**PROPOSAL FOR HOMELESS TO HOUSING FUNDING**
November 2, 2018

The INN Between®
Hospice for the Homeless

## EXECUTIVE SUMMARY

The INN Between (TIB) is Utah's only hospice bed and medical respite bed provider for medically compromised homeless individuals, who are among the most demanding individuals in the homeless community. Our program provides a solution that meets their health care needs while reducing the burden on our shelters which are not equipped or staffed to provide the required medical oversight, basic needs and intensive case management.

The State of Utah was one of TIB's earliest supporters with Unified Funding when our program began in 2015. The State Legislature underscored the significance of our program by allocating $100,000 in ongoing funding and $975,000 toward the purchase our new facility. And, the Olene Walker Housing Loan Fund provided the $1,000,000 secondary loan (the primary loan of $1.9MM will be paid off in full this month and the secondary loan should be paid in full by the beginning of 2019).

In June, we moved to our new home and quickly expanded the number of operational beds to 30 (from 16 in the former facility). The new building allowed TIB to obtain State Department of Health licensure as an Assisted Living Facility Type II, providing additional program oversight. The first State survey was completed on October 23 with no Class I (critical) deficiencies.

We knew that our first year in the new building would be the most challenging. As with any new program, despite careful research and planning on the part of our board, management and outside advisors, our projections varied from reality, both in terms of budgeting and of number of clients we expect to serve. We underestimated the actual cost of operating the program in the new facility, primarily due to the staffing (salaries and contract workers at $1.3MM). To comply with Department of Health rules, we have to maintain a base-line of staff whether we have one client or 50. We also underestimated facility maintenance and supplies costs. The net result is an FY18/19 budget deficit of about $700,000 (see attached budget).

In addition to underestimating expenses, we overestimated revenue from the Medicaid New Choices Waiver (NCW) program. We projected to have five NCW patients relatively quickly, each bringing in about $2,200 per month ($132,000 annually). However, we only have one NCW patient, who we acquired from the previous building owner. The NCW approval process is much more challenging than we anticipated. For example, we had been working with a potential NCW patient for the past 5 months. During that time, his Medicaid lapsed, was reinstated, and he was finally awarded the waiver in late October. We saved his room the entire time and frequently communicated with him and his social worker at the Skilled Nursing Facility. However, at the last minute, he was placed at another Assisted Living Facility–a decision completely out of our control. Therefore, NCW funding cannot be relied upon to the extent that we had budgeted.

Hospital partnerships are another key revenue element. We have a partnership with Intermountain Healthcare, and we are in the midst of discussing an increased partnership level from them as well as new partnerships with University Health Care and Healthcare Corp. of America (St. Mark's); however, these agreements take a long time to solidify.

In the meantime, we are at risk of having to relinquish our Assisted Living license and close that program, which would leave the most medically compromised individuals (those who require

medication management or assistance with activities of daily living) with no other solution and would eliminate State oversight of our program, something we do not want.

Therefore, to bridge the gap and ensure continuity of our program, we respectfully seek critical one-time gap funding of $500,000 (71% of the budget shortfall) from the Homeless To Housing (H2H) restricted account. The funding will provide three critical outcomes: 1) ensure that our program can operate at full capacity (50 beds) during this winter's coldest months, 2) provide shelter diversion for the medically compromised now and, more importantly, as the homeless services model transitions to a scattered site next summer, and 3) give us time to establish new ongoing funding streams from other key sources including new hospital partnerships and county and city general funds.

**DOES TIB MEET THE INTENT OF §35A-8-604**

Ultimately, the State Homeless Coordinating Committee must decide if TIB's program fits the intent of the code. After having carefully reviewed §35A-8-604, we believe that our program complies with the intent, with particular emphasis on the following sub-sections:

- (4)(a): We operate in a very cost-effective manner, utilizing a large team of volunteers and a significant quantity of items donated in-kind.
- (4)(c): We can obtain the required 100% matching funds.
- (4)(d): We target the distinct housing needs of single men and women, veterans, individuals who are medically frail or terminally ill and/or who have behavioral health disorders including mental health or substance use disorders, and individuals who are homeless without shelter (provided that the individual has a medical condition that would make them inappropriate for placement in a shelter or motel).
- (4)(e): We divert medically compromised individuals from emergency shelters by providing a better temporary housing solution that meets all basic needs, provides stabilization services and intensive case management, and, for the non-terminally ill, encourages employment. TIB offers temporary stays of a length determined by the medical team given the client's medical status. In general there are no long-term leases (the exception being our single New Choices Waiver patient who has a 1-year lease).
- (8)(a): Although not a traditional homeless shelter, TIB meets the bill's definition of a homeless shelter by: 1) being located within a municipality, 2) providing temporary shelter year-round to homeless individuals and 3) having the capacity to provide shelter to at least 50 individuals per night. TIB focuses on the specific subpopulation of individuals who are medically frail or terminally ill, and we require documentation of their medical condition.
- (9)(b)(i): Priority is given to shelters with 200+ beds. The bulk of the restricted account has been prioritized for large facilities. Our request of $500,000 is only 8% of the total fund.
- (9)(b)(ii): The Committee can consider the number of beds available and the number and quality of the services provided in making their decision. TIB bears the Committee's consideration because we offer a unique service to the specific sub-population of medically compromised adults.

## PROGRAM DETAILS

TIB accepts medically frail and terminally ill homeless adults into either our Assisted Living (AL) program or our Eleemosynary program (more commonly called the Independent program). In order to be admitted to the AL program, clients must require 1) medication management (they are incapable of managing their own medication, typically due to a substance use disorder or cognitive impairment) and/or 2) help performing activities of daily living (ADLs) which include bathing, toileting, dressing, and eating. Per State Department of Health rules, The AL program requires medical staffing including a Nurse Supervisor, 24/7 CNAs, Activities Director, Volunteer Director, Nutritionist, and Facilities Manager. TIB used to rely on volunteers to perform similar functions ad-hoc and on a smaller scale in our old building. Now, we must have these positions in our budget.

About 75% of new clients go into the Independent program because they can manage themselves. Hospice does not require a separate license, and hospice patients are admitted to either the AL or the Independent program based on their capabilities. They will remain on the Independent side until they require medication management or help with ADLs, at which point we move them to a room on the AL side and begin in-house medical assistance. In some cases, they can remain independent through the end of life and not require transfer to the AL program. TIB does not provide hospice care – independent licensed hospice agencies provide this care in our facility, the same way the provide it in the home for individuals who have a home.

Medical respite clients (those who are not terminally ill) have short-term stays during which we provide intensive case management to work toward permanent housing and employment in the community.

TIB's program is temporary in nature because any of our clients, including our NCW patient, may be involuntarily discharged if they present a threat to themselves or others, if their medical condition exceeds our capacity (i.e., they require transfer to a skilled nursing facility) or if they break house rules which may include the possession of illegal drugs, drug use in the home, theft or aggressive behavior. In the event of an involuntary discharge, we make every effort to find a suitable placement and prevent a return to the streets.

## CAPACITY ISSUES

TIB is zoned and licensed for 50 beds, 25 on the AL side and 25 on the Independent side. In addition, our building has 75 actual beds, and Salt Lake City is expected to approve a reasonable accommodation request which will grant the additional 25 beds. Prior to our move, we projected that it would take three years to get up to the full capacity of 50 beds. However, with five months of operating experience under our belts, we know that staffing is the main limiting factor. And, even today, at 30 beds, we are short staffed because of the base line of staffing required whether we are operating one bed or 50.

The H2H funding will allow us to immediately begin hiring to adequately staff the organization with the goal of having all 50 beds operational by Dec. 31st. There is no shortage of referrals – we turned 47 people away between July and October of this year, and this will increase significantly with the colder winter months.

## LACK OF OTHER ADEQUATE SOLUTIONS

TIB is focused on the medically frail and terminally. Mainstream alternatives, such as shelters, resource centers and motels, lack 24/7 assigned beds, medical oversight, intensive case management, basic needs, transportation to medical appointments, storage for medications and Oxygen, proper infection control, and much more. Motels are especially problematic because they tend to become centers of illegal activity.

A recent case demonstrates the plight in the motels. One of our residents was blind due to cataracts. Fourth Street Clinic placed him in a motel for three months, and he was becoming increasingly mentally unstable due to the isolation. People preyed up on him, physically and emotionally. He fashioned self-defense weapons that he would sleep with, and he rarely left his room. He couldn't get surgery because he lacked a stable place to recover. He was literally going insane. Volunteers of America referred him to TIB where he felt safe and had his basic needs met. Within days, he calmed down, his innate personality began to blossom, and he became a new person. Within a week, he had his first surgery, regaining vision in one eye. He is going through multiple surgeries on the second eye. We will be able to house him and provide comprehensive social and emotional support throughout his medical crisis while we simultaneously work to get him employment and housing in the community. He is grateful, and shows it by taking on the responsibility of many chores around the house.

## SYSTEM-WIDE PROCESSES

Shelter Diversion and Coordinated Entry will become critical when The Road Home closes and the community transitions to the new Resource Center model next summer. TIB needs to be well-positioned and fully operational so that medically compromised individuals who present at the Resource Centers can quickly be referred to our program.

The medically compromised homeless tend to be high utilizers of 911 and Emergency Rooms for primary care. In the overwhelming majority of cases, the costliest medical care is going to the lowest acuity medical issues, causing a strain on limited fire department, police department and hospital resources. Many of these individuals are uninsured resulting in extreme financial costs to our cities and health care system–costs that are passed down to all citizens. Temporarily housing medically compromised individuals at TIB, with our intensive case management, is a highly effective means of breaking the dependence on 911, establishing primary medical care, and securing stable housing in the community.

## COLLABORATIONS

Collaboration is critical for identifying medically frail and terminally ill homeless adults and referring them to a setting that reduces harm. Most of our referrals come from area hospitals, especially LDS, University, Huntsman, St. Mark's and Salt Lake Regional, underscoring the acute nature of medical issues on the streets and the often times inappropriate use of emergency rooms for primary care. Intermountain Healthcare and the LDS Church partner with us financially for priority bed placement, and we are working to partner financially with the other hospitals.

We also receive a significant number of referrals from Volunteers of America, the Salt Lake City Police Department's Community Connections Center, LDS Humanitarian Services and Valley Behavioral Health. We get occasional referrals from The Road Home and other independent shelter and resource providers. In all cases, we work very closely to co-case manage clients for optimal outcomes. We have reached out to Fourth Street Clinic, but we don't typically receive referrals from them.

**SUMMARY**

The State of Utah has been very supportive of TIB and our uniquely focused humanitarian mission. Our 16-bed pilot program, launched in 2015, was able to operate on a small budget of about $500,000. However, demand always exceeded our capacity, and we were not licensed to take the most medically compromised, with no other available solution in the community.

Homelessness is not decreasing, and the population is aging, which will continue to create strong demand for hospice and medical respite beds. Our shelter system is drastically changing in June 2019, and we, as a community, must be prepared to make that transition as seamless as possible.

TIB has the desire and capacity to meet the unique needs of medically compromised homeless adults. Our hospice and medical respite programs play a critical role and serve individuals from across the State (predominantly along the greater Wasatch Front). The first year of our expansion is the most critical, and the State's extra support will ensure that TIB can continue to meet the needs of medically compromised homeless adults as we work together, as a community, to smoothly implement the new Resource Center model and mitigate homelessness on a larger scale.

Thank you for your consideration.

Sincerely,

Kim Correa
Executive Director
801-313-1011 mobile

The INN Between

# Organization Budget FY 2019

Board Approved 10/22/2018

## Revenue

| | | |
|---|---|---|
| Foundation and Corporate | $ | 313,500 |
| Individuals | | 75,000 |
| Government Grants - Program | | 321,020 |
| United Way Direct Grants | | 5,000 |
| Program Related Income from Contracts | | 147,000 |
| Program Related Income Other | | 63,000 |
| Fundraising Events | | 59,000 |
| Interest/Misc | | 500 |
| *Funding Gap* | | *695,100* |
| **Total Cash Revenue** | **$** | **1,679,120** |
| In-Kind Goods and Services | | 150,000 |
| **TOTAL REVENUE** | **$** | **1,829,120** |

## Expenses

| | | |
|---|---|---|
| Salaries and Benefits | $ | 837,260 |
| Contract Services | | 502,010 |
| Debt Service | | 88,000 |
| Occupancy | | 112,750 |
| Program Expenses | | 17,080 |
| Communications | | 17,200 |
| Software/IT | | 8,390 |
| Professional Development | | 5,000 |
| Outreach and Marketing | | 8,720 |
| Staff Expenses | | 970 |
| Office Expenses | | 3,000 |
| Vehicle Expenses | | 3,340 |
| Licensing and Bank Fees | | 3,450 |
| Insurance | | 28,860 |
| Professional Fees | | 15,200 |
| Fundraising Events | | 9,890 |
| Maintenance Fund | | 18,000 |
| **Total Cash Expenses** | **$** | **1,679,120** |
| In-Kind | | 150,000 |
| **Total Expenses** | **$** | **1,829,120** |
| **Net Revenue** | **$** | **-** |

Updated 11/2/2018