

Appendix D: Survey Of Partners Unable to Attend Listening Session

Contents

Background	1
Results	1
How many AAL facilities does your organization operate in Indiana?	2
How many AAL properties does your organization operate elsewhere in the US?	2
What is the breakdown between affordable (with public funding subject to rent and income restrictions) and market rate (privately owned and operated without such restrictions) assisted living facilities in your portfolio?	2
What do you perceive to be the greatest opportunities in Indiana for the future development of AAL facilities?	3
What do you perceive to be the greatest challenges or obstacles in Indiana for the future development of AAL facilities?	3
What challenges or opportunities do you see as unique to developing AAL facilities within counties with fewer than 50,000 residents?	4
Describe your experiences in working with Area Agencies on Aging.	4
Describe your experiences or your ideas and concerns of combining AAL with Independent Living.	5
What are the most valuable lessons you have learned in the development of AAL facilities?	5
What are the most valuable lessons you have learned in the operation of AAL facilities?	6

Background

A survey was sent out to licensed assisted living facilities with a working email address on file with the Family and Social Services Administration Division of Aging (after removing email addresses of facilities who were eligible to participate in the first survey of LIHTC AAL facilities). The survey link was also provided in a RED notice (<https://www.in.gov/ihcda/files/23-38-Survey-of-Affordable-Assisted-Living-Providers.pdf>). Survey responses were collected via Survey Monkey using the link provided in the email or RED notice between August 9, 2023, and August 25, 2023.

The questions in the survey were open-ended and included asking about opportunities, challenges, and lessons learned in the development and operation of affordable assisted living (AAL) facilities. Results of the survey are summarized in the following report. Note that for some responses, minor spelling or grammar edits were made to improve interpretability.

Results

There were 6 responses provided to the survey and one response provided via email. The responses to the survey came from assisted living facility developers and operators around the state of Indiana. The responses to each question of the survey are summarized below.

How many AAL facilities does your organization operate in Indiana?

The following table summarizes the number of AAL facilities operated by the respondent's organization in Indiana for the 6 survey responses:

Number of AAL Facilities Operating in Indiana	Number of Responses
0	1
1	2
2	1
7	2

How many AAL properties does your organization operate elsewhere in the US?

The following table summarizes the number of AAL facilities operated by the respondent's organization in Indiana for the 6 survey responses. Of note, only one response stated that their organization does not operate any AAL properties in Indiana or the rest of the US.

Number of AAL Facilities Operating Elsewhere in the US	Number of Responses
0	4
3	1
12	1

What is the breakdown between affordable (with public funding subject to rent and income restrictions) and market rate (privately owned and operated without such restrictions) assisted living facilities in your portfolio?

We received a range of responses regarding the breakdown of affordable vs. market rate assisted living facilities. These responses are summarized in the table below. Note that the previous survey defined affordable assisted living facilities as those developed using funding from the tax credit or bond program (and respondents were limited to primary owners or primary management from those facilities), while this question used a broader definition of affordable assisted living facilities.

Percent Market Rate Facilities	Number of responses	Notes
0%	1	This respondent reported operating 0 AAL facilities across the US.
40%	1	This respondent reported operating 5 AAL facilities across the US.
85%	1	This respondent reported operating 19 AAL facilities across the US.
Uncertain	3	One respondent reported operating one AAL facility, another respondent stated, "We operate 1 AL that accepts Medicaid Waiver", while a third respondent wrote "7 privately owned".

What do you perceive to be the greatest opportunities in Indiana for the future development of AAL facilities?

Responses to this question are summarized below, note that this question was open-ended, and a single response may list multiple opportunities. Some of the opportunities listed here may also fit into the “challenges” category.

- Two responses mentioned rural or less populated communities:
 - o “Providing AAL services to Cities with less than 25,000 in population (similar to age-restricted elderly housing)”
 - o “All communities need more affordable housing, especially rural communities.”
- Two responses mentioned Medicaid in their responses:
 - o “Medicaid waiver locations”
 - o “With the push to Home and Community Based Services by the state, there are not many options for those who may be dually eligible (Medicaid and Medicare) to be able to find an appropriate setting for them in the community. The state has an initiative to move 75% of people currently being served in nursing homes to being served in HCBS but the capacity isn't there.”
- One response mentioned “available funding”.
- Another response stated: “Stop building so many due to the staffing shortages”.

What do you perceive to be the greatest challenges or obstacles in Indiana for the future development of AAL facilities?

Responses to this question are summarized below. Note that some responses may have come in the form of an email response and some responses may fit into more than one of the categories described below:

- Three responses mentioned challenges related to staffing, with one response specifically mentioning staffing with licensed nurses.
- Other responses mentioned financial challenges, including:
 - o “Spiraling debt costs with no foreseeable end in sight through 2025”
 - o “Companies aren't set up to financially thrive related to having affordable housing. They can't fathom breaking even or making minimal profit to serve a very real population of people in need, they want to make millions.”
 - o “Capital, Land, construction costs”.
 - o One respondent requested that IHCDCA allow developers to use tax-exempt bonds without pairing them with 4% tax credits, as this would “provide an opportunity for growth in some smaller communities.”
 - o Another request included that IHCDCA use the same set of requirements which are used by the Indiana Finance Authority (IFA). The respondent noted that the IFA questionnaire is clear and specific about eligibility requirements while the IHCDCA requirements are less clear. Additionally, the requirements by IHCDCA may exclude some smaller developers or smaller housing authorities.
 - Additionally, the respondent requested that IHCDCA limit its financial requirements for tax credit reservations to requiring that a developer does not have a defaulted tax credit project or defaulted federal loan. The respondent

noted that IHCD has more stringent requirements than other private and public lending agencies. They suggested the more stringent requirements imposed by IHCD may exclude smaller developers.

- Two responses mentioned challenges regarding Medicaid waivers:
 - o "... amount of private pay residents. I feel more waivers will be needed."
 - o One respondent expressed concerns regarding the Medicaid waiver application process: "You have to streamline this stuff. For instance, why would you need EVERY job description... many of these requirements [on the Medicaid waiver application] are not necessary."
- One response was related to exclusion of counties where 4% bond awards have been made. Specifically, the respondent requested that IHCD exclude cities where a 4% bond award has been made, but not exclude the entire county if there is still a need in that county.

What challenges or opportunities do you see as unique to developing AAL facilities within counties with fewer than 50,000 residents?

Responses to this question are summarized below. Note that this question was open-ended, and one response may list multiple opportunities or challenges.

- Three responses mentioned financial topics:
 - o "Capital, Land, construction costs..."
 - o "Being able to lower the costs of debt per unit to make AAL affordable (current AAL models are in excess of \$300,000 per unit)."
 - o "Economy of scale is the greatest challenge."
- One response mentioned competition.
- Another response mentioned "Medicaid Waiver opportunities in these areas that tend to be lower income."
- Finally, one response mentioned "... stigma of affordable meaning extremely low-income individuals".

Describe your experiences in working with Area Agencies on Aging.

Below we provide a summary of the survey responses. Note that some responses may have come in the form of an email response and some responses may fit into more than one of the categories described below:

- Two respondents mentioned that they had limited interactions with AAAs:
 - o "None"
 - o "I honestly don't have a lot of involvement with these areas."
- One response only mentioned positive interactions with AAAs: "The NE Indiana agencies are great to work with, we have never had any issues"
- Five responses mentioned negative or mixed interactions with AAAs:
 - o "Good prior to the PHE [public health emergency, i.e., COVID-19 pandemic]. During and post PHE Labor shortages and budget limitations have contributed to vacancies in Care Managers in several AAA Regions."
 - o "The AAA have vested interest in being the gatekeeper and provider of services so it can get pretty muddied at times when it comes to referrals. I think overall they want what is best for those who are aging in Indiana, I'm just not sure they know what that is."

- “When I have had to reach them, it can be challenging”
- “I do not get responses from most caseworkers, in turn, I spend a lot of time trying to contact caseworkers.”
- “... we have another facility where the hold up in admitting people to our Wavier entity is the AAA. We wait months at times. That is not fair to the member or the entity willing to hold “open” that slot.”

Describe your experiences or your ideas and concerns of combining AAL with Independent Living.

Below we provide a summary of the survey responses. Note that some responses may fit into more than one of the categories described below:

- One respondent had no comment.
- One respondent described their experiences with combining AAL with Independent Living as well as other facilities geared towards older adults: “The mix is generally 50% Independent 35% AAL, 15% Elderly LIHTC. Age Restricted Independent Living merged with Home Health Care is a very desirable outcome.”
- A second respondent also described the combination of AAL and IL facilities as a positive: “If done correctly, I believe this will not be a barrier for our two communities. It may provide added census at both campuses.”
- Three respondents provided some concerns:
 - “I think it would be wonderful but those who can afford IL type arrangements may have perceived notations or assumptions about those who need affordable AL.”
 - “It works but they still separate themselves IL wants to be with IL residents and sometimes want to eat separate mealtimes than AL”
 - “It has been a positive experience. However, independent living is not popular (or really available) in my area.”

What are the most valuable lessons you have learned in the development of AAL facilities?

Below we provide a summary of the survey responses:

- Two respondents mentioned limited experience with AAL facility development:
 - “I have not been involved in development of AAL facilities”
 - “Still looking at the idea of AAL facilities for our organization.”
- Two respondents mentioned financial lessons learned:
 - “Capital Costs must be controlled. Keeping per square foot costs under \$200 and per unit and debt service (P&I) under \$30 per Resident day is the goal.”
 - “Securing funding is challenging.”
- Two respondents mentioned less easily quantified lessons in AAL development:
 - “People want their own space, but they also thrive around being with others. Developing a simple "place" doesn't make it a home.”
 - “Communication throughout all departments, open door policies, building relationships with staff building a trusting team. Ambiance of team morale very important”

What are the most valuable lessons you have learned in the operation of AAL facilities?

Below we provide a summary of the survey responses:

- One respondent did not respond due to inexperience with AAL facilities.
- Two respondents mentioned customer/family satisfaction:
 - o “Customer satisfaction”
 - o “Knowing everything about the building and being available 24/7 for concerns for both families and staff. Letting staff and families know that you care and being involved at all levels.”
- One respondent described a financial lesson: “Over the last decade, the higher the debt service costs are, fewer dollars are left over to provide services. As Residents age in place, the care needs (and subsequent costs) increase. Too many dollars allocated to debt negatively affects resources available to meet the needs of the Residents. Once debt service costs are under control, the AAL model is extremely popular with Residents needing assistance and more cost efficient than the Skilled Nursing alternative.”
- One respondent mentioned the gap for residents with mental illnesses: “There is a gap, a very wide gap in caring for those who need affordable AL and have mental illness. They are typically homeless and don't get the consistent services that are needed. We fail to close the gap and it gets wider and wider each year.”
- Finally, one respondent mentioned challenges in operating a standalone AAL: “There is little help to support standalone AAL. Also, it is difficult to keep up to date with changing regulations in standalone facilities.”