

OPINION

HOUSING MATTERS

Establishing a Link Between Health and Housing

Hospitals are Making People Healthier Through Housing Investment

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It is well understood that the security of a home fosters physical and mental well-being. Those without it, individuals and families – whether homeless or at the risk of losing their home – suffer, and this takes its toll on their health.



“Medical researchers and clinicians are increasingly recognizing the importance of the social determinants of health, which include

stable, decent, affordable housing” according to a 2017 article in the Journal of the American Medical Association.

A few medical institutions are trying to do something about it. Instead of only investing directly in providing medical care for needy families, they are experimenting with addressing root causes – like housing instability.

Most are nonprofit hospitals fulfilling the “community benefits” contributions that the federal government and states like Massachusetts require in exchange for their nonprofit, tax-exempt status. They are looking “upstream” at the causes of ill health in their population areas.

The Boston Medical Center announced late last year it would invest \$6.5 million over five years to assist a variety of affordable housing efforts, with a goal of improving the health of local residents and reducing medical costs. BMC, an urban facility with a high proportion of low-income families in its area, said it was “investing in a diverse group of community partnerships in neighborhoods where many

of our patients already live, which will enable them and other residents to access a larger pool of stable, affordable housing.”

The initiatives include helping to fund a

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healthy-food market in a new Roxbury housing development, money to help families avoid eviction and a contribution for a housing stabilization program for people with medical problems including substance abuse.

“More and more hospitals are starting to invest in housing as a pathway to better health. They are investing in housing stability services, supportive services, housing rehabilitation and occasionally bricks and mortar housing,” said Joe Kriesberg, president of the Massachusetts Association of Community Development Corporations, which has been working on the issue for the past few years.

Nationally, Bon Secours Health System in Baltimore and Nationwide Children’s Hospital

in Columbus Ohio have reportedly used endowment funds to build affordable housing and pay for community improvement initiatives.

Examining Upstream Causes

More than half of the hospitals in the United States are nonprofit institutions, and as such they are tax-exempt under Internal Revenue Service rules. About a decade ago, the IRS began requiring a framework for hospitals’ “community benefits” contributions. Hospitals began reporting the actual benefits they provided – including meeting a mandate to provide unreimbursed clinical services to all who need it.

These unreimbursed costs were significant. As income-stressed individuals and families without insurance had no access to primary care services, they had to rely the most expensive kind – visits to emergency rooms.

Then came the Affordable Care Act (ACA) less than a decade ago, and one of the many intended reforms was that funds from premiums for care (or fines for those who don’t sign up) would cut hospital costs. If most everyone had insurance, expensive emergency-room utilization would diminish, and hospitals would be incentivized to invest in improving the health of patients rather than for utilization of health services.

Nonprofit hospitals nationwide spent about 8 percent of their operating expenses on community benefits in 2014. In Massachusetts, the figure is about \$700 million annually, roughly half going to charitable care or community groups and half to prevention, such as cholesterol tests or mammograms for people without insurance. While they are

worthwhile, there is some concern that these investments don't address systemic issues or are limited in their effectiveness. For example, a 2016 analysis of Massachusetts tax-exempt hospitals' spending from 2008 to 2015 done by Community Catalyst questioned "whether they benefit the communities served."

Historically, very little has gone to those upstream causes, such as job training for unem-

ployed, violence prevention – or housing.

"There is a growing recognition that to be healthy it's not just about being insured or getting care but where people live, whether they have secure housing," said Gary Young, director of Northeastern University Center for Health Policy and Healthcare Research.

Recognizing the significance that quality housing plays in ensuring the health of con-

sumers and communities is long overdue. It is an exciting development that must be nurtured to grow its enormous potential of bringing new resources to address our housing needs. ◀

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