- 7 percent of MN individuals age 65+ live at or below the poverty level
- Renters tend to be more cost-burdened than homeowners
- Fixed income

Source:

U.S. Census Bureau, Decennial Census and American Community Survey. <http://factfinder.census.gov/>

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MN Housing survey methods and questions

- Mailed survey to 1500 low-income older adult homeowners in MN
- Response rate of 27%

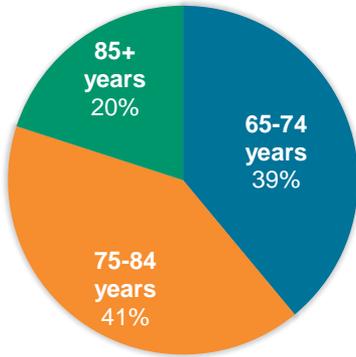
Questions addressed:

- Will your home need improvements related to maintenance, safety, and accessibility during the next five years?
- Do you think you will be able to remain in your home for the next 5 years without these improvements?

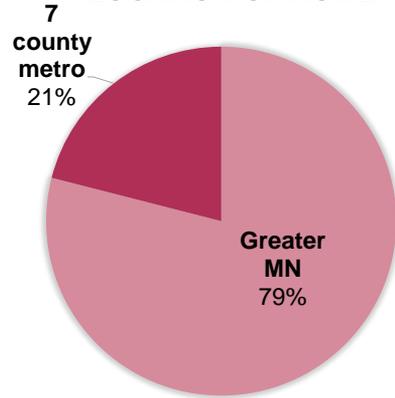
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The older adults who completed the survey

AGE OF HOMEOWNER



LOCATION OF HOME



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What we learned about the current situation in Minnesota

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Survey results

Have difficulties with Activities of Daily Living*

- Going up or down stairs 17%
- Going outside the home to shop or for doctor 15%
- Getting in and out of bed or chair 5%
- Getting around inside the home 4%

- At least one of these difficulties 22%

* For households with annual incomes <\$24,000

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Survey results

House condition

- House has 4 or more steps to enter home 27%
- House has one to 3 steps to enter home 56%
- House has more than one story of living space 46%
- House does not have a bedroom on main floor 12%
- House does not have laundry on main floor 53%
- House is in poor or very poor condition 8%
- Average age of house in 2016 (based on year built) 58 years

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Survey results

Need for improvements

Homeowners said they need:

- at least one improvement of any kind 65%
- at least one maintenance improvement 54%
- at least one safety/accessibility improvement 43%
- an improvement that is considered “high cost” 53%

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Survey results

Improvements needed

Homeowners most often said they will need:

- New water heater 27%
- New windows 25%
- New roof 21%
- Central air conditioning 20%

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Survey results

Improvements people say they already have

Homeowners most often said they already have:

– Bathroom on the main floor	81%
– Stair railings	65%
– Non-slip flooring	54%
– Main floor laundry	42%
– Grab bars	39%
– Lever door handles	34%
– Floor level shower	31%
– Wider doorways	24%

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Survey results

Improvements people say they will not need

Homeowners most often said they will NOT need the following improvements:

– Elevator	97%
– Lower cabinets or counters	89%
– Entrance ramp	82%

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Estimating the numbers

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- Eligible low-income older adult households
 - Needs of these households for home improvements
 - Costs of these home improvements
 - Needs for home and community-based services
 - Costs of 3 levels of care/living arrangements

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ESTIMATE:



Low income households who need home improvements

51,495

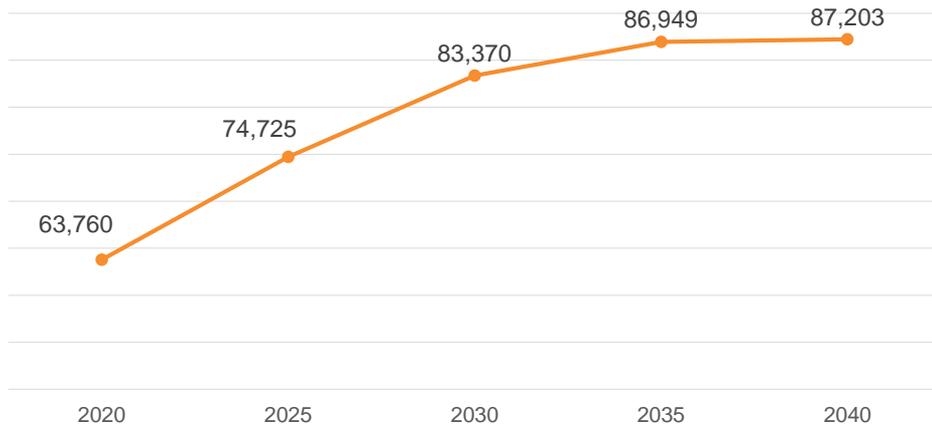
Can remain for 5 years without improvements 62%

Cannot remain in home for 5 years 3%

Need improvements to remain for 5 years 35%

ESTIMATE:

Low income households needing home improvements 2020-2040



ESTIMATE:

Cost of repairs or rehab work



Per household cost	\$15,749
Statewide cost in 2040	\$438 million

- 56% of cost to maintenance needs
- 44% of cost to safety and accessibility improvements

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ESTIMATE:

Need for home improvements and home and community-based services

- 12,100 households* need both home improvements and HCBS to age in place

**Only extremely low-income older adults who cannot remain in their homes without home improvements*

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ESTIMATE:

Average monthly cost comparisons in MN

- Skilled nursing facility \$7,567
- Assisted living \$4,357
- Home rehab combined with HCBS \$3,346

Source:

2012 MetLife market survey of nursing home, assisted living, adult day services, and home care costs (with figures adjusted for inflation to 2015 US Dollars)

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Our takeaways

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Takeaways

- Housing that does not accommodate physical needs can impede ability to live safely and independently
- There is a shortage of accessible and affordable housing stock
- Reduced access to resources may jeopardize well-being and increase risk of institutionalization
- It costs less to remain in homes with rehab or improvements vs. more restrictive settings
- Innovative approaches being implemented and tested

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Other complexities to consider

- Push to implement technology can neglect that homes must accommodate aging before technology will be useful
- Disparities in health outcomes and income
- Rural and urban differences

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Innovations and resources

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Programs working on pairing home rehabilitation and in-home strategies to better serve older adults

- Age in Place TC Habitat for Humanity
<https://www.tchabitat.org/services/age-in-place>
- Rebuilding Together Twin Cities
<http://rebuildingtogether-twincities.org>
- Mahube-Otwa Community Action Partnership
<http://www.mahube.org/services/senior-programs/homemaking-chore-repair/>
- Sustainable Resources Center
<https://www.src-mn.org/service/silver-and-safe>

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Other initiatives and resources

- CAPABLE (Community Aging in Place—Advancing Better Living for Elders)
www.ncoa.org/resources/capable-program-summary/
- Homes Renewed™ Resource Center
www.homesrenewed.org
- Joint Center for Housing Studies at Harvard University
<https://www.jchs.harvard.edu>
- Bipartisan Policy Center
<https://bipartisanpolicy.org>

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Questions and discussion

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Link to MN Housing report:

<https://www.wilder.org/wilder-research/research-library/assessment-home-renovation-and-rehabilitation-needs-older-adult>

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Thank you!

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