



# Montgomery County Government

## A DESCRIPTION AND EVALUATION OF THE SHELTERED HOUSING FOR THE ELDERLY PROGRAM AS OPERATED BY THE HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

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## EXECUTIVE SUMMARY

This report describes and evaluates the Sheltered Housing for the Elderly Program as operated by the Housing Opportunities Commission of Montgomery County.

Sheltered Housing, a program authorized by State legislation, provides a package of services (meals, housekeeping, personal assistance) to frail elderly persons that enables them to avoid premature or unnecessary institutionalization. The Sheltered Housing budget is funded through program fees paid by participants on a sliding scale, a grant from the State Office on Aging for fee subsidies, and a grant from the County's Senior Nutrition Program.

This evaluation concludes that:

- The Sheltered Housing staff is notably dedicated and hard working and the staff's commitment to the program seems to be genuinely appreciated by the Sheltered Housing participants;
- While Sheltered Housing is only one of the various programs in the County that offers supportive services to the elderly, Sheltered Housing stands out in that it provides an entire package of services 365 days a year and offers financial assistance to those who cannot afford to pay;
- For a number of reasons, the Sheltered Housing budget does not reflect total staffing costs; in addition, certain problems with the fiscal management of Sheltered Housing resulted in a potential deficit of almost \$50,000 this fiscal year because participants admitted into the program were eligible for a greater amount of subsidy than initially provided for in the FY 88 budget; and
- Overall, while there are areas of the program in need of improvement, HOC's Sheltered Housing Program clearly fulfills the legislative intent of the State law that created the program by providing much needed services to almost 90 elderly persons who seem to exemplify the population Sheltered Housing was created to serve.

Recommendations to address specific concerns noted in the evaluation include:

- Expand upon the current long-range plan for the future size, staffing, and funding of Sheltered Housing, and integrate HOC's long-range plan for Sheltered Housing with the County government's efforts to plan for a comprehensive and coordinated service delivery system for the County's elderly citizens;
- Strengthen the administration and financial management of Sheltered Housing;
- Revise the Sheltered Housing budget to reflect total staffing costs; and
- Examine ways to better coordinate Sheltered Housing with other programs that complement or parallel Sheltered Housing.

## I. AUTHORITY, SCOPE AND METHODOLOGY

A. Authority. Council Resolution No. 11-97, CY 1982 Work Program of the Office of Legislative Oversight, adopted February 24, 1987.

B. Scope. This report describes the Housing Opportunities Commission's Sheltered Housing for the Elderly Program, assesses the overall status and fiscal management of the program, and evaluates the program in terms of the following issues:

- Whether Sheltered Housing is serving the population it is intended for;
- Whether Sheltered Housing's services comply with State requirements and meet the needs of program participants;
- Whether Sheltered Housing is adequately coordinated with other government programs; and
- Whether services similar to those provided through Sheltered Housing are otherwise available.

C. Methodology. This project was conducted during January and February 1988 by Karen Orlansky, Program Evaluator, with assistance from Johanna Ettl, Public Administration Intern. Research for this project involved document reviews and interviews with staff from the Montgomery County Housing Opportunities Commission (HOC), the State of Maryland's Office on Aging, the County's Department of Family Resources, and Department of Social Services. Interviews were also conducted with on-site program staff and a random sample of Sheltered Housing participants at HOC's four Sheltered Housing sites: Leafy House, Arcola Towers, Elizabeth House, and Bethany House. In addition, the Chair and Vice-Chair of HOC were consulted as well as a representative from the Leafy House Board of Directors. Finally, information was obtained from the Jewish Council for the Aging of Greater Washington, the Council of State Housing Agencies, and the National Association of State Units on Aging. Throughout this evaluation, OLO received total cooperation from all parties.

## II. DEFINITIONS

This report uses the following terms as defined below:<sup>1</sup>

**Activities of Daily Living:** Household and personal care activities, such as dressing, personal hygiene, meal preparation and ambulation. Programs to assist frail or otherwise disabled older persons with activities of daily living are designed to help maintain the older person in his or her own home or residence of choice, and prevent unnecessary or premature institutionalization.

**Assisted Housing:** Housing which receives financial assistance through a federal, state or local program. The assistance can be in the form of an interest subsidy, rent subsidy or contribution toward capital costs. Usually there is an added stipulation that the housing which is assisted have a public benefit, such as housing low and moderate income people.

## III. BACKGROUND

### A. Origin, Goals, and Guidelines for Sheltered Housing

In 1976, the Maryland General Assembly enacted legislation to create the Sheltered Housing for the Elderly Program (Article 70B, Annotated Code of Maryland). This report will refer to the Sheltered Housing for the Elderly Program as "Sheltered Housing".

Since its inception, the primary goal of Sheltered Housing has been to provide services that enable frail elderly persons to remain in independent living situations and thereby avoid premature or unnecessary institutionalization. The State Office on Aging defines Sheltered Housing as, "a form of residential environment consisting of independent living assisted by congregate meals, housekeeping, and personal services." According to State law, Sheltered Housing is intended to serve:

- (a) Individuals at least 62 years old who have temporary or periodic difficulty with one or more essential activities of daily living; and
- (b) The spouses of such individuals who themselves are at least 55 years old and who also have temporary or periodic difficulty with one or more essential activities of daily living.

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<sup>1</sup> These definitions were adapted from those contained in State Initiatives in Elderly Housing: What's New, What's Tried and True, by the Council of State Housing Agencies and National Association of State Units in Aging, December 1986.

State law authorizes the Office on Aging to administer, certify, and assist in the development and operation of Sheltered Housing in conjunction with any public agency, or private profit or non-profit corporation. In addition to establishing standards and guidelines governing the certification and operation of Sheltered Housing projects, the Office on Aging is authorized to, "when necessary, provide subsidies for congregate meals, housekeeping, and personal services for Sheltered Housing, and develop eligibility requirements in connection with these subsidies," (Article 70B, §4(c), Annotated Code of Maryland).

The Office on Aging funds Sheltered Housing services provided either in multi-family buildings or group homes. In general, Sheltered Housing in multi-family buildings is for elderly persons who are able to function more independently than individuals living in group homes for the elderly. Sheltered Housing in group homes is designed for individuals in need of 24-hour supervision.

In January 1976, the Office on Aging issued Standards and Guidelines Governing the Administration of the Sheltered Housing Program. These Guidelines, as revised in October 1976, specify requirements for tenant eligibility, provision of services, project development and management, financial assistance, and monitoring and reporting. Updated State regulations for Sheltered Housing in multi-family facilities were drafted in 1986 and published for comment in 1987. These draft regulations are expected to be adopted during 1988.

#### B. State Funding of Sheltered Housing

Throughout the State, Sheltered Housing is designed to operate with revenues from at least three sources: program fees paid by program participants on a sliding scale according to each participant's ability to pay, program fee subsidies provided by the State Office on Aging, and grants from various federal and/or locally-funded programs.

State funds for Sheltered Housing program fee subsidies are appropriated annually by the General Assembly to the State Office on Aging. During the past decade, the State appropriation for Sheltered Housing has increased significantly from \$155,780 in FY 78 to \$1,545,093 in FY 88. Once Sheltered Housing funds have been appropriated, the Office on Aging enters into annual contracts with various public, private, and non-profit providers throughout the State. Included in each contract is the level of subsidy the State will allot per participant per month and the total amount of the State grant for the coming fiscal year.

As outlined on Table 1 (page 6), in FY 88 the Office on Aging has contracts with various providers in eight counties and Baltimore City for up to 920 participants of Sheltered Housing in 42 multi-family facilities. In addition, the State has certified 380 Sheltered Housing slots (openings for participants) in group homes, spread throughout 14 counties and Baltimore City.

Table 2 (page 6) shows the FY 88 allocation of multi-family Sheltered Housing slots to providers of Sheltered Housing in Montgomery County. In FY 88, the State Office on Aging has contracts with four providers in Montgomery County for Sheltered Housing services. Comparatively, the Housing Opportunities Commission of Montgomery County (HOC) has the largest Sheltered Housing contract in the County, that is, for 90 slots distributed among four multi-family buildings, three of which HOC either owns and/or manages.

### C. Overview of the Housing Opportunities Commission as a Sheltered Housing Provider

1. General. The Housing Opportunities Commission of Montgomery County (HOC) is a public corporation authorized by State and County law to act as builder, developer, financier, owner, and manager of housing for low and moderate-income persons. The policies and programs of HOC are determined by seven HOC Commissioners, who are appointed by the County Executive and confirmed by the County Council for five year terms. The Commissioners appoint an Executive Director who carries out policy and administers activities of HOC.

HOC's FY 88 operating budget is approximately \$23.2 million. Approximately half of HOC's budget is funded by the federal government and another 25 percent funded by HOC's rental and fee income. In FY 88, the County Government provided HOC with \$1.7 million, or 7.3 percent of HOC's total operating budget<sup>1</sup>. The remaining portion of HOC's budget comes from a combination of State grants, funds from mortgage financing activities, and private funding.

2. HOC's Elderly Housing Program. As one of HOC's many activities, HOC owns and/or manages seven apartment buildings for the elderly. In order to reside in one of HOC's apartment buildings for the elderly, an individual must meet federally mandated income requirements, and be at least 62 years old or disabled.

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<sup>1</sup> In FY 88, the County's \$1.7 million funded portions of HOC's Opportunity Housing Program, the Community Relations Office, Operation Match, the Housing Information Center, the Fair Housing Subcommittee, and the Resident Services Division.

Table 1

FY 88 Statewide Multi-Family and Group Sheltered Housing Slots

<u>County/City</u>	<u>No. of Multi-Family Sheltered Housing Slots</u>	<u>No. of Multi-Family Sheltered Housing Facilities</u>	<u>No. of Certified Sheltered Housing Slots in Group Homes</u>
Allegany	36	1	11
Anne Arundel	30	1	9
Baltimore City	493	20	25
Calvert	-	-	6
Caroline	-	-	7
Carroll	-	-	59
Cecil	-	-	27
Dorchester	-	-	15
Frederick	4	1	-
Garrett	-	-	13
Howard	25	2	12
MONTGOMERY	150	8	85
Prince Georges	67	3	32
Queen Anne's	-	-	32
Washington	40	4	43
Wicomico	75	2	-
Worchester	-	-	4
Total:	<u>920</u>	<u>42</u>	<u>380</u>

Source: State Office on Aging records, FY 88.

Table 2

Montgomery County's Multi-Family Sheltered Housing Slots: FY 88

<u>Contractor</u>	<u>Number of Multi-Family Buildings</u>	<u>Number of Multi-Family Slots</u>
Housing Opportunities Commission of Montgomery County	4	90 <sup>a</sup>
Jewish Council for the Aging	2	25
Montgomery County Revenue Authority	1	20
United Church of Christ	<u>1</u>	<u>25</u>
Total:	8	160

<sup>a</sup> Fifty slots at Leafy House, 15 slots at Arcola Towers, 15 slots at Elizabeth House, and 10 slots at Bethany House.

Source: State Office on Aging records, FY 88.

Table 3 (page 8) lists HOC's seven apartment buildings for the elderly with their location, income limits, and number of units. The table also indicates whether HOC owns and manages, or just manages each building, and whether each building was built as a public housing building or Section 236 building<sup>1</sup>. HOC's Elderly Housing Program provides services to the over 1,100 residents living in HOC's seven buildings for the elderly. The primary goal of the Elderly Housing Program is to assist residents to remain independent and self-sufficient as long as possible.

Each of HOC's buildings for the elderly has a resident manager who oversees the physical operation and daily management of the building. Each building also has a half-time resident counselor who provides counseling and support services to residents and their families. The resident managers and resident counselors work together to assess applicants prior to occupancy, and also work jointly with the residents and their families when it is determined that someone is in need of an environment that provides a degree of nursing care and/or supervision not available in HOC's buildings.

### 3. HOC's Sheltered Housing Program

a. Origin and Growth. The State Office on Aging first contracted with HOC to provide Sheltered Housing in 1978. For HOC, Sheltered Housing was seen as a natural extension of the work of the Resident Services Division because Sheltered Housing provides a way to help elderly residents remain independent and self-sufficient as long as possible.

HOC began Sheltered Housing with 60 slots at Leafy House. The decision to launch the program with 60 slots at Leafy House was consistent with the State's guidance that reserving 30 percent of the units in any one building would result in a good balance between frail and more independent elderly residents. However, the number of slots at Leafy House was reduced to 50 in the first year because Sheltered Housing participants were more frail than initially anticipated.

In 1981, the State Office on Aging agreed on an expansion of HOC's Sheltered Housing to Arcola Towers and Elizabeth House, two public housing apartment buildings for the elderly that are owned and managed by HOC. Each building was allocated 15 Sheltered Housing slots.

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<sup>1</sup> Public housing and Section 236 are both forms of federally assisted housing. The Fair Market Rents for these buildings are established annually by the Department of Housing and Urban Development.

Table 3

HOC's Apartment Buildings for the Elderly

Name	Location	Owned/Managed by HOC	Type of Assisted Housing	Income Limits One Person <sup>1</sup>	Number of Units
Holly Hall Apts.	10110 New Hampshire Ave. Silver Spring, MD	Owned/Managed	Public Housing	\$15,600	96
Arcola Towers <sup>2</sup>	1135 University Blvd. W. Silver Spring, MD	Owned/Managed	Public Housing	\$15,600	141
Elizabeth House <sup>2</sup>	1400 Fenwick Lane Silver Spring, MD	Owned/Managed	Public Housing	\$15,600	160
Waverly House	4521 East-West Highway Bethesda, MD	Owned/Managed	Public Housing	\$15,600	156
Leafy House <sup>2</sup>	10000 Brunswick Ave. Silver Spring, MD	Managed	Section 236	\$21,300	180
Bauer Park	14635 Bauer Dr. Rockville, MD	Managed	Section 236	\$21,300	140
Town Center Apts.	90 Monroe St. Rockville, MD	Managed	Section 236	\$21,300	112

<sup>1</sup> The income limit for a couple in public housing is \$17,800 and in Section 236 housing is \$24,300.

<sup>2</sup> These are HOC apartment buildings for the elderly which provide Sheltered Housing. HOC also provides Sheltered Housing in Bethany House, a Section 202 building owned and managed by Christian Church Services, Inc.

Source: HOC housing brochures and records.

Bethany House is a federally-assisted Section 202 apartment building for low-income elderly, owned and managed by Christian Church Services, Inc. In 1984, the Board of Directors of Bethany House approached HOC about the possibility of providing Sheltered Housing to selected Bethany House tenants, who needed assistance to remain living there. In 1986, HOC expanded Sheltered Housing for up to ten participants living in Bethany House.

b. Sheltered Housing Services. While the evaluation section of this report goes into greater detail, this section provides an overview of HOC's Sheltered Housing services and summarizes how the program is staffed.

There are three basic service components which comprise HOC's Sheltered Housing:

Meals: Sheltered Housing participants receive three meals a day, seven days a week. Lunch and dinner are served in a congregate setting, and breakfast is served as a "brown bag" meal, which participants individually prepare in their own apartments.

Housekeeping: Sheltered Housing participants receive one hour of housekeeping services per week. Weekly housekeeping always includes vacuuming, dusting, and changing linen. Heavier housekeeping (e.g. oven cleaning, washing floors and windows) is performed on an as-needed basis.

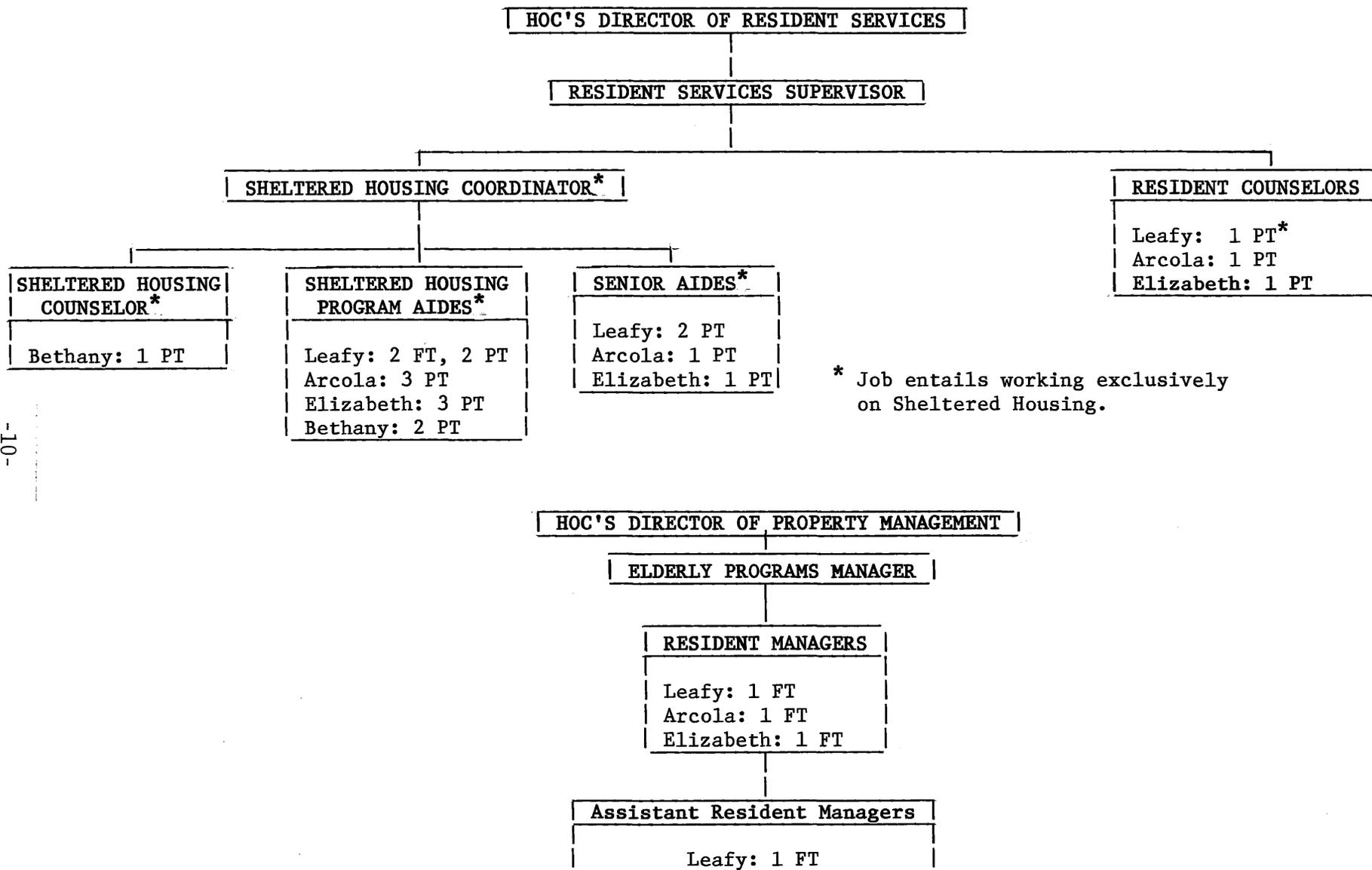
Personal Services: All Sheltered Housing participants have their laundry washed and folded once a week. Participants who require assistance in walking can be escorted to the two congregate meals served daily. As time and staffing permit, participants also receive what is known as "friendly visits", and assistance with bathing and grooming, and/or performing errands.

c. Staffing of Sheltered Housing. Sheltered Housing is staffed by a combination of full-time and part-time HOC employees, Leafy House Inc. employees, Senior Aides (employees of the Jewish Council for the Aging), and employees on contract to HOC. The chart on the following page depicts the organization of staff who help make the Sheltered Housing Program work on a daily basis. As the chart indicates, only the Sheltered Housing Coordinator, the Sheltered Housing program aides, the Senior Aides, and one part-time resident counselor work exclusively on Sheltered Housing. For the other employees, working on Sheltered Housing is only one among other job responsibilities.

The major responsibilities of the HOC staff who work on Sheltered Housing are as follows:

- The Sheltered Housing Coordinator is responsible for coordinating the operation of Sheltered Housing on a daily basis, supervising the Sheltered Housing program aides (2 full-time, 10 part-time) and Senior Aides (4 part-time) at all four program sites, preparing the annual budget and reports required by the State Office on Aging, making final decisions about the eligibility of applicants for Sheltered Housing, and counseling residents and their families when necessary.

Organizational Chart of Staff Who Work on Sheltered Housing<sup>1</sup>



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<sup>1</sup> Because chart only shows staff positions that work on Sheltered Housing, chart is not intended to depict complete staffing pattern of either Resident Services Division or Property Management Division; FT = full-time, PT = part-time.

- The Sheltered Housing Program Aides are responsible for delivering many of the daily program services to Sheltered Housing participants. Program aides help to prepare and serve meals, do the housekeeping and laundry, and provide other personal services to residents on a regular basis.

- The Senior Aides assigned to Sheltered Housing supplement the work of the program aides. They help to prepare and serve meals, check attendance at meals, and provide other miscellaneous personal services to residents.

- The Resident Counselors participate in assessing Sheltered Housing applicants for program eligibility, provide supportive counseling to residents and their families, implement and monitor service delivery plans, assist with supervising the Sheltered Housing program aides and Senior Aides when the Coordinator is not available, and generally monitor the welfare of the residents.

- The Resident Managers are primarily responsible for overseeing the physical maintenance and ongoing operation of HOC's apartment buildings. Each of HOC's buildings for the elderly has one full-time resident manager; Leafy House also has an assistant resident manager. Resident managers support Sheltered Housing by assisting with the assessment of Sheltered Housing applicants, helping to supervise the Sheltered Housing program aides in the absence of the Coordinator, and performing crisis intervention (especially on weekends). The resident managers are also responsible for the calculation of the Sheltered Housing fee subsidy for any participant moving into the building and for the annual recertification of income and fee subsidies for Sheltered Housing participants.

- Management and Overhead Staff. In addition to the above staff, substantial portions of time are spent by HOC's Resident Services Supervisor, HOC's Director of Tenant Services, and HOC's Elderly Programs Manager on supervising the Sheltered Housing Program. Finally, as with all other HOC sponsored programs, Sheltered Housing relies upon the internal support services of other HOC offices such as Accounting, Finance, Personnel, and Payroll.

#### IV. EVALUATION OF HOC'S SHELTERED HOUSING PROGRAM<sup>1</sup>

Introduction. Based upon an initial review of program documents and interviews with staff, it was decided to limit the scope of this study to an assessment of the budget and fiscal management of HOC's Sheltered Housing, and an evaluation of the program in terms of the following issues:

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<sup>1</sup> As explained in the background section, the State Office on Aging supports Sheltered Housing provided in multi-family buildings and Sheltered Housing provided in group homes. Unless otherwise indicated, all references to Sheltered Housing in this report are to HOC's Sheltered Housing Program provided in multi-family buildings.

- Whether Sheltered Housing is serving the population it is intended for;
- Whether Sheltered Housing's services comply with State requirements and meet the needs of program participants;
- Whether Sheltered Housing is adequately coordinated with other government programs; and
- Whether services similar to those provided through Sheltered Housing are otherwise available.

These issues are discussed in the following five sections.

**A. Budget and Fiscal Management of HOC's Sheltered Housing Program**

This section provides an overview of HOC's Sheltered Housing budget, describes and analyzes how the Sheltered Housing budget does not reflect total staffing costs, and evaluates HOC's overall fiscal management of Sheltered Housing.

1. Overview of HOC's Sheltered Housing Budget. Table 4 shows Sheltered Housing's actual revenues and expenses for FY 86 and FY 87, and budgeted revenues and expenses for FY 88.

Table 4

HOC's Sheltered Housing Revenue and Expense Summary  
FY 86 - FY 88

Revenue Sources:	<u>FY 86</u> (Actual)	<u>FY 87</u> (Actual)	<u>FY 88</u> (Budget)
Sheltered Housing Fees	\$162,592	\$220,985	\$222,693
State Grant	40,133	63,100	73,503
Nutrition Program Grant	34,019	36,477	39,284
HOC Funds	18,378	-	-
	<u>\$255,122</u>	<u>\$320,562</u>	<u>\$335,480</u>
 Expense Summary:			
Employee Salaries	\$ 86,419	\$ 99,419	\$ 98,335
Employee Benefits	25,701	30,326	26,528
Other Operating Expenses	143,002	190,817	210,617
Capital Items	-	-	-
	<u>\$255,122</u>	<u>\$320,562</u>	<u>\$335,480</u>

Source: FY 88 HOC Budget supplemented with information from HOC staff.

HOC's Sheltered Housing budget is funded from three sources of revenue: fees paid directly by program participants, a grant from the State Office on Aging, and a grant from the Senior Citizen Nutrition Program received through the County's Department of Family Resources, Division of Elder Affairs. Although, as Table 4 indicates, HOC contributed \$18,378 to Sheltered Housing in FY 86, Sheltered Housing is considered to be a self-supporting program, that is, a program that should operate without a direct annual appropriation of HOC funds.

The largest single source of revenue for Sheltered Housing is currently program fees. In FY 87, Sheltered Housing program fees paid directly by program participants provided 69 percent of Sheltered Housing's total funding. For FY 88, fees were budgeted to cover 66 percent of total program costs.

In conjunction with the State Office on Aging, HOC proposes the level of program fees as part of the annual budget process. The current practice is to calculate program fees to cover total budgeted program costs minus revenue expected from the Nutrition Grant. For FY 88, program fees are set at \$338 per month for Sheltered Housing residents at Leafy House, and \$315 per month for Sheltered Housing residents at Arcola Towers, Elizabeth House, and Bethany House.

The second largest source of revenue for Sheltered Housing is a grant from the State Office on Aging for program fee subsidies. Negotiated on an annual basis, the State grant is calculated as an average subsidy per participant multiplied by the number of total Sheltered Housing participants. For example, in FY 88, the State grant is budgeted at \$73,503; this was based upon an average subsidy of \$81.67 per month for 75 program participants.<sup>1</sup> ( $\$81.67 \text{ per month} \times 12 \text{ months} \times 75 \text{ participants} = \$73,503$ ).

Once the annual amount of the State's grant is determined, however, HOC is not bound to distribute \$81.67 per month to each Sheltered Housing participant. Instead, HOC distributes the grant based upon a State formula that determines each participant's ability to pay. Depending upon his or her income, therefore, a participant could receive anywhere from no fee subsidy to a total fee subsidy per month. HOC's contractual obligation to the State is to distribute the fee subsidies fairly and equitably in accordance with the State's eligibility formula, and to distribute subsidies that in sum do not exceed the State grant budgeted for the year.

The third source of revenue for Sheltered Housing is the Senior Citizen Nutrition Program Grant. The Division of Elder Affairs (DEA) in the County's Department of Family Resources annually receives a federal Senior Citizen Nutrition Program grant through the State Office on Aging, under Title III-C of the Older Americans Act of 1965 (as amended in 1981). The grant to DEA for the entire County, totalling over \$400,000 in FY 88, is to

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<sup>1</sup> Although HOC's FY 88 contract with the State Office on Aging provided a subsidy amount calculated upon 75 participants, the contract allows HOC to accept up to 90 Sheltered Housing participants.

provide for the planning and coordination of congregate and home-delivered meals for persons aged 60 and over. Specifically, through contracts, DEA's Nutrition Program provides meals to over 1,200 seniors five days a week at various community and group care facilities throughout the County.

Through a contract with Food Service of Montgomery County Board of Education, DEA provides, at no charge to HOC, one nutritious meal per day, six days a week to HOC's Sheltered Housing residents at Arcola Towers, Elizabeth House and Bethany House. Because Arcola Towers and Elizabeth House already serve as community senior nutrition sites, only Bethany House requires a special delivery of meals for Sheltered Housing residents.

The Nutrition Program grant reflected in HOC's Sheltered Housing budget (\$39,284 in FY 88) is payment from DEA to HOC for additional meals that HOC purchases for Sheltered Housing residents. Specifically, DEA pays HOC a set amount per meal (\$2.17 per meal, in FY 88) for one nutritious meal a day 365 days a year for all Sheltered Housing residents at Leafy House where no senior nutrition meals are delivered because congregate meals for the entire building are provided by a separate food contractor. In addition, DEA pays a set amount per meal for one nutritious meal on Sundays and holidays for Sheltered Housing residents at Arcola Towers, Elizabeth House, and Bethany House; these approximately 60 days per year are the days that DEA is not providing one meal a day through the Senior Nutrition Program.

## 2. Total Program Staffing Costs Not Reflected in HOC's Sheltered Housing Budget

a. General. For a number of reasons that are outlined below, the Sheltered Housing budget, as approved by the Housing Opportunities Commission and the State Office on Aging, does not reflect total Sheltered Housing program staffing costs. This section reviews the extent of non-budgeted staff support, analyzes how and why this is the case, and discusses possible disadvantages of not fully recognizing total staffing costs in the budget.

b. Budgeted and Non-Budgeted Sheltered Housing Staff. Compiled from a review of budget documents and interviews with program staff, Table 5 (page 15) lists, by primary work site, the key employees who spend a portion of their time each week on Sheltered Housing. The list includes only programmatic staff and does not include individuals whose time is included in the calculation of Sheltered Housing's budgeted overhead expenses. A summary of these individuals' job responsibilities was included in the overview of Sheltered Housing's staffing (see page 10).

Table 5 (page 15) indicates whether or not each position is budgeted for and funded in the Sheltered Housing budget. For positions funded through the Sheltered Housing budget, the number of hours listed in the second column is the actual number of hours budgeted for in the Sheltered Housing budget. For positions not formally budgeted as part of the Sheltered Housing budget, the number of hours are estimates based upon information obtained through interviews with on-site program staff and program management. The far right column indicates the source of compensation for those positions not funded through the Sheltered Housing budget.

Table 5

Sheltered Housing Staffing  
February 1988

<u>Primary Work Site</u>	<u>Hours Per Week Spent on Sheltered Housing<sup>1</sup></u>	<u>Budgeted in Sheltered Housing Program Budget</u>	<u>Source of Compensation if not Sheltered Housing Budget</u>
		<u>YES</u> <u>NO</u>	
<b>HOC HEADQUARTERS</b>			
<u>Position:</u>			
Director of Resident Services	2		HOC - General Funds
Resident Services Supervisor	12		HOC - General Funds
Manager of Elderly Programs	4		HOC - General Funds
Program Coordinator (all four sites)	40	X	
<b>LEAFY HOUSE</b>			
<u>Position:</u>			
Resident Counselor	20	X	
Sheltered Housing Program Aide	40	X	
Sheltered Housing Program Aide	40	X	
Sheltered Housing Program Aide	8	X	
Sheltered Housing Program Aide	3	X	
Resident Manager	10		X      Leafy House, Inc.
Assistant Resident Manager	8		X      Leafy House, Inc.
Resident Counselor	10		X      Leafy House, Inc.
Senior Aide	20		X      Jewish Council for Aging
Senior Aide	20		X      Jewish Council for Aging
<b>ARCOLA TOWERS</b>			
<u>Position:</u>			
Sheltered Housing Program Aide <sup>2</sup>	15	X	
Sheltered Housing Program Aide	10	X	
Sheltered Housing Program Aide	8	X	
Resident Manager	6		X      HOC - General Funds
Resident Counselor	10		X      HOC - General Funds
Senior Aide	20		X      Jewish Council for Aging
Senior Aide	20		X      Jewish Council for Aging
<b>ELIZABETH HOUSE</b>			
<u>Position:</u>			
Sheltered Housing Program Aide	18	X	
Sheltered Housing Program Aide <sup>2</sup>	15	X	
Sheltered Housing Program Aide	10	X	
Resident Manager	4		X      HOC - General Funds
Resident Counselor	6		X      HOC - General Funds
<b>BETHANY HOUSE</b>			
<u>Position:</u>			
Sheltered Housing Program Aide	12	X	
Sheltered Housing Program Aide	6	X	
Housekeeper (on contract)	10	X	
Special Program Coordinator	8	X	

<sup>1</sup> If position is budgeted for in the Sheltered Housing budget, this is actual number of hours that appears in the budget; if position not included in budget, then these are estimates of time based upon interviews with program staff.

<sup>2</sup> One Program Aide splits 30 hours between these two sites.

Source: Budget documents and interviews with program staff.

As outlined on Table 5, the FY 88 Sheltered Housing budget includes salary and fringe for one full-time program coordinator, one half-time resident counselor, two full-time program aides, and ten part-time program aides (who work between three and thirty hours per week). Staff who, on a regular and continuing basis, spend time on Sheltered Housing, but are not budgeted through the Sheltered Housing budget include seven HOC employees, three Leafy House, Inc. employees, and four Senior Aides who are hired and paid by the Jewish Council for the Aging.

It is estimated that additional staff time contributed to Sheltered Housing is worth approximately \$86,000 for FY 88. This includes \$45,000 for HOC staff, \$24,000 for Leafy House, Inc. staff, and \$17,000 for Senior Aides. This calculation is based upon the number of hours per week each non-budgeted staff member spends on Sheltered Housing multiplied by the average annual salary and fringe benefits for that individual's job class.

c. Reasons Behind Not Reflecting Total Staffing Costs in Budget. There appear to be three major reasons why the Sheltered Housing budget does not reflect total staffing costs: funding for certain positions is available from outside the Sheltered Housing budget, HOC's management philosophy encourages staff to work together, and HOC operates Sheltered Housing with pressure from the State Office on Aging to minimize budgeted program costs. Each of these reasons is discussed in more detail below.

- Senior Aides are "Free" to Sheltered Housing. The Senior Aides who assist Sheltered Housing are paid through the federally funded Senior Aide Program. The Senior Aide Program is funded under Title V of the Older Americans Act of 1965 (as amended in 1981) and is coordinated in Montgomery County by the Jewish Council for the Aging of Greater Washington<sup>1</sup>.

The Senior Aide program is designed to provide part-time employment (20 hours per week) to low-income elderly in community service areas. To be eligible, participants must be at least 55 years old and meet Department of Labor low-income guidelines. Senior Aides are paid an average of \$3.52 per hour plus certain fringe benefits including health insurance reimbursement, annual and sick leave, and paid holidays.

This year, the four Senior Aides assigned to Sheltered Housing each work 20 hours per week. The only direct cost incurred by Sheltered Housing for participating in the Senior Aide Program is the staff time spent supervising the Senior Aides. Although Sheltered Housing staff sign the Senior Aides' time sheets, the Senior Aides receive their paychecks directly from the Jewish Council for the Aging.

- HOC's Participatory Management Philosophy. The greatest portion of in-kind staff support for Sheltered Housing comes from other HOC program staff, primarily on-site staff (resident managers and resident counselors) who work at the three HOC buildings that offer Sheltered Housing. Because Leafy House is managed by HOC but owned by Leafy House, Inc., a private non-profit corporation; most on-site staff at Leafy House are employees of Leafy House, Incorporated.

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<sup>1</sup> A County grant from the Department of Family Resources helps to fund the Jewish Council for the Aging's administration of the Senior Aide Program.

HOC, as an agency, is managed according to a philosophy known as Participatory Management. Instituted under the name of Team Management in 1972, Participatory Management has evolved so that it is now firmly established as part of HOC's operating policy. In essence, the Participatory Management philosophy fosters a team spirit, where all employees accept a shared responsibility for the achievement of agency goals and objectives. The emphasis of Participatory Management is on achieving the best results and not on taking personal credit or protecting an individual's "turf".

The apparent willingness of HOC and Leafy House, Inc. staff to pitch in and help make Sheltered Housing work is quite remarkable. In most cases, the additional support provided to Sheltered Housing seems to be a logical extension of the individuals' work assignments. However, in most cases, the additional staff support is also absolutely essential to the daily operation of Sheltered Housing.

- State Pressure to Minimize Budgeted Program Costs. In their effort to assist as many individuals as possible, the State Office on Aging encourages all providers of Sheltered Housing, including HOC, to minimize their budgeted program costs. In most cases, lower expenditures mean lower program fees, which also means that a given amount of State grant money for Sheltered Housing will be able to subsidize fees for a larger number of elderly participants.

One example of where the Office on Aging has held down HOC's budgeted Sheltered Housing costs is with overhead charges. HOC's internal overhead rate, (defined as what HOC charges within the agency itself) is 28.5 percent of salaries. Based upon negotiations between HOC and the County's Office of Management and Budget, HOC charges the County a somewhat lower overhead rate totalling approximately 23 percent (20% indirect plus 3% direct) of salaries. However, as a result of pressure from the State Office on Aging, the Sheltered Housing budget has historically allowed for an overhead charge even lower than that charged to the County. In FY 86, Sheltered Housing's overhead charge was held to only seven percent; this was increased to 13 percent in FY 87, and this year overhead is approximately 18 percent. The State Office on Aging continues to complain about what the State considers to be HOC's "excessively high overhead rate", and it is quite possible the State will argue for a reduced overhead rate in the future.

Other specific areas in which the State Office on Aging has exerted pressure on HOC to contain budgeted costs include overall staffing costs, and expenditures on food and personal care supplies. For example, a review of correspondence between HOC and the State Office on Aging indicates a disagreement in FY 86 on issues such as, what is the appropriate amount of counselor time that should be charged to the Sheltered Housing program, and what is a justifiable increase in food service costs. HOC staff also report that in annual contract negotiations with the State Office on Aging, they have felt compelled to accept State recommendations to keep costs low in an effort to arrive at a negotiated contract the State would sign.

d. Disadvantages of Not Recognizing Total Program Staffing Costs in Budget. While acknowledging there have been reasons behind not fully recognizing total staffing costs in the Sheltered Housing budget, it must also be recognized that there are certain disadvantages of doing so.

One disadvantage of not fully budgeting for staffing costs is a budget document that misrepresents what it truly costs to operate Sheltered Housing. For example, the Sheltered Housing budget alone would lead one to conclude that Sheltered Housing is primarily self-supporting to the extent that the budget does not show an annual appropriation of HOC funds. In reality, however, Sheltered Housing is not entirely self-supporting. HOC, Leafy House, Inc., and the Senior Aide Program are subsidizing Sheltered Housing by providing an estimated \$86,000 (see page 16) annually in staff support not charged to Sheltered Housing. Not showing this in-kind subsidy to Sheltered Housing in the budget makes it appear as though Sheltered Housing costs significantly less to provide than it really does, and also does not demonstrate to the State Office on Aging how much support HOC is in fact providing to Sheltered Housing.

Not budgeting for total staffing costs also distorts the calculation of program fees and results in fees being held artificially low. OLO estimates that if Sheltered Housing fees were calculated with the additional staffing costs included in total program costs, program fees would increase by approximately \$80-\$100 per month per participant. While an increase in program fees may not be desirable for other reasons, the data indicates that the current level of program fees cannot be said to actually support total program costs.

Finally, not fully budgeting for staffing costs makes it difficult to realistically plan for the future of HOC's Sheltered Housing and similar programs. As the demand grows for programs like Sheltered Housing, it is critical for policy and decision-makers to have a true picture of what it costs to provide the package of services offered in HOC's Sheltered Housing Program.

### 3. Fiscal Management of Sheltered Housing

a. General. Because Sheltered Housing's revenue is directly dependent upon the number of program participants, it is challenging to manage Sheltered Housing so that budgeted program costs and program revenues remain in balance. Specifically, if enrollment declines, so does the level of program fees, the amount of State fee subsidy (for those participants who are eligible), and the amount of the Nutrition Grant. However, on the expenditure side, while certain costs vary directly with the level of enrollment (e.g., if enrollment declines, food costs also decline), most program costs (e.g., staff salaries) remain fixed regardless of program enrollment.<sup>1</sup>

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<sup>1</sup> For example, in FY 86, program expenditures exceeded program revenues by approximately \$20,000 because actual enrollment was lower than budgeted enrollment and revenues did not come up to budgeted projections.

Except for some oversight and guidance by the State Office on Aging, the routine fiscal management of Sheltered Housing is primarily the responsibility of HOC staff who manage the program. The Office on Aging reviews the fiscal management of Sheltered Housing each year during budget preparation time. It is at this time that the Office on Aging staff most closely examines audit results, total program costs and program participation, and calculates how much the Office on Aging is willing and able to contribute in program fee subsidies for the coming fiscal year.

b. Quarterly Reports. The HOC Sheltered Housing Program Coordinator is required to submit quarterly reports to the State Office on Aging. The quarterly reports detail the amount of fee subsidy earned by eligible participants during the previous quarter, total program revenues by source and total expenditures by object code for the quarter, with a year-to-date total, a year-to-date per unit cost, and the annual budget total and per unit cost. The Office on Aging relies upon these quarterly reports to calculate the amount of subsidy reimbursement, and to monitor other key variables, such as total program costs and enrollment.

A review of HOC's Sheltered Housing first and second quarterly reports for FY 88 and the annual reports for FY 84 through 87 revealed that HOC's reports to the State have not been consistently accurate, complete, or clear. For example, mathematical errors were found in the calculations of program costs and revenues; subsidy amounts earned and reporting dates were not always recorded in the appropriate places; and, it was not always clear what certain information represented (e.g., two different annual incomes or subsidy levels) listed for a participant during a reporting period. In addition, while the Office on Aging reporting form remained the same each year, there was a lack of consistency from year to year in the way HOC presented the data.

c. Annual Audit Requirements and Results. In addition to quarterly reports, the State Office on Aging requires all Sheltered Housing contractors to conduct an annual independent audit of their program. The scope of the audit, as described in the Office on Aging's Fiscal Instructions for Sheltered Housing Projects is to be a financial audit plus an audit of certain program practices. Specifically, it is to include:

- An audit of the contractor's financial record for the project year;
- A review of the propriety of expenditures under the terms of the contract with the Office on Aging and the State's Sheltered Housing Guidelines;
- A review of documentation of eligibility and income determination and duration of occupancy; and
- A determination of any amounts refundable to the Office on Aging by virtue of the payment of subsidies in excess of actual occupancy, for ineligible occupants, or in excess of actual costs.

The auditor is required to submit to the Office on Aging a report which is to include a statement and a management letter. This report must describe the audit, list personnel contacted, observations and recommendations, and include an opinion as to both the financial statements and the propriety of expenditures in relation to the terms of the contract and to the Office on Aging's Guidelines. Upon receiving the auditor's report, the Office on Aging either reimburses the contractor for the cost of the audit, or refunds one percent of the total subsidy paid for the project year, whichever is the lesser amount.

In the early years of Sheltered Housing, HOC complied with the audit requirement by contracting with an independent auditor for a separate Sheltered Housing program audit. For the past two fiscal years, the State Office on Aging has allowed HOC to include Sheltered Housing with HOC's annual independent single audit.

The Sheltered Housing audit reports for the past several years have highlighted several issues of non-compliance in HOC's fiscal management of Sheltered Housing. The audits for FY 86 and FY 87 both cited that participant files do not consistently contain updated eligibility and recertification data. In FY 86, the audit also stated that the subsidy for which a participant is eligible was not always equal to the amount requested from the Office on Aging.

d. The FY 88 Fiscal Situation. The second largest source of revenue for Sheltered Housing is an annual grant from the State Office on Aging that is used to provide program fee subsidies to income-eligible Sheltered Housing participants. While the State calculates the total grant amount on an average subsidy per Sheltered Housing participant, HOC distributes the grant on a sliding scale according to each participant's ability to pay. On a quarterly basis, HOC submits documentation to the State and is reimbursed the appropriate amount of "subsidy earned".

For FY 88, the budgeted State Office on Aging grant to HOC is \$73,503. However, based upon data provided to the State for the first and second quarters of FY 88, it is apparent that HOC's Sheltered Housing faces a potential deficit this year of almost \$50,000 because participants admitted into the program are eligible for a greater amount of fee subsidies than the FY 88 budget provides for.

Table 6 (page 21) illustrates how actual Sheltered Housing program data for the first and second quarters of FY 88 differ from the assumptions used in preparing the FY 88 budget. Specifically, Table 6 shows that:

- The average per participant subsidy is \$130 per month compared to a budget projection of \$81.67 per month; and
- The amount of State subsidy earned in each of the first two quarters exceeds \$30,000 compared to a budget projection of \$18,375.<sup>1</sup>

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<sup>1</sup> A later section of this evaluation illustrates how the Sheltered Housing client profile has changed over the past four years to result in higher subsidy amounts.

Table 6

Sheltered Housing:  
FY 88 Budgeted Subsidy vs. Actual Subsidy Earned

	<u>FY 88 (Budget)</u>	<u>FY 88 First Quarter (Actual)</u>	<u>FY 88 Second Quarter (Actual)</u>
Enrollment <sup>a</sup>	75	88	90
Average per Participant Subsidy	\$81.67	\$130	\$130
Quarterly Subsidy Earned	\$18,375	\$30,843	\$30,592

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<sup>a</sup> The FY 88 contract between HOC and the Office on Aging allows HOC to accept up to 90 participants into the program, but the subsidy amount was calculated upon an enrollment of 75 participants. OLO calculated enrollment to include all program participants, including those enrolled for only a portion of the quarter. Average enrollment during the first quarter of FY 88 was 80.

Source: HOC quarterly reports, FY 88.

In addition to relying upon a budget that did not accurately project the financial needs of Sheltered Housing participants in FY 88, the current financial situation appears to result from a failure to monitor the rate at which the State grant was being earned. This situation occurred most likely because priority was placed upon keeping enrollment high, and because earning the State grant too rapidly had not been a problem in earlier years.

Another factor that apparently contributed to the FY 88 fiscal situation was the belief by HOC staff that the FY 88 Sheltered Housing contract between HOC and the State Office on Aging could be amended to provide HOC with additional grant monies. Although HOC staff acknowledge that the State Office on Aging made no written commitment to amend HOC's contract during FY 88, during the prior year's budget deliberations, the State had stated (in writing) a willingness to consider a Sheltered Housing contract amendment during FY 87 if enrollment increased.

Until Sheltered Housing program staff became aware of the current fiscal problem, an applicant's financial situation had not been a factor for admission into Sheltered Housing. An applicant, deemed eligible based upon his or her health and mental condition, was accepted into Sheltered Housing on a first-come-first-serve basis (except that an applicant already living in HOC housing has generally received priority), and the level of fee subsidy that an applicant qualified for was often not even calculated until after the applicant was enrolled in the program.

In addition to not using an applicant's financial status as a factor in admission, the Sheltered Housing Coordinator has not been receiving financial reports that contain certain essential data on a monthly basis.

For example, the current financial reports received by the Sheltered Housing Coordinator do not separately calculate the monthly amount of the State's grant earned, or project how much subsidy will be earned for the remainder of the year. Although the monthly reports currently provided to the Coordinator from HOC's Department of Finance contain much of the necessary data, the Coordinator must perform manual calculations in order to aggregate the data into a useable form. Moreover, the Coordinator does not have an automated system for projecting the fiscal impact of accepting a particular applicant into the program.

To make up the potential deficit facing Sheltered Housing this year, HOC has requested a supplemental grant of \$48,855 from the State Office on Aging. In January 1988, in response to the request, the State Office on Aging's Monitor of Sheltered Housing conducted a review of the administrative and financial components of HOC's Sheltered Housing. In a report dated February 26, 1988, the State's Sheltered Housing Monitor commended HOC's Sheltered Housing staff for its efforts and success in maintaining enrollment, but criticized HOC's management of the administrative and fiscal components of Sheltered Housing. Specifically, the Monitor identified inaccurate income information and fee subsidy calculations due primarily to poor record keeping and an irregular system of participant recertification, out-dated Sheltered Housing agreements (some without addenda and some never signed by the participants), and poorly prepared and frequently late quarterly reports to the State. Based on these findings, the Monitor concluded that, "fiscal management of the program has been fraught with errors, poor record keeping and a lack of understanding of the fiscal requirements of the program."

To rectify the problems cited, the Monitor recommended that HOC continue to restrict enrollment to full pay participants to avoid a greater deficit, recertify participants based on the most current income information, recalculate fee subsidies, and provide complete and up-to-date information in each participant's file. Finally, the Monitor recommended that the Sheltered Housing Coordinator obtain a greater understanding of fiscal management details necessary to run the program effectively.<sup>1</sup>

## B. Who Sheltered Housing Serves

This section reviews the general requirements for admission into Sheltered Housing, describes HOC's process for selecting among applicants, and profiles HOC's Sheltered Housing participants.

1. General Requirements. The legislative intent of Sheltered Housing is to serve impaired elderly who might otherwise be forced to enter institutional care because they are no longer able to live independently. Specifically, as outlined in the Office on Aging's Standards and Guidelines Governing the Administration of the Sheltered Housing Program, Sheltered Housing is intended for individuals who are at least 62 years of age, and who have a physical or mental impairment that requires them to receive assistance with meals, housekeeping, and one or more activities of daily living. Sheltered Housing is also designed to provide support services to spouses of such individuals, who are themselves at least 55 years old, and who also have some difficulties with one or more activities of daily living.

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<sup>1</sup> Since the final draft of this report was completed, HOC received official notification that the State Office on Aging intends to amend HOC's FY 88 budget in the amount of \$50,000. See HOC's comments on page 55.

Specifically, the Office on Aging's Guidelines state that applicants age 62 or older, along with their spouse, are eligible for admission if they meet the following definitions of physical and/or mental impairment:

Physical Impairment. Any static or slowly progressive physical condition which inhibits or presents difficulty with one or more of the activities of daily living. This would include, but not be limited to:

- Functional disabilities which limit the ability to adequately provide nourishment and a limited amount of housekeeping;
- Muscular skeletal disorders, such as, arthritis, fractured hip, or amputation;
- Cardiac disorders, such as, cardio-vascular decompensation, mild chronic congestive heart failure, cardio-vascular and/or respiratory distress on exertion; and
- The blind, deaf or aphasic.

Mental Impairment. Any state of mental confusion either permanent or recurrent which causes the individual to require congregate meals, housekeeping services and assistance with one or more of the functions of activities of daily living.

While the State Office on Aging has generally limited its contracts for Sheltered Housing in multi-family facilities to assisted housing buildings owned and/or managed by public or non-profit providers, the Guidelines do not specify any income restrictions for Sheltered Housing participants in general. The Guidelines, however, do restrict who is eligible to receive a fee subsidy from the State Office on Aging. Specifically, applicants qualify for a fee subsidy on a sliding scale based upon a formula that considers their Adjusted Gross Income (AGI) along with deductions for rent, a personal allowance, and certain other fixed expenses.

An applicant's AGI is calculated according to the federal guidelines established for admitting residents into assisted housing. In addition, the original 1976 Sheltered Housing Guidelines stated that, in order to qualify for a fee subsidy, an applicant's assets could not exceed \$10,000. This was subsequently amended to conform to federal guidelines which require that income from assets or a certain percentage of total assets be counted toward AGI. The draft Sheltered Housing regulations expected to be adopted later this year propose that, in order to qualify for a fee subsidy, a single applicant assets cannot exceed \$20,000, and a couple's assets cannot exceed \$25,000.

2. Selection of Sheltered Housing Participants. Assessment and selection of HOC's Sheltered Housing participants is a responsibility shared among the Sheltered Housing Program Coordinator, and the resident managers and resident counselors who work in the apartment buildings that offer Sheltered Housing. This shared responsibility has evolved because Sheltered Housing

participants must satisfy eligibility requirements of both the Sheltered Housing Program and the Admission and Occupancy (A&O) policy adopted by the owner or Board of Directors of each building. Because Arcola Towers and Elizabeth House are owned and managed by HOC, tenant eligibility and admission there is governed by HOC's public housing A&O policy. As a Section 236 building that is privately owned and governed by a Board of Directors, Leafy House has its own A&O policy, as does Bethany House, a Section 202 building owned and managed by Christian Church Services, Inc.

As described earlier in the report, because the four HOC Sheltered Housing Program sites are all forms of federally assisted housing, the buildings themselves all have income eligibility limits established and adjusted annually by federal regulation. (See Table 3 on page 8.) Income verification for applicants at Arcola Towers and Elizabeth House is conducted by HOC's central occupancy staff. Leafy House's Resident Manager and Bethany House's Administrator assume responsibility for verifying applicants' incomes for their respective buildings.

At one time, HOC's Sheltered Housing participants were drawn almost entirely from the resident population already living in one of HOC's buildings. Several years ago, this policy was changed so that today, even though a current resident almost always receives priority, individuals can also move directly from the community into Leafy House, Arcola Towers, or Elizabeth House as a Sheltered Housing participant. Based upon a policy of the Bethany House Board of Directors, however, Sheltered Housing participants at Bethany House continue to be selected exclusively from tenants already living in that building.

Although determining eligibility for moving into an HOC building for the elderly in general is limited to evaluating income information, determining eligibility for Sheltered Housing is a more subjective judgment. In an effort to standardize the selection of Sheltered Housing participants, the Office on Aging developed a 16 page Sheltered Housing Assessment Questionnaire that is now used throughout the State as the primary screening device for Sheltered Housing applicants. In addition, HOC uses information supplied in a written health assessment that is provided by an applicant's physician.

The State's Sheltered Housing Assessment Questionnaire is intended to be administered in a face-to-face question and answer format with each Sheltered Housing applicant. The Assessment Questionnaire is designed to determine whether an applicant needs assistance with meal preparation, housekeeping, and other activities of daily living.

According to HOC staff, it takes approximately one hour to administer the Assessment Questionnaire, and the overall rating scale requires the interviewer who is administering the questionnaire to apply his or her own professional judgment. For Leafy House, Arcola Towers, and Elizabeth House, the Questionnaire is administered jointly by the resident managers and the resident counselors, with occasional participation from the Sheltered Housing Coordinator. For Bethany House, the questionnaire is administered by the Sheltered Housing Coordinator. By training, the resident counselors and the Sheltered Housing Coordinator are social workers.

Interviews with staff who have administered the Assessment Questionnaire indicate some dissatisfaction with it. Specific criticisms included its length and the fact that some of the questions come across as condescending to ask. When asked to provide an objective evaluation of the Assessment Questionnaire, a number of professionals who are knowledgeable about assessing the elderly but who do not work directly with Sheltered Housing, observed that the Questionnaire is extremely in-depth and should generally result in a comprehensive assessment of an applicant's functioning level. However, these professionals also noted a number of specific sections of the Questionnaire that would benefit from review and revision.

3. Profile of HOC's Sheltered Housing Participants. Despite sentiments that the Assessment Questionnaire has limitations, Sheltered Housing program staff all seemed to agree that Sheltered Housing is serving individuals who meet the eligibility standards. Interviews with the Office on Aging staff who monitor Sheltered Housing, site visits to the four buildings, and interviews with a random sample of Sheltered Housing participants confirm that HOC's Sheltered Housing is indeed serving elderly who are in need of assistance with daily meal preparation, housekeeping, and selected activities of daily living.

The average age of Sheltered Housing participants is currently 81. Table 7 (page 26) lists other selected characteristics of the 88 Sheltered Housing participants in the program for each apartment building during the first quarter of FY 88. The data show that 80 percent of program participants are female and 95 percent of program participants are white. The average annual adjusted gross income of program participants is \$7,616, and 70 percent of participants receive some amount of fee subsidy from the State Office on Aging. The level of fee subsidy ranges from \$13 per month to the total fee amount (\$338 per month at Leafy House, \$315 per month at Arcola, Elizabeth and Bethany). Divided among all participants (subsidized and non-subsidized), the average fee subsidy is \$130.

A survey of Leafy House residents conducted in February 1988 indicated that 60 percent of Sheltered Housing participants depend upon a cane, walker, or wheelchair for mobility. Additional information on participants' specific physical disabilities was most readily available from an assessment survey done at Leafy House in 1985, which program staff felt gives a reasonable indication of current participant characteristics. The survey indicated that 95 percent of Sheltered Housing participants had some type of health problem: 8 percent had diabetes, 41 percent had hypertension, 38 percent had a heart condition, 32 percent had suffered a stroke and paralysis, 41 percent had arthritis, 4 percent had emphysema or asthma, 36 percent had broken a hip or some other bone, and 62 percent reported suffering from additional, non-specified health problems.

Interviews with a 10 percent random sample of Sheltered Housing participants confirm that Sheltered Housing participants very much need the services provided in the program. All participants interviewed indicated that without Sheltered Housing (or a similar program of services), they would be unable, or find it extremely difficult, to remain in an independent living situation. This was evidenced by the obvious physical limitations, age and frailty of the Sheltered Housing participants interviewed and observed. For example, two of the participants interviewed were confined to wheelchairs and several others relied upon the assistance of a cane or walker. Participants also described less visible health problems which prevented them from cooking their own meals and cleaning their apartments.

Table 7

Characteristics of HOC's Sheltered Housing Participants by Location:  
First Quarter FY 88

	<u>Leafy House</u>	<u>Arcola Towers</u>	<u>Elizabeth House</u>	<u>Bethany House</u>	<u>Total</u>
Enrollment <sup>a</sup>	57	14	6	11	88
Gender					
Female	46	10	6	8	70
Male	11	4	0	3	18
Race					
White	56	13	5	9	83
Black	1	1	1	0	3
Other	0	0	0	2	2
Average Annual AGI <sup>b</sup>	\$8,727	\$5,374	\$4,687	\$5,415 <sup>c</sup>	\$7,616
Average Number of Participants on Subsidy	38	11	6	7	62
Average Subsidy per Month <sup>d</sup>	\$114	\$159	\$177	\$136	\$130

<sup>a</sup> OLO calculated enrollment to include all program participants, including those enrolled for only a portion of the quarter. Average enrollment during the first quarter of FY 88 was 80.

<sup>b</sup> AGI = Adjusted Gross Income.

<sup>c</sup> No income information was available for four participants at Bethany House.

<sup>d</sup> Consistent with the approach used by the State Office on Aging, the average subsidy is calculated by dividing the total subsidy amount among all participants, subsidized and non-subsidized.

Source: HOC Sheltered Housing records and FY 88 First Quarterly Report.

4. Enrollment and Applicants' Ability to Pay. As explained by professionals who work daily with the elderly, programs like Sheltered Housing face an ongoing challenge in recruiting applicants. This challenge is due to the natural reluctance of many elderly persons to admit, either to themselves and/or to their families, that they are no longer able to function independently. Because Sheltered Housing, by definition, provides assistance to elderly individuals no longer able to accomplish the activities of daily

living without help, participation in the program will, to some degree, probably always carry a stigma. Another barrier commonly associated with the program is that Sheltered Housing is only provided as a package of services (three meals a day, housekeeping and personal assistance). Elderly persons, who are in need of some assistance but do not feel they need or desire the entire Sheltered Housing package, are unable to enroll for only a selected portion of the program.

A review of Sheltered Housing records indicates that low enrollment in the program has, at times, surfaced as a problem in Sheltered Housing's growth and development. As shown on Table 8, the most recent dip in enrollment came in FY 86 when the number of participants fell to 57 with only two at Arcola Towers and four at Elizabeth House.

Those familiar with the history of Sheltered Housing attributed the decline in enrollment several years ago to several factors including a general slump in the reputation of the program caused in part by low employee morale and problems with the delivery of services. Added to this was a lack of effort to publicize Sheltered Housing and recruit eligible applicants.

Table 8

HOC Sheltered Housing Program:  
First Quarter Enrollment by Location  
FY 84 - FY 88

<u>Enrollment</u> <sup>1</sup>	<u>FY 84</u>	<u>FY 85</u>	<u>FY 86</u>	<u>FY 87</u>	<u>FY 88</u>
TOTAL	75	71	57	71	88
Leafy House	61	55	51	57	57
Arcola Towers	7	7	2	8	14
Elizabeth House	7	9	4	6	6
Bethany House <sup>2</sup>	-	-	-	-	11

<sup>1</sup> OLO calculated enrollment to include all program participants, including those enrolled for only a portion of the quarter. Average enrollment during the first quarter of FY 88 was 80.

<sup>2</sup> Bethany House did not become a Sheltered Housing site until November 1986.

Source: HOC Sheltered Housing First Quarter Reports, FY 84 - FY 88.

Without exception, everyone interviewed about Sheltered Housing noted that changes in program management have significantly improved the reputation of the program over the past several years. Program staff attribute the steady increase in enrollment since FY 86 to renewed attention on recruitment combined with a greater interest from applicants caused largely by the improved image of Sheltered Housing in general.

Sheltered Housing maintains waiting lists for each apartment building. The waiting lists consist of those applicants who have already been deemed eligible (based on their health and mental condition) to participate in Sheltered Housing. As of February 1988, there were a total of 21 persons on the Sheltered Housing waiting lists. Leafy House has 12 persons on its waiting list, Elizabeth House has five, Arcola Towers has three, Bethany House has none, and there is one individual who has no building preference. In addition, as of February 1988, HOC has a waiting list of over 1,200 senior citizens interested in moving into one of HOC's buildings for the elderly. It is reasonable to assume that eventually a number of these individuals will also want to participate in Sheltered Housing.

As mentioned earlier in this report, until the current fiscal situation, Sheltered Housing had accepted eligible applicants into the program on a first-come-first-serve basis, except that an applicant who is already living in one of the buildings where Sheltered Housing is offered generally received priority over an applicant from outside the building. In the past, if an applicant was assessed as being eligible according to the Sheltered Housing Assessment Questionnaire and the applicant's health assessment, and if the applicant met the income qualifications of the building, and if there was both an apartment and a Sheltered Housing slot available, then the individual was enrolled in Sheltered Housing. In other words, the level of fee subsidy that an applicant qualified for had not been a factor that affected admission.

Data on Sheltered Housing participants since FY 84 indicates that there has been a substantial increase in the percentage of participants who receive a fee subsidy. As shown on Table 9 (page 29), during the first quarter of FY 88, 70 percent of Sheltered Housing participants received a fee subsidy. This represents almost a doubling of the percentage of participants on subsidy since FY 84 when only 36 percent of participants received a subsidy.

In addition to the rise in the percentage of subsidized participants, there has been a substantial increase in the amount of average fee subsidy over the past two years. In FY 86, the average subsidy amount per participant per month was \$60; in FY 87 it was \$71, and in FY 88 it is \$130. The increase in the average monthly subsidy can be partially attributed to the increase in certain other items (e.g., personal allowance, rent) which, in some cases, leaves less of a participant's income available each month to pay for Sheltered Housing. Even taking into account these factors and the modest increase in the program fees from \$308 in FY 86 to \$315 and \$338 in FY 88, the increase in the average subsidy indicates a significant change in the financial status of the average Sheltered Housing participant.

### C. Sheltered Housing Services

This section describes the services provided in HOC's Sheltered Housing, discusses compliance of these services with State Guidelines, and summarizes feedback about Sheltered Housing services received from Sheltered Housing participants.

#### 1. Description of Services

a. The Three Service Components. Sheltered Housing is designed to offer three major services to program participants: meals, housekeeping, and personal assistance with certain activities of daily living. The details of what HOC provides for each of these service components is as follows:

Table 9

HOC Sheltered Housing Program: Number of  
Subsidized Participants and Average Level of Subsidy  
FY 84 - FY 88

	<u>FY 84</u>	<u>FY 85</u>	<u>FY 86</u>	<u>FY 87</u>	<u>FY 88</u>
Enrollment <sup>1</sup>	75	71	57	71	88
No. of Participants on Subsidy (%)	27 (36%)	29 (41%)	24 (42%)	41 (58%)	62 (70%)
Average Subsidy per Month <sup>2</sup>	\$ 58	\$ 58	\$ 60	\$ 71	\$130
Program Fee	\$315	\$315	\$308	\$315	\$315/338

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<sup>1</sup> OLO calculated enrollment to include all program participants, including those enrolled for only a portion of the quarter. Average enrollment during the first quarter of FY 88 was 80.

<sup>2</sup> Consistent with the approach used by the State Office on Aging, the average subsidy is calculated by dividing the total subsidy amount among all participants, subsidized and non-subsidized.

Source: HOC Sheltered Housing First Quarterly Reports, FY 84 - FY 88.

- Meals. Lunch and dinner are served as congregate meals at each of HOC's four Sheltered Housing sites seven days a week. In addition, a daily breakfast is provided in a brown paper bag that is distributed during the evening meal for participants to eat in their own apartments the next morning. Lunch and dinner are generally served as hot meals. Breakfast is most often some combination of cold cereal, milk, juice, toast, sweet roll, and coffee or tea.

The preparation, delivery, and actual serving of Sheltered Housing meals vary somewhat at each site. At Leafy House, the food service contractor who prepares dinner for all Leafy House residents also prepares and serves lunch and dinner to Sheltered Housing participants. Breakfast foods are purchased from the same food service, but the Sheltered Housing program aides take responsibility for assembling and distributing the so-called "breakfast bags".

At Arcola Towers, Elizabeth House and Bethany House, meals are prepared at a local school by the food service contractor hired by the Montgomery County Public Schools (Food Service of Montgomery County Board of Education). All meals are delivered to the buildings prior to lunch. Because Arcola Towers and Elizabeth House serve as County senior nutrition sites, lunches are also delivered from the schools for senior citizens participating in the County's Senior Nutrition Program.

At Arcola, Bethany, and Elizabeth, lunch is delivered as a hot meal, while dinner is refrigerated and then heated by the Sheltered Housing program aides and served later in the day. Each breakfast is delivered already assembled in a brown bag to be distributed to the participants. On Friday, the three sites receive a large shipment of meals for the Sheltered Housing program aides to heat up for the Sheltered Housing participants over the weekend.

- Housekeeping. General housekeeping (includes dusting, vacuuming, and changing linens) is provided to all Sheltered Housing participants once a week. Each apartment is scheduled to receive one hour per week of housekeeping. Participants can request additional housekeeping services (e.g., heavy housecleaning such as cleaning windows or walls) when needed, and the staff accommodates the requests to the extent that time permits.

Sheltered Housing program aides perform housekeeping duties. There are two full-time program aides at Leafy House who primarily do housekeeping and laundry, and one part-time program aide whose time spent on housekeeping is divided between Arcola Towers and Elizabeth House. At Bethany House, a private contractor provides housekeeping services one day a week to the Sheltered Housing residents. This same contractor is also used to provide substitute housekeepers at the other sites.

- Personal Services. Personal services involve a wide range of services, including assistance with laundry, bathing, grooming, eating, and transferring (commonly referred to as "escort service"). HOC also considers counseling, information and referral, and assistance with reading, writing and errands as part of personal services. Finally, HOC does a twice-daily check of all Sheltered Housing participants. If a Sheltered Housing resident fails to come down for a meal and does not notify the staff, a staff member will check on the participant in his/her apartment.

Based on interviews with Sheltered Housing participants, the most frequently used personal service is assistance with laundry. Participants who are physically impaired also receive an escort on a daily basis to and from lunch and dinner. Other areas of personal assistance are used on more of an as-needed basis.

Counseling, information and referral, which involves family members as well as the participants, is generally provided by the resident counselors and occasionally by the Sheltered Housing Program Coordinator. The Sheltered Housing program aides (with some assistance from the Senior Aides) are responsible for the provision of the remainder of personal services. There are two part-time program aides at Leafy House, two part-time program aides at Arcola Towers, two part-time program aides at Elizabeth House, and one part-time program aide at Bethany House whose time is primarily spent providing personal services. In addition, there are two Senior Aides at Leafy House and two Senior Aides at Arcola Towers.

b. Supervision of Sheltered Housing Program Aides and Senior Aides. What is apparent from the above description of services is that the 12 Sheltered Housing program aides, with some assistance from the four Senior Aides, are largely responsible for the daily provision of the three Sheltered Housing service components: meals, housekeeping and personal assistance. On a daily basis, the program aides and Senior Aides have the greatest amount of contact with the participants. The official supervisor of the Sheltered Housing program aides and Senior Aides is the Sheltered Housing Coordinator, whose time is divided among the four Sheltered Housing sites and HOC's administrative offices. Although according to the organizational chart, the Sheltered Housing program aides and Senior Aides are supervised by the Sheltered Housing Coordinator, it is impossible for her to be in four places at once.

In the absence of the Coordinator, the supervision of the program aides and Senior Aides at each Sheltered Housing site generally falls to either the resident counselor or the resident manager, neither of whom works directly for or takes direction from the Sheltered Housing Coordinator. As described earlier (see organizational chart on page 10), resident counselors report to the Resident Services Supervisor, and resident managers report to the Property Manager. Another variable that has increased the challenges inherent in managing a multiple-site program is the fact that there have been four different Sheltered Housing Coordinators within the past three years.

While HOC's staffing pattern appears, at least on paper, to be somewhat awkward, there is no evidence that Sheltered Housing has experienced any resultant deficiencies in the provision of services. Moreover, HOC's senior management feels confident that on-site Sheltered Housing staff know who is in charge and who can be called upon to solve any minor or major problem that may arise.

## 2. Compliance with State Guidelines

As described in the background section, the primary written policy document for Sheltered Housing is the State Office on Aging's Guidelines. Included in the Guidelines is a listing of services that each Sheltered Housing contractor must provide. In addition to listing the required program details, the Guidelines include the following statement about the Office on Aging's approach to monitoring Sheltered Housing:

To the greatest extent possible, sponsors and management of Sheltered Housing dwelling units will be allowed maximum flexibility for operations and administration.

In practice, this philosophy has meant that, if the general intent of Sheltered Housing is being served, then deviations from the written Guidelines are assessed, and either approved or disapproved by the Office on Aging in context of the entire program.

In March 1985, the State Office on Aging's Sheltered Housing Monitor conducted an on-site evaluation of HOC's Sheltered Housing operating then at Leafy House, Elizabeth House, and Arcola Towers. At that time, the Office on Aging determined that HOC's program was seriously out of compliance with certain standards and guidelines governing the administration of Sheltered Housing. In a letter sent to HOC's Executive Director, specific violations were noted in the areas of admission, staffing, meal services, and refund practices.

A review of program files indicates that, as a result of the Office on Aging's critical report in March 1985, HOC staff worked closely with the Office on Aging staff throughout the remainder of 1985 to improve Sheltered Housing operations. A number of changes with the program's admission and refund practices were implemented immediately. Other changes to address problems with staffing and program services were implemented during the next 12-14 months.

Based upon a review of correspondence between HOC and the Office on Aging, and conversations with the Office on Aging staff responsible for monitoring HOC's Sheltered Housing, it appears that the problems noted in the State's March 1985 evaluation have been corrected. Today, the Office on Aging is satisfied that HOC's Sheltered Housing services now comply with what the State Office on Aging expects.

During the course of this evaluation, OLO noted several aspects of HOC's Sheltered Housing services that appear not to be in strict compliance with the State's Guidelines. However, when asked about the deviations, Office on Aging staff explained that they had no problem with how HOC's Sheltered Housing services were structured, and in fact, considered most of the differences as program improvements. Apparently, what has happened is that the 1976 Guidelines, while legally still the governing document for Sheltered Housing, are acknowledged as out-of-date and are no longer strictly enforced.

Over the past ten years, Sheltered Housing has grown and evolved to the extent that many aspects of the Guidelines, written at the time the program started, are no longer relevant or applicable. The effort to revise the Guidelines began several years ago and, as stated earlier, new regulations are expected to be adopted late this year. Presumably, once new regulations are official, any uncertainty about what is and what is not required or allowed will be clarified.

### 3. Meeting Participants' Needs

a. HOC's Surveys. Within the past three years, HOC's Sheltered Housing staff has conducted two surveys of Sheltered Housing participants' satisfaction with the program. The first survey was done in 1985 and included only Leafy House residents. The second survey, conducted earlier this year, surveyed participants at Elizabeth House, Arcola Towers, and Bethany House. The response rate for the 1985 survey was 52 percent and the response rate for the second survey conducted was 66 percent.

With the growth of the program at Arcola Towers, Elizabeth House, and Bethany House since 1985, and without benefit of input from the Leafy House participants in the most recent survey, it is difficult to compare the results of the 1985 and 1988 surveys. In addition, both surveys must be interpreted with the knowledge that they were administered by the staff who manage Sheltered Housing, a fact which may bias the results. Recognizing these notable limitations with the data, one can still draw a rather broad conclusion that the surveys show Sheltered Housing participants are more satisfied with the program today than they were in 1985.

In 1985, the largest number of negative comments concerned the food and the meal service. Specifically, participants criticized the quality and variety of food. This was also true in 1988 but to a much lesser extent. Current participants seem to be generally more satisfied with the food. However, without more recent Leafy House responses, it is difficult to determine if the food problems of two years ago were exclusive to Leafy House.

Participants' comments concerning the housekeeping and personal services, were also more critical in 1985 than in 1988. Specific complaints cited in 1985 included that the housekeepers lacked the time to do a good job, and personal services, such as escorting, were not consistently provided. Overall, participants seem basically more satisfied with these two components of the program in 1988.

The 1988 survey also questioned participants on areas in which they would like to receive further assistance. The most frequently mentioned area was assistance in running occasional errands, followed by assistance in reading, writing, and handling mail, and finally assistance in taking short walks.

b. Interviews with Sheltered Housing Participants. To supplement the information provided in the surveys, OLO conducted interviews with a ten percent random sample of Sheltered Housing participants. Overall, those participants interviewed indicated satisfaction that the program was meeting many of their needs and voiced genuine appreciation of the hard working Sheltered Housing staff.

There did, however, seem to be some confusion as to exactly what services were being received through Sheltered Housing, and what services were received through other programs. While at one time Sheltered Housing participants received a handout that simply outlined what services to expect and when to expect them, this practice was dropped several years ago.

Specific feedback from Sheltered Housing participants regarding the three service components was as follows:

- On Meals. A majority of those interviewed expressed general satisfaction with the meal service and confirmed that they could no longer prepare daily meals without assistance. Participants gave a mixed review of the food quality (specifically, the feeling that the breakfast foods are sometimes inappropriate), and mixed feelings about being required to eat in a congregate setting. Some participants also indicated that three meals a day provided more food than they needed or desired.

- On Housekeeping. Participants all confirmed that they do receive one hour of general housekeeping services per week, and that, if requested, the housekeepers will perform heavier duties, time permitting. There were no specific criticisms in the area of housekeeping.

- On Personal Services. All of the participants interviewed receive laundry service and felt it was something they could not provide on their own. Several of the participants interviewed also received the daily escorting assistance, which they felt was totally appropriate due to their mobility impairments. Outside of the laundry and escorting services, participants stated that they did not require many other personal services, but if they did, then they could ask for additional help.

Sheltered Housing staff conveyed that one frequent need of Sheltered Housing participants not met through the Sheltered Housing program is daily medication monitoring. This is also a recognized need of other elderly residents who do not currently participate in Sheltered Housing. Medication monitoring was never intended to be a service offered under Sheltered Housing, nor is the staff legally authorized to perform this responsibility. For now, HOC's current practice is to assist residents hire (either individually or as a group) an appropriate nurse who is licensed to provide help with medication monitoring.

#### D. Coordination of Sheltered Housing with Other Programs

1. Coordination with Programs that are Essential Components of Sheltered Housing. Sheltered Housing is well coordinated with the Senior Aide Program, the County's Senior Nutrition Program, and HOC's Resident Services Program. The roles of these programs have been described in various places throughout this report. This section will again summarize how coordination with these three programs is essential to the operation of Sheltered Housing as currently structured.

a. Senior Aide Program. The Senior Aide Program is funded under Title V of the Older Americans Act of 1965 (as amended in 1981), and is coordinated in Montgomery County by the Jewish Council for the Aging of Greater Washington.<sup>1</sup> The goal of the program is to provide part-time

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<sup>1</sup> The County's Department of Family Resources provides some funding for the administration of the Senior Aide Program through a grant to the Jewish Council for the Aging.

employment to low-income elderly in community service areas. Participants must be at least 55 years old and meet Department of Labor low-income guidelines (FY 88: \$6,875 for a single person, \$9,250 for a couple). Senior Aides are paid an average of \$3.52 per hour plus certain fringe benefits including health insurance reimbursement, annual and sick leave, and paid holidays.

Senior Aides have worked for HOC's Sheltered Housing since the program began in 1978. There are currently four Senior Aides assigned to Sheltered Housing, and each works 20 hours per week. As staffing for HOC's Sheltered Housing is currently structured, the 80 hours of work provided each week by Senior Aides are instrumental to the provision of program services. For example, the Senior Aides make friendly visits to participants, assemble and sometimes deliver breakfast bags, check on participants who don't show up for meals and perform various other duties which allow Sheltered Housing program aides to concentrate on providing other essential Sheltered Housing services.

The only apparent shortcoming to working so closely with the Senior Aide Program is the durational limit on Senior Aides' job assignments. According to the Senior Aides Program Policy and Procedure Manual, Senior Aides are limited to two years in any one job assignment; Senior Aides can qualify for a one-year extension under certain conditions. According to the Manual, the purpose of the limitation on length of job assignment is:

To increase the possibility of unsubsidized employment for each Senior Aide, to provide opportunities for each Senior Aide to learn new skills in new job assignments, and to prevent a host agency from using any Senior Aide to perform tasks which otherwise would be performed by regular staff members.

Due to the Senior Aide Program's two-year limit on individual job placements, HOC may not be able to rely upon the Senior Aides as a permanent source of support for Sheltered Housing. Already one of the Senior Aides is working for Sheltered Housing on a special extension beyond her initial two-year placement. Two additional Senior Aides' placement times will be two years as of this summer. According to the Jewish Council for the Aging, an additional problem is that it is not always easy to find new Senior Aides who meet the eligibility requirements and who are willing and able to perform the duties required of Senior Aides assigned to Sheltered Housing.

b. The Senior Citizen Nutrition Program. The Senior Citizen Nutrition Program is funded through Title III-C of the Older Americans Act of 1965 (as amended in 1981), and is implemented in the County by the Department of Family Resources' Division of Elder Affairs (DEA). The program provides senior citizens with a hot lunch five days a week, often followed by other activities such as nutrition or health education, arts and crafts, or socializing. To participate, individuals must be age 60 or over. Although there is no fee to participate in the Nutrition Program, contributions are accepted.<sup>1</sup>

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<sup>1</sup> Sheltered Housing participants are not asked to contribute to the Nutrition Program.

As described in the overview of the Sheltered Housing budget, in addition to preparing and delivering hot lunches to Sheltered Housing participants at Arcola Towers, Elizabeth House, and Bethany House, DEA's Nutrition Program provides HOC with an annual grant (FY 88 budgeted amount is \$39,284) for other meals that HOC purchases for Sheltered Housing participants. Specifically, DEA pays HOC a set amount per meal (\$2.17 in FY 88) for one meal a day, 365 days a year for all Sheltered Housing residents at Leafy House where no senior nutrition meals are delivered because congregate meals for the entire buildings are provided by a separate food contractor. In addition, DEA pays a set amount per meal for one nutritious meal on Sundays and holidays for Sheltered Housing residents at Arcola Towers, Elizabeth House and Bethany House.

The Nutrition Program clearly helps provide both an essential funding and service component of Sheltered Housing. The only potential problem with coordination between the two programs lies with the current written contract. While HOC and DEA staff appear to have a consistent understanding about the relationship between Sheltered Housing and the Nutrition Program Grant, the current contract between HOC and DEA (most recently renewed in September 1987 and extended until September 30, 1988) does not accurately detail the current scope of services provided by both parties. When OLO brought this to their attention, HOC and DEA staff indicated they would review the contract and make any appropriate revisions this year.

c. HOC's Resident Services Program. HOC's Resident Services Program is designed to provide counseling and other support services to residents living in HOC's many housing projects. Each HOC building, including the seven buildings for the elderly, is assigned a part-time resident counselor who is available to all residents who need assistance in the areas of financial management, employment, health, housekeeping, home management, or child rearing. Much of the funding for HOC's Resident Services Program is provided through an annual appropriation from the County government.

Although the support that resident counselors provide to Sheltered Housing participants and their families can be seen as part of the Resident Services Program, the services provided by the resident counselors are absolutely essential to the operations of Sheltered Housing. By virtue of their relatively greater frailty and greater need for assistance, Sheltered Housing residents generally require disproportionately more counseling and support than non-Sheltered Housing residents. In addition, the resident counselors participate in the assessment of Sheltered Housing applicants and help to supervise the Sheltered Housing program aides when the Coordinator is not on-site. As documented in the earlier discussion of the Sheltered Housing budget, the in-kind support provided by HOC's resident counselors is worth thousands of dollars to Sheltered Housing each year.

2. Coordination with Other County Programs that Complement Sheltered Housing. Sheltered Housing is also linked to several other programs run by the County's Department of Family Resources, Department of Social Services, and Department of Health.

a. Client Assistance Gateway I Program, Division of Elder Affairs, Department of Family Resources. The Client Assistance Gateway I Program assists the County's Senior citizens in learning about and using community services in the public, private, and non-profit sectors. The program also assists other agencies in providing accurate information to clients, through direct consultation and the publication of several community resource directories. The Client Assistance Gateway I Program primarily interacts with HOC's Sheltered Housing by providing information to the elderly and/or their families about Sheltered Housing.

Questions about the quality of coordination between Client Assistance and Sheltered Housing elicited mixed reviews from the Client Assistance staff about coordination with HOC in general. The major reaction was a general frustration that counselors do not consistently receive what they consider to be adequate feedback from HOC. Specifically, if a Client Assistance counselor refers an elderly client to HOC, the counselor is not consistently informed about whether that client was placed in HOC housing, was placed on a waiting list, or was rejected as ineligible for some reason or another.

b. The Adult Assessment Center, Department of Social Services and the Health Department. The Adult Assessment Center is a program operated jointly through a memorandum of agreement between the Department of Social Services and the Health Department. The Assessment Center conducts in-depth multidisciplinary assessments and develops a plan of care including support services for individuals suffering from physical and/or mental disabilities. On occasion, the Assessment Center refers elderly clients to HOC to apply for Sheltered Housing.

HOC's Resident Services staff spends a significant amount of time working on discharge planning for HOC's elderly residents. Resident Services staff reported working on approximately 250 ongoing discharge planning cases during the first half of FY 88. (This included planning for both Sheltered Housing and non-Sheltered Housing residents.) The most frequent interaction with Assessment Center staff has been in the limited number of cases when the Sheltered Housing staff requests the help of the Assessment Center in determining whether or not a Sheltered Housing participant should remain in the program, and whether alternative resources exist for that client.

When asked about working with Sheltered Housing, Assessment Center staff commented that calling upon the Assessment Center to conduct evaluations of elderly persons is appropriate and reasonable. The one concern expressed by Assessment Center staff was not wanting to be called upon to always play the "bad guy"; that is, to be asked to conduct an assessment and recommend eviction of someone that the HOC staff already knows is no longer physically and/or mentally capable of remaining as an HOC resident. One suggestion made was that HOC's Sheltered Housing staff might benefit from additional training on discharge planning, and Assessment Center staff might benefit from additional training about the goals and limitations of Sheltered Housing.

3. Coordination with Other Sheltered Housing Programs. HOC's Sheltered Housing functions autonomously from the other Sheltered Housing programs in the State. In the past, interaction among the various Sheltered Housing contractors has generally been limited to periodic training sessions convened by the State Office on Aging for all Sheltered Housing Coordinators in the State. There are no regular channels of communication among the four multi-family facility Sheltered Housing contractors in the County: HOC, Jewish Council for the Aging<sup>1</sup>, Montgomery County Revenue Authority, and United Church of Christ.

On an informal basis, HOC's Sheltered Housing staff occasionally consults with staff from the County's Department of Family Resources, Division of Elder Affairs, who work with the County's group home Sheltered Housing program. For example, HOC staff recently sought some advice from DEA staff on funding and financial management issues.

HOC and DEA staff have also worked together on the occasions it is appropriate to consider transferring one of HOC's Sheltered Housing residents to a group home for the elderly. Because Sheltered Housing service in a group home setting provides a more supervised living environment, it is sometimes best for a resident, who is too frail to remain living in one of HOC's apartment buildings, to consider moving into a group home that also offers Sheltered Housing.

#### E. Availability of Services Similar to Sheltered Housing

1. General. Throughout the County, Sheltered Housing is not unique to the extent that services similar to those provided to Sheltered Housing participants are available through various other programs in the public, private, and non-profit sectors. The key factors that appear to differentiate Sheltered Housing are that Sheltered Housing offers an entire package of services, provides assistance seven days a week, and offers financial assistance to those who cannot afford to pay.

2. Public Sector. The public sector program which offers services most similar to Sheltered Housing in the County is the Home Health Aide Services Program operated by the Division of Adult Services in the Department of Social Services (DSS). The program provides in-home care in the areas of housekeeping, shopping, meal preparation, transportation, personal care, laundry and assistance with special diets to the elderly, blind and disabled adults. On average, an individual participating in the program will receive four hours of assistance per week, most often in two two-hour intervals.

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<sup>1</sup> HOC works with the Jewish Council for the Aging as the coordinator of the Senior Aide Program, but not as a provider of Sheltered Housing.

The Assessment Center, Adult Protective Services, or Adult Foster Care usually determines whether an individual or a family is eligible to participate in the Home Health Aide Services Program. There are State established income limits to participate and fees (up to \$2.00 per hour of service) are charged on a sliding scale. The program receives County, State and federal funding.

The Home Health Aide Program's services are provided by 18 health aides employed by DSS, plus additional home health aides on contract to DSS. The program currently provides services to approximately 650 persons each month, almost three-fourths of whom are aged 65 years or over. A number of the Home Health Aide Program's clients reside in the same apartment buildings in which HOC offers Sheltered Housing.

3. Meals-on-Wheels and Providers that Offer Other Service Components. There are various non-profit organizations and private companies in the County that provide services similar to selected pieces of the Sheltered Housing Program. The Meals-on-Wheels programs are an example of a piece of the Sheltered Housing service package available from the non-profit sector. Meals-on-Wheels delivers meals to the homebound throughout the County. A typical Meals-on-Wheels program includes two meals a day, five days a week for a set fee which ranges from \$15.00 to \$17.00 per week.

More comprehensive service packages, including a variety of in-home care services (e.g., shopping and preparation of food, housekeeping, personal care, escort service), are available for the elderly through such non-profit organizations as the Jewish Social Service Agency and the Federation of Women's Clubs, Inc. The service fees of such organizations are generally assessed on a sliding scale, and services are sometimes provided free to certain participants.

In the private sector, companies that offer in-home care to the elderly may also provide nursing care in addition to the meal preparation, housekeeping and personal care. The hourly rate of service from private providers in the County generally ranges from \$8.00 to \$12.00 per hour, with a four-hour minimum usually required for each visit.

If an individual were to piece together the services of a private home-care agency with a Meal-on-Wheels program, that individual would probably be purchasing a package of services from the private market somewhat similar to Sheltered Housing. The estimated monthly cost of four hours of housekeeping and personal care per week and ten home-delivered meals per week would average between \$225-\$250 per month.

Although this sounds considerably less than the monthly Sheltered Housing fee of \$315-\$338, the major differences are that Sheltered Housing provides three meals a day seven days a week (Meals-on-Wheels only provides two meals a day five days a week), and, Sheltered Housing provides personal assistance on a daily as-needed basis while a home-care agency schedules the visit of a personal aide for one period of four hours each week. If an individual purchased a daily four hour minimum visit from a personal aide, the cost would run close to \$1,000 per month; in addition to being expensive, the individual would probably be purchasing more assistance than he/she may really need.

4. Retirement or Life-Care Communities. In addition to in-home care services available to the elderly, there are also elderly retirement or life-care communities which offer services quite similar to those provided under Sheltered Housing. For example, there are elderly buildings which, for an extra cost, offer meals, maid service, homemaker care, and personal care.<sup>1</sup> Some elderly housing buildings in the County are private/nonprofit or church-affiliated such as the Asbury Village Apartments and the National Lutheran Home Village and some are partially government funded, such as the Friends House and the Revitz House.

Private companies or corporations which own and operate elderly communities in the County provide alternative service solution to those elderly who can afford it. Individuals who choose to move to such communities are often charged an initial deposit (some of which is refundable) ranging from \$80,000 to \$120,000, plus a monthly fee ranging from \$800 to over \$1,500 per month -- depending on the particular community and the level of services, which may include meals, housekeeping, and the level of personal care that an individual decides to purchase.

#### V. RELATED ISSUE: MONTGOMERY COUNTY'S ELDERLY POPULATION

While an assessment of the overall need for services similar to Sheltered Housing in the County was beyond the scope of this evaluation, basic demographic facts about the County's population suggest that the demand for basic support services which enable frail or semi-independent elderly persons to avoid premature or unnecessary institutionalization is going to increase significantly in the foreseeable future.

Within the County government, the Department of Family Resources, as the federally designated Area Agency on Aging, is taking the lead in planning for the development, strengthening, and implementation of a comprehensive and coordinated service delivery plan for the County's elder citizens. A 1986 survey conducted by the Department's Division of Elder Affairs documented various demographic factors associated with the County's elderly population and compared the results to a similar DEA survey conducted in 1976.<sup>2</sup> Some of the relevant 1986 survey results are highlighted below:

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<sup>1</sup> Some elderly buildings offer only one meal a day which is mandatory and often included in the rent. Other buildings offer additional meals at an extra cost to the resident.

<sup>2</sup> "The Status and Needs of Elder Citizens in 1986", Division of Elder Affairs, Department of Family Resource, March 1987.

- The County's elderly population (the number of individuals aged 60 and older) was 94,200 in 1986, a 34.4 percent increase over the number of elderly living in the County in 1976. In comparison, the entire population of the County only grew 11 percent during the same time period.

- As a percentage of the total County population, the elderly constituted close to 12 percent of the population in 1976 and about 15 percent in 1986. Estimates for 1995 population figures project that the elderly will grow to approximately 20 percent of the County's population.

- The age distribution of the elderly showed that over 50 percent are between the ages of 60 and 69, indicating a large increase in the older elderly population (age 70 and over) in the next 10 to 15 years.

- The median income of an elderly household in 1986 was \$32,700, but income decreases as an individual ages. Those elderly who are considered low income are more likely to be 75 years and older. Approximately 20 percent of the elderly are considered low income (annual income below \$15,000) and six percent are considered very low income (annual income below \$8,000).

- The survey did find that most of the elderly in the County live independently--91 percent in their own homes and 96 percent without housing assistance payments--but there is a strong correlation between aging and less independence, including less income and more health problems. In fact, income and medical care were two of the most frequently cited problems of the elderly participating in the survey.

- The survey also found that about one percent of elderly persons in the County have "immediate, crucial needs for assistance" and about 22 percent are in need of some type of assistance. With a growing elderly population the percentage of elderly in need of assistance is projected to increase.

## VI. CONCLUSIONS

### A. Origin and Goals of Sheltered Housing

1. The Sheltered Housing for the Elderly Program was created by State law in 1976. The goal of Sheltered Housing is to provide a package of services (meals, housekeeping, and personal services) to frail or semi-independent elderly persons that enables them to avoid premature or unnecessary institutionalization.

2. State law authorizes the State Office on Aging to assist in the development, operation, and funding of Sheltered Housing in conjunction with any public agency, private, or non-profit corporation. The Office on Aging funds two types of Sheltered Housing programs: Sheltered Housing in multi-family buildings and Sheltered Housing in group homes.

3. The Housing Opportunities Commission of Montgomery County (HOC) is one of the many entities throughout Maryland that the State Office on Aging contracts with to provide Sheltered Housing in multi-family buildings. Comparatively, of the four contractors in Montgomery County, HOC has the largest contract for Sheltered Housing in four apartment buildings for the elderly. Three of the buildings are assisted housing projects either owned and/or managed by HOC (Leafy House, Arcola Towers, Elizabeth House), and the fourth (Bethany House) is an assisted housing project owned and managed by Christian Church Services, Incorporated.

4. Overall, while there are areas of the program in need of improvement, HOC's Sheltered Housing clearly fulfills the legislative intent of the State law that created the program. HOC's Sheltered Housing is providing essential support services to almost 90 elderly persons, who exemplify the population Sheltered Housing was created to serve.

5. As a group, the many staff members who make Sheltered Housing work on a daily basis are notably dedicated and hard working. The patience and commitment of the staff does not go unnoticed by the Sheltered Housing residents, who seem to genuinely appreciate the extra effort that goes into providing much-needed services 365 days a year.

#### **B. Budget and Fiscal Management of Sheltered Housing**

1. The Sheltered Housing budget is designed upon three sources of funding: program fees paid by participants on a sliding scale, a grant for program fee subsidies provided by the State Office on Aging, and a Senior Nutrition Program grant received through the Department of Family Resources' Division of Elder Affairs. Historically, program fees paid by participants have been the largest source of revenue, accounting for almost 70 percent of Sheltered Housing's total funding in FY 87. The State grant has been the second largest source of revenue providing 20 percent of program funding in FY 87. The remaining revenue (approximately 10 percent) comes from the Nutrition Grant, the level of which varies directly with the level of enrollment.

2. The Sheltered Housing budget does not reflect the total staffing costs required for the daily operation of Sheltered Housing. The three major reasons for this appear to be that funding for certain positions has been available outside of the Sheltered Housing budget; HOC's management philosophy fosters a team spirit which encourages employees, regardless of funding source, to accept a shared responsibility for the achievement of agency goals; and HOC operates Sheltered Housing with pressure from the State Office on Aging to minimize total budgeted costs. As a result, OLO estimates that for FY 88:

- HOC and Leafy House, Inc. are together subsidizing Sheltered Housing with in-kind staff support worth approximately \$69,000/year; and
- The Senior Aide Program is subsidizing Sheltered Housing with staff support worth approximately \$17,000/year.

3. There are several disadvantages of not reflecting total staffing costs in the Sheltered Housing budget. In addition to calculating program fees that are artificially low, the budget document misrepresents what it truly costs to operate Sheltered Housing, and does not demonstrate how much support HOC is actually providing to the program. Finally, not fully documenting total staffing costs makes it difficult to realistically plan for the future of Sheltered Housing and other similar programs because policy and decision makers are presented with a distorted picture of what resources are required.

4. The fiscal management of Sheltered Housing is challenging because Sheltered Housing's revenue is so dependent upon the level of enrollment and the participants' payment of program fees. Throughout any given fiscal year, due to the nature of the population served, there is turnover in the number of Sheltered Housing participants and a change in the mix of participants who are eligible for different levels of fee subsidies. Until the past few months, an applicant's eligibility for a fee subsidy had not been a determining factor for admission into Sheltered Housing.

5. This fiscal year, Sheltered Housing faces a potential deficit of almost \$50,000 because participants admitted into the program are eligible for a greater amount of subsidy than provided for in the FY 88 budget. Specifically, the State agreed to grant HOC a total of \$73,503 in FY 88 based upon an average subsidy of \$81.67 per unit per month for 75 participants. However, the actual average subsidy during the first and second quarters of FY 88 was significantly higher at \$130 per month; and, the total subsidy amount needed for the year is now projected to exceed \$120,000.<sup>1</sup>

6. The current fiscal situation appears to result from preparing a budget that was based upon average subsidy data that did not accurately project the Sheltered Housing population for FY 88, combined with failing to monitor the rate at which the State grant was being earned. This situation most likely occurred because priority was placed upon keeping enrollment high, earning the State grant too rapidly had not been a problem in earlier years, and HOC staff was under the impression that additional grant monies could be obtained from the State Office on Aging. Added to this is a record keeping system that does not provide the Sheltered Housing Coordinator with an efficient way to monitor the fiscal situation. For example, the Coordinator does not now receive a monthly report that separately calculates the total amount of the State grant earned to date; neither does the Coordinator have the computer capability to project the fiscal impact of admitting a particular applicant into the program.

7. In addition to the specific problems that appear to have directly caused this year's deficit, the records of Sheltered Housing for the past three years indicate a history of fiscal management problems and inadequate attention to administrative details. For example, the quarterly and annual reports that HOC is required to submit to the State Office on Aging have not been consistently accurate, complete, and clear, and have not always been submitted according to schedule. During the past three fiscal years, the independent audit of Sheltered Housing found that participants have not been

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<sup>1</sup> Since the final draft of this report was completed, HOC received official notification that the State Office on Aging intends to amend HOC's FY 88 budget in the amount of \$50,000. See HOC's comments on page 55.

consistently recertified on an annual basis as required. The audits also identified inconsistencies between the amount of subsidy a participant was eligible for and the amount of subsidy requested from the State.

8. OLO's finding of fiscal management problems is supported by a recent on-site examination of Sheltered Housing by the State Office on Aging's Monitor of Sheltered Housing. In a February 1988 report, the State Office on Aging Monitor commended HOC's Sheltered Housing staff for its success in increasing enrollment, but criticized HOC's management of the administrative and fiscal components of Sheltered Housing. The Monitor concluded that, "fiscal management of the program has been fraught with errors, poor record keeping, and a lack of understanding of the fiscal requirements of the program."

### C. Who Sheltered Housing Serves

1. Data on Sheltered Housing participants and interviews with program staff and Sheltered Housing residents indicate that HOC's Sheltered Housing is serving the population it is intended for. Without Sheltered Housing, many of the individuals who currently participate in the program would not be able to continue residing in their own apartments. The individuals who could remain would be those with the financial resources to purchase a similar service package from private companies or non-profit organizations, or those who would qualify for other public sector programs (such as the Home Health Aide Service Program operated by the Department of Social Services) that offer services similar to those provided by Sheltered Housing.

2. During the first quarter of FY 88, there were 88 participants enrolled in HOC's Sheltered Housing, 70 (80%) females and 18 (20%) males. The average annual adjusted gross income of Sheltered Housing participants is \$7,616, and 70 percent of the total participants receive some fee subsidy from the State Office on Aging. The average age of a Sheltered Housing participant is 81, and almost all participants have some type of health problem(s) that impairs their ability to function independently, (e.g., diabetes, hypertension, heart condition, arthritis, emphysema/asthma). A recent survey indicated that more than half of Sheltered Housing participants need help from some kind of walking device: cane, walker, or wheelchair.

3. Until very recently, whether or not an applicant's income qualified him/her for a fee subsidy was not a factor in deciding admission. Over the past four years, there has been a significant increase both in the percentage of subsidized participants and the level of the average fee subsidy. In FY 84, 36 percent of the Sheltered Housing participants received a fee subsidy and the average subsidy (divided among all participants subsidized and non-subsidized) was \$58; in FY 88, 70 percent of Sheltered Housing participants receive a fee subsidy and the average subsidy is \$130.

4. The Assessment Questionnaire that is required by the State Office on Aging is perceived by some who administer it as too long and in some respects, inappropriate as the primary screening device for Sheltered Housing applicants. Program staff responsible for screening applicants supplement the Assessment Questionnaire results with their own professional judgment in order to judge someone as appropriate (or not) for Sheltered Housing.

5. The Assessment Questionnaire is administered by different people. Although the Sheltered Housing Coordinator technically has the final say as to whether someone is admitted into the program, in practice, the Coordinator is not personally involved in all assessments. Because evaluating an applicant's fitness for Sheltered Housing is in large part a subjective judgment, the fact that the Coordinator does not consistently partake in all assessments opens up the potential for inconsistent admission decisions.

6. Although program records indicate that several years ago Sheltered Housing had a hard time keeping enrollment equal to budgeted levels, recently finding eligible applicants has not been a problem. Today, there are waiting lists for Sheltered Housing (one maintained for each of the separate buildings) with more than 20 individuals who have already been screened as eligible based upon their health and mental condition. Program staff estimates that for the past year the time on the waiting list has ranged from two to nine months. Depending upon whether or not an individual's financial ability becomes a permanent factor in admission will undoubtedly affect the length of the waiting period for those who cannot afford to pay the full program fees.

7. Even if there are slots available in the Sheltered Housing program, there will likely always be a number of eligible elderly residents who remain reluctant to apply to Sheltered Housing. As explained by the professional staff who interact daily with HOC's elderly tenants, when someone becomes a Sheltered Housing resident, the individual (and the individual's family) is confronting the fact that she/he is no longer able to function as independently as before. For some, this fact is only confronted when the level of assistance needed is beyond that available through Sheltered Housing. Another issue is that certain residents do not feel as though they need all of the Sheltered Housing services (e.g., they might only want two meals a day or feel the need for housecleaning help only once a month); and, as the program is currently structured, Sheltered Housing is available only as a package deal.<sup>1</sup>

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<sup>1</sup> In 1985 HOC developed a pilot program for Sheltered Housing which would have offered participants several different levels of service. For a number of reasons, the pilot program was never implemented.

#### D. Sheltered Housing Services

1. HOC's Sheltered Housing provides three basic services to program participants: meals, housekeeping, and personal services. Each participant receives three meals daily, two of which (lunch and dinner) are served in a congregate setting. Once a week each participants' apartment is scheduled for one hour of general cleaning, and once a week each participant is scheduled to have their laundry washed and folded. Other personal services, which range from being escorted to meals to assistance with bathing and grooming and running small errands, are provided to participants on an as-needed basis.

2. The majority of the Sheltered Housing services are performed directly for residents by the Sheltered Housing program aides and Senior Aides assigned to Sheltered Housing. On paper, the 12 full-time and part-time program aides and the four part-time Senior Aides are supervised by the Sheltered Housing Coordinator. However, because the Coordinator cannot be at the four Sheltered Housing sites simultaneously, the daily supervision of the Sheltered Housing staff frequently falls to the resident counselors or resident managers, who themselves do not report to the Sheltered Housing Coordinator. While this staffing pattern appears somewhat awkward, there is no evidence that Sheltered Housing has experienced any resultant deficiencies in the provision of services. Moreover, HOC's senior management feels confident that on-site Sheltered Housing staff know who is in charge and who can be called upon to solve any minor or major problem that may arise.

3. The primary written document outlining what services are to be provided in Sheltered Housing is the Standards and Guidelines Governing the Administration of the Sheltered Housing Program published by the State Office on Aging in 1976. While updated regulations are expected to be finalized and adopted in 1988, as of this writing, the 1976 Guidelines are still legally in effect. It became clear during the course of this evaluation, however, that these Guidelines are acknowledged by the State Office on Aging as out-of-date. Since the Guidelines were written in 1976, Sheltered Housing as a program operating throughout the State has grown and evolved so that many of the Guidelines are no longer strictly enforced, and certain policies that are not in the Guidelines are expected to be followed. Until new Sheltered Housing regulations are formally adopted, there is really no single document that can be relied upon as a current guide to Sheltered Housing requirements.

4. In 1985, the State Office on Aging's Monitor of Sheltered Housing determined that HOC's Sheltered Housing was at that time in violation of certain Guidelines, including several problems with the provision of services. Interviews with the State Office on Aging staff indicated that the State Office on Aging is now satisfied that the problems cited in 1985 have been corrected, and that HOC's Sheltered Housing services are currently in compliance with what the State expects.

5. Sheltered Housing participants do not now routinely receive a written document that simply explains what services to expect from Sheltered Housing, and when and how services will be provided, e.g., when the program aide is scheduled to clean their apartment, what time lunch and dinner are served. Although HOC had employed such a document, it dropped out of use several years ago.

6. Feedback from interviews with a random sample of Sheltered Housing participants and a review of HOC's survey results confirm that services provided through Sheltered Housing are meeting many of the participants' needs. The most common complaints from participants concerned the quality and quantity of food and the fact they do not always like to eat two meals a day in a congregate setting. A number of participants always request that their meals be delivered to their rooms. A number never eat lunch (even though they pay for it) because they find that the food served during breakfast and dinner is sufficient.

7. The most commonly shared need that Sheltered Housing participants have that is not met through the Sheltered Housing program is the need for daily assistance and/or supervision in taking medication. Under current guidelines, the Sheltered Housing program staff is prohibited from providing assistance with medication monitoring. The need for assistance with medication is also shared by HOC residents who are not participating in Sheltered Housing. HOC's current practice is to assist residents to hire (either individually or as a group) a nurse who is licensed to provide help with medication monitoring.

8. Finally, in reviewing the overall provision of Sheltered Housing services, it is apparent that providing Sheltered Housing services at Bethany House is different from providing Sheltered Housing services at Arcola Towers, Elizabeth House, and Leafy House, which are all owned and/or managed by HOC. The major difference seems to stem from the relative lack of in-kind support for Sheltered Housing from the Bethany House staff, a fact which makes it more difficult to adequately provide Sheltered Housing services within given resources.

#### E. Coordination

1. Sheltered Housing is well-coordinated and directly dependent upon HOC's general Resident Services Program, the Senior Aide Program, and the County's Senior Nutrition Program. Sheltered Housing, as currently structured, could not function without staff support provided through these programs.

2. HOC may not be able to rely permanently upon assistance from the Senior Aide Program because of the program's policy that limits the duration of Senior Aide job placements to two years. Already one of the Senior Aides assigned to Sheltered Housing is on a special extension beyond her initial two year placement, and, this summer, two additional Senior Aides will complete two years with Sheltered Housing.

3. While HOC and DEA staff appear to have a clear understanding of how the Nutrition Program Grant to Sheltered Housing works, the actual contract between the two agencies does not accurately reflect the current scope of services. When this was brought to the attention of HOC and DEA staff, they indicated the contract will be reviewed and revised appropriately.

4. Sheltered Housing is linked to the Division of Elder Affairs (DEA) in the County's Department of Family Resources in that counselors at Client Assistance Gateway I refer potential Sheltered Housing participants to HOC. In general, HOC received mixed reviews in terms of consistently providing what was considered to be adequate follow-up information to DEA staff.

5. Sheltered Housing utilizes the resources of the Assessment Center primarily when working with a Sheltered Housing resident who is thought to be no longer able to function independently enough to remain in HOC housing. Assessment Center staff felt they could benefit from learning more about Sheltered Housing, and also felt Sheltered Housing staff could benefit from learning more about discharge planning.

6. Except for occasionally consulting with the County government staff who manages the County's group home Sheltered Housing program, HOC Sheltered Housing functions autonomously from other Sheltered Housing programs in the State. There are no regular channels of communication among the four contractors of Sheltered Housing in multi-family buildings in Montgomery County. In the past, the State Office on Aging scheduled periodic training sessions and meetings among Sheltered Housing Coordinators; the State has indicated that it expects to continue these get-togethers.

#### F. Oversight and Future Direction of Sheltered Housing

1. The responsibility for overseeing HOC's Sheltered Housing is shared between the State Office on Aging and HOC management. The history of the program suggests that who assumes responsibility for ensuring that both the programmatic and fiscal aspects of Sheltered Housing are in proper order at any given time is not altogether clear. Specifically, the results of the State's on-site audit in 1985 and the program's fiscal management problems are examples of where inappropriate decisions regarding the day-to-day operation of Sheltered Housing were allowed to go on too long without appropriate direction from either the State Office on Aging or HOC management.

2. Estimating the future demand for Sheltered Housing was beyond the scope of this evaluation. However, the demographics of the County, the length of the HOC's waiting lists, and the growth of private and non-profit organizations offering Sheltered Housing services are all indications that the local demand for basic support services to the elderly is going to increase.

3. HOC's long-range plan and budget projections show the Sheltered Housing program continuing at the same four sites with enrollment growing at a slow rate of three to five participants a year. The budget plan also projects that the three revenue sources will remain in about the same proportions, that is, approximately 70 percent from program fees, 20 percent from the State grant, and 10 percent from the Nutrition Grant. There is no projection of any additional direct HOC contribution to Sheltered Housing in the foreseeable future.

4. For individuals who have the financial resources, the three service components provided through Sheltered Housing can be purchased from private firms and/or non-profit organizations at a cost that will likely be significantly higher than the Sheltered Housing program fee. The key factors that differentiate Sheltered Housing are that Sheltered Housing offers an entire package of services, assistance is available seven days a week, and financial assistance is available to those who cannot afford to pay.

5. In terms of looking at the need for Sheltered Housing-type services beyond HOC, the County's Department of Family Resources, as the federally designated Area Agency on Aging, is appropriately taking the lead in planning for the development, strengthening and implementation of a comprehensive and coordinated service delivery system for the County's elder citizens. The staff working to project the status and needs of the County's elder citizens are aware of the necessity to plan for the provision of Sheltered Housing-type services, including services for those who can afford to pay and those who cannot.

## VII. RECOMMENDATIONS

### Recommendation A: Enhance Planning for Future of Sheltered Housing

HOC should expand upon the current long-range plan for Sheltered Housing. Specifically, based upon the needs assessment of tenants currently residing in HOC's seven buildings for the elderly, and projections of future needs, the long-range plan for Sheltered Housing should fully analyze future size, scope, staffing and funding questions to include: Which HOC buildings should offer Sheltered Housing? How many individuals in each building and in aggregate is it realistic and desirable for Sheltered Housing to serve? Is HOC interested in expanding their contract for Sheltered Housing to other buildings such as Bethany House that are neither owned nor managed by HOC? Must Sheltered Housing continue to be a total package of services, or would it be possible to offer selected components to interested participants?<sup>1</sup>

The question of future size and location of Sheltered Housing is dependent upon a plan for the future staffing and funding of Sheltered Housing. Because the most recent data on the Sheltered Housing client population shows a growing need for financial assistance, alternatives to relying upon program fees as the primary source of Sheltered Housing's revenue must be explored. The issue of funding alternatives is directly related to the level of financial support HOC is prepared to provide Sheltered Housing in the future, combined with a decision about whether an applicant's financial situation should become a determining factor in admissions.

### Recommendation B: Integrate HOC's Plans for the Future of Sheltered Housing with County Government's Planning Efforts

HOC's plans for the future of Sheltered Housing should be integrated with the County's Department of Family Resources' efforts to plan for the development, strengthening, and implementation of a comprehensive and coordinated service delivery system for the County's elderly citizens. As part of the County's comprehensive long-term plan for providing services to the elderly, HOC's Sheltered Housing and other programs that provide support services which enable frail or semi-independent persons to avoid premature or unnecessary institutionalization are likely to become even more important as the County's population ages.

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<sup>1</sup> In 1985, HOC developed a pilot program for Sheltered Housing which would have offered participants several different levels of service. For a number of reasons the pilot program was never implemented.

**Recommendation C: Strengthen Administration and Financial Management of Sheltered Housing**

HOC should strengthen its internal controls over the administration and financial management of Sheltered Housing. While recognizing that the State Office on Aging does have a contractual obligation to inspect and approve certain aspects of Sheltered Housing, HOC management should clarify exactly who within HOC is responsible for the routine oversight of Sheltered Housing.

HOC's overall administration and fiscal management of Sheltered Housing should be strengthened in several ways. Greater attention should be paid to keeping accurate and consistent program records, and to providing required reports to the State Office on Aging on a timely basis. HOC's Finance Department should work with Sheltered Housing program staff to develop a system of providing accurate and timely data to the Sheltered Housing Coordinator that enables the Coordinator to make appropriate management decisions. Specifically, in addition to detailed program expenditure and revenue reports, the Sheltered Housing Coordinator should receive a monthly report that tracks the amount of the State grant earned to date. The Coordinator should also have the capability to project the fiscal impact of accepting a potential Sheltered Housing participant into the program.

HOC should review the Sheltered Housing files and make all necessary adjustments and corrections to address the discrepancies noted both in the FY 87 audit of Sheltered Housing and the most recent review of program files by the State Office on Aging. (HOC may already have completed this in response to a similar recommendation from the State Office on Aging.) In the future, HOC and the State Office on Aging should also establish a written agreement governing the terms under which the State Office on Aging will or will not consider a contract amendment during the fiscal year.

**Recommendation D: Revise Budget and Calculation of Program Fees to Reflect Total Staffing Costs**

To document the true costs of providing Sheltered Housing and to demonstrate to the State Office on Aging that HOC is already providing a significant subsidy to Sheltered Housing, the Sheltered Housing budget should be revised to include total staffing costs. This would require, for example, that instead of showing zero staffing costs for the four Senior Aides that support Sheltered Housing, the budget should show the cost of the Senior Aides in FY 88 (\$17,000) matched by an equal amount of revenue from the Jewish Council for the Aging; similarly, HOC's actual overhead expenditures and the staff support for the program from HOC's resident counselors and resident managers should be listed as Sheltered Housing related expenditures that are funded by HOC.

Once the budget is revised to reflect total staffing costs, then program fees should also be calculated to reflect the true cost of providing Sheltered Housing. Calculating program fees to reflect total costs does not necessarily imply, however, that actual program fees paid by participants must also increase. Depending upon what decisions are made about the future funding of Sheltered Housing, the budget should document to what extent the program and resultant program fees are being subsidized.

**Recommendation E: Initiate Review and Revision of Sheltered Housing Assessment Questionnaire**

HOC should initiate a review and revision of the Sheltered Housing Assessment Questionnaire that is used by all Sheltered Housing contractors throughout the State. If HOC's professional staff believes the Questionnaire is in need of improvement, then it is likely that other Sheltered Housing contractors feel the same way. Especially with new program regulations expected to be adopted this year, the State Office on Aging should be open to taking another look at the Assessment Questionnaire.

HOC's Sheltered Housing Coordinator should make every effort to participate in every applicant's assessment for admission. According to the Office on Aging, this is the standard practice of most Sheltered Housing Coordinators in the State. In addition to minimizing the potential for inconsistent admission decisions, increased participation would provide the Coordinator with a greater degree of knowledge about and management control over the program.

**Recommendation F: Return to Use of Handout That Explains Program Services**

To help Sheltered Housing participants fully understand program services, HOC should return to the previous practice of providing newly enrolled Sheltered Housing participants with a handout that simply outlines what services they will be receiving. The handout should be personalized to indicate when the individual is scheduled for specific services such as housecleaning and laundry. The handout should also include a name and phone number of whom to contact in case of problems.

**Recommendation G: Conduct Thorough Program Review When New Regulations are Adopted**

As discussed in the evaluation, the State's Standards and Guidelines for the Administration of Sheltered Housing are acknowledged by the State Office on Aging as out-of-date and no longer strictly enforced. When the State's newly revised regulations for Sheltered Housing are adopted, HOC should conduct a thorough program review and make any necessary changes to ensure that HOC's Sheltered Housing is in full compliance.

**Recommendation H: Examine Ways to Most Efficiently Coordinate Sheltered Housing with Programs Operated by Other County Agencies**

HOC should review their current practices of providing feedback in general to other County agencies that refer clients to HOC, and make any necessary adjustments to improve the flow of information. HOC should also consider providing additional information to other agencies about Sheltered Housing, and providing additional information to HOC staff about how other County resources can be used most efficiently.

**Recommendation I: Schedule Meetings Among County's Sheltered Housing Providers**

HOC's Sheltered Housing Coordinator should explore whether other contractors of Sheltered Housing in Montgomery County are interested in meeting on a regular basis to share experiences and learn from one another. Although the State has indicated plans to continue scheduling occasional (probably two a year) meetings for all Sheltered Housing Coordinators, more frequent meetings among County providers would provide an additional forum for the exchange of ideas to improve Sheltered Housing.

#### VIII. DEPARTMENT AND AGENCY COMMENTS

On March 18, 1987, OLO circulated a draft of this report to the Chair and Executive Director of the Housing Opportunities Commission, the Maryland Office on Aging, appropriate Executive branch departments, the Council Staff Director, and the Jewish Council for the Aging of Greater Washington. All technical corrections received either orally or in writing are incorporated into this final report. In addition, a number of issues discussed with Housing Opportunities Commission staff during the comment period led to some revisions that are also reflected in this final report.

Written comments received are included in their entirety starting on page 55.



**HOUSING  
OPPORTUNITIES  
COMMISSION**  
OF MONTGOMERY COUNTY, MD

10400 Detrick Avenue  
Kensington, Maryland 20895  
(301) 933-9750

May 3, 1988

Mr. Andrew Mansinne, Jr.  
Director, Office of Legislative Oversight  
100 Maryland Avenue  
Rockville, Maryland 20850

Dear Mr. Mansinne:

In light of our recent discussions, and review of the revision made to the OLO Draft Report entitled A Description and Evaluation of the Sheltered Housing for the Elderly Program as Operated by the Housing Opportunities Commission of Montgomery County, I am pleased to take this opportunity to comment. My staff and I appreciate the time and attention given to this evaluation. We feel that the report accurately reflects our discussions and is a fair, comprehensive review of the Sheltered Housing program administered by our agency.

The Housing Opportunities Commission (HOC) has been involved in the provision of Sheltered Housing services to frail, older County residents over a ten year period. Offering daily meals, regular housekeeping and personal assistance, it is a unique and personalized service helpful to many people who wish to remain in their own homes, despite increasing frailties. Our program has grown to accommodate greater numbers of persons, more limited than originally envisioned, who find it less than desirable and very difficult to enter a nursing home under Medicaid. People who need, and choose, Sheltered Housing services truly need affordable, community based care and assistance on a regular, daily basis. They have chronic and serious health problems, but are not medically ill enough to warrant nursing home care. Even if they, or their families, would prefer a nursing home setting that option has become less affordable to them than in the past.

We have been particularly pleased over the years to note that, while most people use this service for substantial periods of time, others have used it temporarily while recuperating from illness or after a hospitalization. We have been able to accept people who are able to leave institutional care and return to a more "normal" living environment. It has been a reliable, basic support to caring families who are relieved of the burden and worry of providing daily assistance to their frail relative.



Mr. Andrew Mansinne, Jr.  
May 3, 1988  
Page Two

Unlike Sheltered Housing provided in a group home setting, all participants in the HOC program reside in their own apartments which are integrated throughout our developments. This affords the participant the privacy of their own apartment, while receiving reliable and supervised services. There is security without confinement, and participants are offered the ability to use the service when they most need it, without moving from their homes.

As the report points out, there are administrative complexities associated with managing the program under fairly restrictive State guidelines regarding allowable costs and service limitations. It is ironic that, during the current fiscal year, we have for the first time achieved our enrollment goal, causing us to earn State subsidy at a faster rate, and in amounts greater than those predicted. The health status of participants results in fairly high turnover and more participants are eligible for deeper subsidies. Limits on State funds for subsidies require that we now consider income as a factor in participant selection. This is a change from past practice and will result in our turning down or delaying service to otherwise needy and eligible low income elderly.

We are pleased to have learned on April 29, 1988, that the State Office on Aging intends to amend our current budget in the amount of \$50,000, which fully funds the FY 1988 program. The participants' income and level of enrollment in the program will require a substantial increase in FY 1989 funding to support the current program. The State's funding commitment will determine our ability to serve low income participants in the future.

This report urges HOC to work closely with the County in terms of long range planning to meet the needs of the frail, older population needing community based services to extend their ability to lead semi-independent lives, with needed services, outside of institutional settings. We intend to work with other County agencies having responsibilities in this area. As the numbers of older County residents increase and, to the extent State funding does not keep pace with those needs, additional local support may well become necessary.

In closing, I would like to express my appreciation, and that of my staff, for the time and close attention given to this evaluation by the staff of the Office of Legislative Oversight, particularly Karen Orlansky, Program Evaluator. I also appreciate the time you personally spent with us to discuss and consider our comments on the draft report prior to its final

Mr. Andrew Mansinne, Jr.  
May 3, 1988  
Page Three

preparation. I am confident that the final report fairly reflects the program, its history and current status, and that the recommendations are consistent with our discussions.

As you know, I will be discussing the report with our Commission and will forward their comments, if any, prior to the presentation of the report to the County Council. Thank you again for your assistance and considerations.

Sincerely yours,



acting Executive Director  
Bernard L. Tetreault

BLT:PKS/sdr  
Dsk9

STATE OF MARYLAND  
OFFICE ON AGING

WILLIAM DONALD SCHAEFER  
GOVERNOR



ROSALIE SILBER ABRAMS  
DIRECTOR

301 W. Preston Street, Baltimore, Maryland 21201-2374  
Area Code 301 • 225- 1118

April 15, 1988

Ms. Karen Orlansky, Program Evaluator  
Montgomery County Government  
Office of Legislative Oversight  
100 Maryland Avenue  
Rockville, Maryland 20850

Dear Ms. Orlansky: *Karen*

Thank you for the opportunity to review the initial draft of the evaluation of the Sheltered Housing programs operated by the Housing Opportunities Commission in Montgomery County which your office recently conducted.

The evaluation appears to be thorough and objective. It also clearly identifies specific problem areas related to program costs, fiscal management and staffing patterns which are generally consistent with the results of HOC's Sheltered Housing review which this Office conducted in February.

Your recommendations appear to be fair and reasonable. I am pleased to advise you that HOC has initiated measures to address many of the issues related to cost and fiscal management. It is hoped that your recommendations can be integrated with HOC's short and long range plans to improve the program.

To date, the Housing Opportunities Commission has been very cooperative with this Office and we plan to continue to assist the agency in its efforts to assure that the Sheltered Housing program is not only fiscally sound but that the quality services are also adequate to meet the needs of the residents it serves.

Please feel free to contact me should you wish to discuss this matter further.

Sincerely,

*Grace M. Smearman*  
Grace M. Smearman  
Housing Program Manager

GMS:mw  
cc: Patricia Scissors  
Rita Battaglia



Montgomery County Government

ROCKVILLE, MARYLAND 20850

M E M O R A N D U M

April 13, 1988

TO: Karen Orlansky, Program Evaluator, Office of Legislative Oversight

FROM: *Keith* Keith E. Kolodgie, Assistant to the Chief Administrative Officer

RE: OLO Draft Report No. 88-2, A Description and Evaluation of the Sheltered Housing for the Elderly Program as Operated by the Housing Opportunities Commission of Montgomery County

Thank you for the opportunity to comment on the above-named draft report. Attached are comments from the departments of Social Services, Health, and Family Resources. Comments from the Office of Management and Budget will follow.

KEK:psa

Attachments



# Montgomery County Government

April 12, 1988

TO: Lewis T. Roberts, Chief Administrative Officer  
FROM: Robert S. Caulk, Director *[Signature]*  
SUBJECT: OLO Draft Report No. 88-2

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The draft report sent to us seems to be a thorough description of sheltered housing available to Montgomery County elderly citizens.

We have the following recommendations for incorporation in the response:

1. Standardized assessments should be encouraged and the assessment questionnaires reviewed and revised.
2. Strategies should be developed to improve coordination with other service providers. Consider developing Memoranda of Agreement with all agencies.
3. Clients need to be able to buy parts of a "package" of services. There needs to be flexibility for individuals to buy only needed services.

We hope this information will be useful. We would be glad to participate in future planning sessions concerning this issue.

RSC:dob 0201

-60-

Department of Social Services, 5630 Fishers Lane, Rockville, Maryland 20852

AN EQUAL OPPORTUNITY EMPLOYER

TTY's:

ROCKVILLE: 468-4637

WHEATON: 565-7631

SILVER SPRING: 565-7305

MONTGOMERY COUNTY HEALTH DEPARTMENT  
100 Maryland Avenue, Suite 240  
Rockville, Maryland 20850  
217-1716

M E M O R A N D U M

April 12, 1988

TO: Keith Kolodgie  
Assistant to the Chief Administrative Officer

FROM: Martin P. Wasserman, M.D., J.D. *(M)*  
Director

SUBJECT: OLO Draft Report No. 88-2, Sheltered Housing for the Elderly

Attached are comments prepared by the Chief Nutritionist for the Health Department about the OLO Draft Report No. 88-2. I hope that these will be of assistance to Ms. Orlansky. We appreciate having the opportunity to make comments.

MPW:jb  
Attachment

MONTGOMERY COUNTY HEALTH DEPARTMENT  
Community Health & Policy Review Section  
100 Maryland Avenue, Suite 121  
Rockville, Maryland 20850  
(301) 217-7362

MEMORANDUM

April 7, 1988

TO: Martin P. Wasserman, M.D., J.D., Director  
Department of Health

FROM: Mary T. Goodwin, Chief Nutritionist <sup>ME</sup>  
Community Health & Policy Review Section  
Office of the Director

VIA: James Suzuki, Associate Director

SUBJECT: OLO DRAFT Report No. 88-2, A Description and Evaluation of the Sheltered Housing for the Elderly Program as Operated by the Housing Opportunities Commission of Montgomery County

Health of the elderly can be improved and prolonged by good nutrition. Nutrient requirements of the elderly differ from younger adults; diets for older people should contain adequate protein, vitamins and minerals but should contain fewer calories and less fat. Chewing or digestive problems may limit intake of certain foods. Finally, many older people need to follow special diets for medical conditions such as diabetes or heart disease.

Given the importance of nutrition to the health of the senior citizen, it is felt that guidelines should be included in this report which define activities and responsibilities of a nutritionist.

At present, no direct services are provided by a nutritionist. Possible areas of assistance:

Menu Planning -- to ensure nutritional adequacy as well as color, taste and texture appeal.

Planning and Implementation of Special Diets -- simple modifications for a "low-salt" diet and a "no sweets" diet should be offered to residents who need to follow modified diets. In general, menus should be designed to provide good amounts of complex carbohydrates and fiber while low in cholesterol and fats.

Possible Drug-Nutrient Interactions -- for some residents, medications may cause drug-nutrient interactions. For example, foods high in potassium may be made available to persons who take certain kinds of diuretics.

MTG:amg  
1569A



# Montgomery County Government

## MEMORANDUM

March 31, 1988

TO: Andrew Mansinne, Jr., Director, Office of Legislative Oversight

FROM: Charles L. Short, <sup>CLS</sup> Director, Department of Family Resources

SUBJECT: DFR Review of OLO Evaluation of HOC Operated Apartment-Based Sheltered Housing Program

DFR would like to commend the overall thoughtfulness and thoroughness of this evaluation. We were impressed with the astute questions addressed to us during the evaluation phase and appreciate the opportunity to contribute to the final report.

The HOC operated sheltered housing program has long been an important resource for maintaining functionally disabled elders, on low and low-moderate incomes, in their own homes for as long as possible. Both its mission and its target population are shared by the Division of Elder Affairs. For that reason, we have been supportive of the concept and the program in the past, and hope that we can continue to play an important role in its future, despite the existence of several problems outlined below.

We also wish to express our admiration for HOC staff who have tried hard to successfully implement a program whose State funding is basically inadequate.

Specifically, we wish to address the following concerns:

1. The DEA Nutrition contract with HOC, "dictated" by the Maryland Office on Aging, contains inequities and inconsistencies which, if resolved, may lead to a lower level of DFR support for the program.
2. The Older Americans Act nutrition funding is finite, and is not expanding, whereas the number of Office on Aging sponsored sheltered housing units in Montgomery County will expand shortly; spreading the same amount of dollars over more contracts may also result in a lower funding commitment from DFR to HOC.
3. DEA has developed and implemented a medication management system for its group home/sheltered housing facilities which may help solve HOC's medicine management concerns.

Office of the Director, Department of Family Resources

101 Monroe Street, Rockville, Maryland 20850-2589, Voice 301/217-1245, TDD 217-1246

4. Financial support from HOC (County funds) for Sheltered Housing is partially offset by less drain on DSS resources, and is required if we are to serve those in greatest financial need.

1. NUTRITION CONTRACT FORMULA

The attached memorandum submitted to the Office on Aging in February 1987 has never been fully addressed. It spells out our concerns that we must fully fund all persons on the sheltered housing program, regardless of whether their income warrants a State subsidy, and that there is no mechanism by which we can elicit a meal contribution, such as is requested from all other nutrition program participants, including those paying for costly adult day care. This issue will be heightened when the Ring House opens, which expects to have a sheltered housing program available both to low income subsidized participants and high income non-subsidized participants.

2. OLDER AMERICANS ACT FUNDING

If DFR Federal nutrition funding remains static, and the HOC sheltered housing program is certainly not "sole source," how can we spread our nutrition dollars equitably over all qualified programs? Homecrest House III will bring on 42 additional units of subsidized sheltered housing and Ring House an undetermined number. We eventually may have to pay all providers only a set percentage of their total meal cost. In this context, consideration of expected growth in the program, however desirable, cannot be predicated on assumptions that DFR can continue to support that growth with no cost to the County.

3. MEDICATION MANAGEMENT

The single-unit dosage medication calendar packs now available from a variety of pharmacies can be of great use in HOC buildings, accompanied by the proper release forms and records which we have designed for our group home/sheltered housing facilities. DFR staff will be presenting these useful techniques at the forthcoming National Council on Aging Conference; and will take the initiative in sharing them with HOC. The Maryland Office on Aging has thus far found no problems with our system.

4. HOC/COUNTY FUNDING FOR SHELTERED HOUSING DEFICIT

Just as DEA determined years ago that sheltered housing could maintain in the community the frail elderly on low incomes who were vulnerable to institutionalization, and supported it with nutrition funds, this program can appropriately merit support from local revenues. HOC must use additional staff resources to give responsible care to this frail population. If the State program did not exist, the County would have to invent it at full local cost. Most responsible nonprofit sponsors of elderly housing have had to increase funding to add on necessary services for those who are aging in place.

DFR Review of OLO Evaluation of HOC Operated  
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In fact, it may be highly undesirable to limit the program to those who will not require a subsidy. Those low-income tenants will seek help by going through the Assessment Center, receiving a DSS homemaker once or twice a week, meals-on-wheels if they are available, and ongoing coordination and case management through a social worker from DSS Adult Services. Although that may not show up in the sheltered housing budget, it certainly is not free!

Attachment

CLS:jmh

February 26, 1987

Ms. Rosalie S. Abrams  
Director  
Maryland Office on Aging  
301 West Preston Street  
Baltimore, Maryland 21201

Dear Ms. Abrams:

The Montgomery County Division of Elder Affairs, Department of Family Resources, has given very thoughtful consideration over a period of several years to developing a policy for the best use of our available nutrition dollars, especially in terms of support for other vital programs, such as sheltered housing, adult day care, and meals-on-wheels. Frankly, we had hoped that appropriations would be sufficient to prevent having to make difficult choices, but that no longer seems likely.

In a climate of diminishing resources, DEA must pay very careful attention to service need and program impact. In determining our policy, the following service priorities and federal mandates were incorporated:

- 1) Target the population most vulnerable/at highest risk.
- 2) Target those in greatest economic need.
- 3) Do not ask income to disqualify from service.
- 4) Develop/provide unavailable services.
- 5) Give all clients/participants an opportunity to contribute to the cost of their service.
- 6) Give all individuals/agencies of similar need, similar access to service (County contracting requirement).

We all realize that the above program imperatives, especially #2 and #3, contain certain inherent inconsistencies, but try to follow their intent.

Examining the Office on Aging proposed request that we pay the cost of the main meal daily for all participants of all certified multi-family sheltered housing programs in terms of the above imperatives, we find that:

o Most sheltered housing participants are less at risk of institutionalization than most seniors requesting meals-on-wheels. Sheltered housing participants have the programmatic availability of the meal program, with or without our support. Those at risk are those who cannot afford to participate in the program.

o Not all sheltered housing participants are in "greatest economic need". A participant (Mrs X) at Leafy House could have an income of \$18,000 or more. The Office Office on Aging has recognized that such a participant has no valid claim to cash subsidy and makes no attempt to subsidize such a participant in the sheltered housing program. By what rationale should the nutrition program deem Mrs. X to be in great economic need, if the sheltered housing program does not? The actual meal service is available to Mrs. X without C2 subsidy; therefore her subsidy could not be justified on the basis that the care would not otherwise be available.

o Nutrition program participants should be given an opportunity to contribute to the cost of their meal. Participants at other sites with much lower incomes than 'Mrs. X' are told the full cost of the meal and contribute an average of \$1.01 per meal. A similar dilemma arose last year concerning the C2 support of all day care participants at the seven local programs. Adult day care participants are at least as disabled as sheltered housing participants and, since PMA subsidies are very limited, many attend under severe economic hardship. In the past we had hesitated to request contributions because that simply added to the already high program cost borne by the participants. Under increasing pressure to minimize the impact of Gramm-Rudman cuts by increasing participant's contributions, we implemented contribution requests to all day care participants last year. Day care program directors were made responsible for indicating to all participants that, while a hot lunch was available, it was not included in the program cost. Program directors stated the meal cost, requested and collected the contributions. To our surprise, this change was implemented smoothly, elicited few complaints, and did not result in any day care participants withdrawing from the program.

We receive frequent requests from homebound seniors for meals-on-wheels, because they cannot be served by the program in their area, because there is no program in the area, or because they CANNOT AFFORD the meals-on-wheels' fee. Sometimes the individual's plan of care to remain at home is jeopardized solely by lack of meals-on-wheels. The Division is frequently able to develop the mechanics for actually getting the meal to the person, but is hampered by lack of funds to pay for the meal. This type of request should have a high service priority.

Ms. Rosalie Abrams  
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o In accord with the program imperatives to treat all programs equally, and to target those in greatest need, last year we ceased our C2 support of all Mary's House participants. We reasoned that increased program costs would be passed on to residents, forcing an increase in the sheltered housing subsidies some required, but not posing true financial hardship for those not on subsidy. Management of Mary's House supported this approach, in agreement that public funds should serve those in greatest need.

o Montgomery County's contracting procedures do not permit us to fund one program because we "always have" if a new program is equally eligible. Available funds must be distributed to all "eligible" agencies, using the RFP method at set intervals, usually three years. Therefore, we must be extremely careful with the precedents we set for eligibility.

Based on all of the above considerations, we propose to subsidize, through the nutrition program, only those sheltered housing participants whom the State Office deems to be in sufficient financial need to warrant State sheltered housing subsidies.

We recognize that it is extremely difficult to charge a person more for what he/she perceives to be the same service. While contracting procedures do not permit us to "grandfather" in a program, we may "grandfather" individuals. Based on a mutual understanding that Bethany House, Springvale Terrace and all future projects will only secure meal subsidies for those individuals actually receiving the State sheltered housing subsidy, we will continue our present subsidy to all the individuals currently enrolled in HOC, Revenue Authority, and JCoA programs. All new participants in those programs will have their meal subsidy dependent on and linked to the State sheltered housing program subsidy so that, by attrition, we will achieve our objective.

We also need your agreement that additional meal subsidies for new developments, even restricted to State subsidized residents, simply may not be possible without an increase in appropriations. We can identify only two options that we could use in the future in the event the Office on Aging certifies Homecrest House III, another HOC building, or some other.

1) The Office on Aging can include all the meal costs as program costs, since meals are mandatory, thus creating a higher program cost to be met by a deeper State subsidy per client. If federal costs must be contained, placing all sheltered housing costs in the State sheltered housing budget must be considered.

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2) Bring in all income eligible (i.e. receiving state subsidy) participants of all new certified programs but spread the same dollars out over the entire program. This could result, for example, in subsidizing meals at 90% of cost (for Leafy House as well as Homecrest III) but treats programs equally.

It is important that we agree on which of the above approaches we wish to take in the future. We must absolutely avoid a scenario in which the State Office indicates to a potential sheltered housing provider that our Division will support its meal program, when that may not be the case.

The attached charts reflect the fiscal impact of our policy on current funding. We will make every effort to use dollars saved from C2 to meet some urgent needs for meals-on-wheels.

Sincerely,

Don Wassmann  
Chief  
Division of Elder Affairs

DW:LC:djm

L0044C

Enclosure

# Jewish Council for the Aging



March 30, 1988

Karen Orlansky, Program Evaluator  
Office of Legislative Oversight  
100 Maryland Avenue  
Rockville, Maryland 20850

Dear Ms. Orlansky:

We have read the draft document which describes and evaluates the Sheltered Housing for the Elderly Program as operated by HOC of Montgomery County. We certainly appreciate the recognition of the value of the Senior Aides to the program and are delighted to have the opportunity to participate.

At the same time, a major goal of the Title V program is to assist the Senior Aides in finding unsubsidized employment. Therefore, we feel it would be appropriate if after, or even before, the two-year durational limit which you refer to in your report, consideration be given to hiring one or more of the Aides.

Thank you for the opportunity to add this comment to your report.

Sincerely,

Ruth Breslow-Young, LCSW  
Executive Director

RBY:lh

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