REINVESTMENT PARTNERS' COMMENTS ON DRAFT SERVICE DEFINITIONS

Reinvestment Partners works with people, places, and policy to create just and healthy communities. We have a 25-year history as an advocacy and community development organization. We are a vendor to health insurers and health providers, offering non-medical interventions for improved health outcomes and health care savings in the areas of food and housing.

Reinvestment Partners (RP) respectfully submits these comments in response to the North Carolina Department of Health and Human Services' (DHHS) Draft Pilot Service Definitions for Pricing Purposes as part of the North Carolina Healthy Opportunities Pilots. RP is submitting comments in the following areas:

- Housing Quality and Safety Inspection
- Home Remediation and Accessibility Services
- Medical Nutrition Therapy

Housing Quality and Safety Inspection

Housing Quality and Safety Inspections as defined in the draft service definitions are designed to assess "potential home-based health and safety risks to ensure living environment is not adversely affecting occupants' health and safety". RP believes that a Housing Quality Inspection is helpful for individuals or families that are moving into new or existing housing units, but that it is not the correct assessment tool for identifying in-home environmental health and safety issues for existing occupants. Housing inspections are important to determine that a house is safe and suitable for occupancy, but home assessments for health-related conditions are a separate category, with separate qualification requirements.

For example, Housing Quality and Safety Inspections occur under Housing Choice Voucher programs to ensure that rental housing is safe and suitable for occupancy. Attached please find the HUD Checklist for Housing Quality Standards, which could be used for health clients moving into housing.

However, home assessments for health-related conditions should be more limited to address the specific health condition(s). For example, assessments to address in-home environmental triggers of asthma do not need to include all of those parts of a housing quality inspection. Instead, these healthy home assessments should focus on those issues in the home related to air quality and other conditions that affect asthma. Assessments for lead hazards focus on those issues related to lead-based paint hazards, specifically around paint chips and paint dust. Similarly, assessing the home of an elderly person for fall hazards should focus on fall hazards rather than a broad housing quality inspection.

To broaden those specific health-related assessments to a more general housing quality inspection will introduce confusion and complexity. For example, if a low-income homeowner needs an asthma-based home assessment but fails a broader inspection on other housing quality issues, will they end up qualifying for the asthma intervention? Will it trigger some kind of action by the municipality under the housing quality standard?

Walking into a home to assess if it is ready for an occupant to move in versus walking into a home to address some type of environmental health trigger are two very distinct processes because what you are looking for will differ. RP recommends that Housing Quality and Safety Inspections occur in situations in which there is a move-in to new housing. Housing assessments related to health issues for existing residents should be targeted for the particular health and/or safety concern rather than under a more comprehensive housing quality standard.

Home Remediation and Accessibility Services

RP recommends that NC DHHS break Home Remediation and Accessibility Services category into three distinct services:

- Breathe Easy at Home Asthma Intervention (or Non-Medical Equipment to Improve Health Outcomes)
- Home Repair and Remediation
- Home Modifications for Accessibility

While the pricing structure may be similar, each of these programs has unique components.

The Breathe Easy at Home Asthma Intervention includes a home assessment by a healthy homes specialist who is able to assess environmental and behavioral (i.e. smoking in inside the home) conditions that may be contributing to uncontrolled asthma episodes. The healthy homes specialist is also trained to identify potential structural home repair or remediation items for referral to home repair programs. However, the home visit focuses on introducing the family to the Breathe Easy at Home kit and providing training in the use of the equipment and materials included in the kit. Follow-up visits focus on the use of the kit, assessing any improvements in environmental conditions, and following up on any referrals for home repairs.

The Home Repair and Remediation program requires a more extensive home repair assessment to identify deficiencies in housing conditions and to price out repair and/or remediation costs. The home repair or remediation home assessment should be conducted by a contractor or construction specialist who understands structural housing issues, understands the sequencing of repairs, and can provide cost estimates for repairs. Even if Breathe Easy at Home participants are referred for home repairs, those repairs would require an assessment by a construction specialist who can identify repairs and estimate costs.

We recommend that the home repair and remediation program cap costs at $12,000 for owner-occupied homes and $4,000 for rental homes. The $12,000 limit for owner-occupied homes should allow for more significant repairs to address structural issues such as roofing, flooring, and/or systems (such as plumbing or HVAC). The cost cap for the rental homes was determined by an estimate of what it would cost to replace carpet with different type of flooring or other non-structural repairs. The cost cap includes hard and soft construction costs but does not include administrative or indirect costs.

The cost cap differential based on ownership is to ensure that it limits incentives for landlords to defer maintenance on homes. In addition, renters have fewer protections and are likely to move more frequently. We recommend that the landlord have the option to provide matching funds for additional repairs with a one-year lease (rather than the 24-month lease requirement), because landlords do not control tenant behavior. By providing some funding and incentivizing a match, landlords may be willing

to make additional investments in their properties. If the restrictions on landlords are too onerous they will not participate. Since RP believes that Medicaid patients are more likely to be renters than owners, having landlord participation will be essential to success.

The Home Modifications for Accessibility is a separate program requiring its own unique assessment process. The home assessment for modifications and accessibility will be dependent on the health condition that requires the modification. For example, a hearing-impaired patient will require distinct home modifications from a patient with mobility issues.

The home assessment will consist of a home inspection by a construction specialist, discussions with the patient or caregiver, if applicable, to review housing modification needs, and discussions with the medical team including the primary physician, therapists, and others engaged in the medical care of the patient. The home assessment should not be conducted by a housing quality and safety specialist but rather a construction specialist with experience in home modifications for accessibility.

Reinvestment Partners suggests a cap of $20,000 for home modifications for owner-occupied housing and $5,000 for rental housing. The cost cap includes hard and soft construction costs but does not include administrative or indirect costs. Accessibility modifications can often involve modifying bathrooms and moving walls, which is more expensive. Accordingly, the cap for this program should be higher to allow for these potentially greater expenses. Again, we suggest incentivizing landlords of rental properties to provide matching dollars to invest in additional improvements or repairs in conjunction with the accessibility modifications.

With the home repair and modifications construction costs, DHHS should consider whether to place a forgivable lien on the property or some type of clawback structure to ensure that owners or landlords do not sell the home immediately after repairs. A forgiveable loan could be fully forgiven after five years but have to be repaid on a prorated basis if the homeowner sells the property within that five-year period.

<u>Medical Nutrition Therapy</u>

Medical Nutrition Therapy (MNT) is a service currently covered under Medicaid for certain diagnosed conditions. DHHS has included both in-person or telephonic settings as eligible services, which provides some flexibility. We ask that DHHS consider other digital forums for MNT, such as texting. As texting becomes more standard as a communication tool, it may be helpful and scalable to provide some nutritional assistance and services through the medium of text. There is a base of evidence suggesting that digital intervention to assist with nutrition and diet in treatment of obesity can assist with weight loss and prevent additional weight gain. DHHS service definitions should consider the future role of digital technology and create a space for its use, including texting.

Reinvestment Partners believes the Healthy Opportunities Pilots will be innovative in their focus on addressing social drivers of health in a manner that delivers health outcomes. We respectfully submit these suggestions based on our experience delivering direct services in both food and housing.

Please let us know if you have any questions or would like additional clarification.