

**Bronx Center for Healthy Communities: An  
Innovative Urban Housing and Medical Village for  
Low Income and Formerly Homeless People**



## Summary

Living in poverty significantly decreases health outcomes and longevity, and is a major social determinant of health.<sup>1</sup> Compounding the connection between health and poverty is that many who live in poverty, or who are homeless, are more likely to suffer from chronic or debilitating health conditions.<sup>2</sup> Those living in poverty are less likely to seek preventative health care for a variety of social and economic reasons, and often only seek care once a health condition has become a crisis. Thus, they are high utilizers of emergency resources.<sup>3</sup>

Further exacerbating this issue, many of those in poverty struggle to maintain stable housing, often finding themselves living in motels or temporarily using shelters. Even after those living in poverty obtain stable housing, many additional barriers prevent them from obtaining regular, preventative health care.<sup>4</sup> Adding to the access issues, the neighborhoods and buildings where subsidized housing tends to occupy, also have negative health impacts.<sup>5</sup>

Since the “Great Recession” homelessness levels across the United States have reached levels not seen since the Great Depression in the 1930s.<sup>6</sup> This has presented municipalities across America with not only a homelessness crisis of magnitude that has not been seen in a lifetime, but a health care crisis of equal proportions. This has been significantly felt in New York City where homelessness and poverty

<sup>1</sup> <https://ashecon.confex.com/ashecon/2016/webprogram/Paper4584.html>

<sup>2</sup> <https://www.cdc.gov/nchs/hus/poverty.htm>

<sup>3</sup> [http://morgridge.wisc.edu/documents/Poor\\_and\\_In\\_Poor\\_Health.pdf](http://morgridge.wisc.edu/documents/Poor_and_In_Poor_Health.pdf)

<sup>4</sup> <http://www.nchph.org/wp-content/uploads/2013/11/FinalNeedsAssessmentToolKit.pdf>

<sup>5</sup> <http://www.nchph.org/wp-content/uploads/2013/11/FinalNeedsAssessmentToolKit.pdf>

<sup>6</sup> <http://www.cbpp.org/research/number-of-homeless-families-climbing-due-to-recession>

remains high year after year. The borough of the Bronx has been particularly hard hit, with 29.8 percent of its population living in poverty, 35 percent of families are eligible for shelter services, and 46 percent of its residents enrolled in Medicaid.<sup>7</sup>

The SBH Health System (SBH) in the Bronx is one of the borough's largest health care systems and carries a significant portion of this burden, with Medicaid and Medicare comprising more than 90 percent of its payer mix. To address the systemic issues facing their patients, SBH partnered with real estate developers, New York State (NYS) and New York City to construct a mixed-use building that provides stable low-income housing, access to health care, and essential social services to residents. This public-private partnership will include 314 units, 95 of which will be set aside for housing for homeless families and individuals. Plans for the building also include a health clinic, ambulatory care center, pharmacy, fitness area, teaching kitchen, and a child care center.

Ground broke on the building in fall 2016, with construction expected to be completed by June 2018.

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<sup>7</sup> <http://www.nyc.gov/html/endinghomelessness/downloads/pdf/bronx.pdf>

## Context

Poverty and homelessness are ever present challenges facing the United States. According to the United States Census Bureau, in 2015 nearly 40 percent of the US population met the “low-income status” designation, meaning individuals and families whose annual income were less than 200% of the federal poverty level.<sup>8</sup> Homelessness, as defined by the Department of Housing and Urban Development (HUD), refers to individuals without permanent housing who may live on the streets; stay in a shelter, mission, single room occupancy facilities, abandoned building or vehicle; or in any other unstable or non-permanent situation.<sup>9</sup> In 2015, HUD estimated about 564,700 homeless individuals in the US.<sup>10</sup>

It has been well established that poverty and homelessness are associated with poor health outcomes.<sup>11</sup> Both, low-income and homeless individuals and families face numerous health risks and typically present with one or more chronic conditions.<sup>12</sup> Frequently uninsured, with limited preventive care, these patients often do not seek medical care until conditions are severe. Thus, low-income and homeless individuals disproportionately represent among the highest users of costly hospital-based care, particularly at safety-net facilities where care is provided to more economically vulnerable patients,

<sup>8</sup> American Fact Finder. The United States Census Bureau. <https://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml>

<sup>9</sup> What is the official definition of homelessness? National Health Care for the Homeless Council. Accessed January 10, 2017. <https://www.nhchc.org/faq/official-definition-homelessness/>

<sup>10</sup> The State of Homelessness in America. National Alliance to End Homelessness. 2016. Accessed January 10, 2017.

<http://www.endhomelessness.org/page/-/files/2016%20State%20of%20Homelessness.pdf>

<sup>11</sup> Poverty and Health - The Family Medicine Perspective. American Academy of Family Physicians. Accessed January 10, 2017.

<http://www.aafp.org/about/policies/all/policy-povertyhealth.html>

<sup>12</sup> Savage, C. “Caring for a homeless adult with a chronic disease. American Nurse Today. March 2010. Accessed January 10, 2017.

<https://www.americannursetoday.com/caring-for-a-homeless-adult-with-a-chronic-disease/>

including the homeless.<sup>13,14</sup>

In conjunction with poorer health, those in poverty and the homeless often experience episodes of unstable housing. Worsening housing instability and economic standing has been associated with poorer access to health care, increased acute health care utilization, and higher hospitalization rates. Furthermore, even when those in poverty can establish stable housing, they are often exposed to unfavorable living conditions and experience many barriers to healthy living lifestyles, such as healthy eating and being physically active.

Poverty and unstable housing has been a significant and compounded challenge for major cities across the United States. Per the Coalition for the Homeless, homelessness in New York City has reached the highest levels since the Great Depression of the 1930s.<sup>15</sup> Over the course of the city's 2016 fiscal year, over 127,000 homeless men, women, and children slept in the New York City municipal shelter system. In November 2016 alone, there were over 62,000 homeless people, including over 15,000 homeless families with over 24,000 children, sleeping in the New York City municipal shelter system. In addition, thousands of unsheltered homeless people sleep on New York City streets each night. Providing stable housing paired with supportive services can help improve health, reduce preventable hospital use, and cut overall health care costs.

<sup>13</sup> Poverty Fact Sheet: Poor and In Poor Health. Institute for Research on Poverty. University of Wisconsin. Accessed January 10, 2017.

[http://morgridge.wisc.edu/documents/Poor\\_and\\_In\\_Poor\\_Health.pdf](http://morgridge.wisc.edu/documents/Poor_and_In_Poor_Health.pdf)

<sup>14</sup> Health, United States, 2015 – Poverty. Centers for Disease and Control. Accessed January 10, 2017.

<https://www.cdc.gov/nchs/hs/poverty.htm>

<sup>15</sup> Basic Facts About Homelessness: New York City. Coalition for the Homeless. Accessed January 10, 2017.

<http://www.coalitionforthehomeless.org/basic-facts-about-homelessness-new-york-city/>

Hospitals across the nation are facing changing fiscal environments in which payers like Medicaid are moving from fee-for-service models to value-based models. This change has major implications for safety-net hospitals as a large part of their revenue comes from Medicaid.<sup>16</sup>

Acknowledging this payment shift, the State of New York has implemented the [Delivery System Reform Incentive Payment \(DSRIP\) Program](#) to promote community-level collaborations and focus on system reform, with an overall goal of reducing avoidable hospitalization over a five-year period. In addition, New York officials now see affordable housing as a key strategy to promoting social and economic progress within the state.<sup>17</sup> New York City officials have since pushed efforts to combine permanent housing options with support services, such as childcare and healthcare, to further address the social determinants impacting these populations.<sup>18</sup>

Through a project uniting housing and health care, the New York State Health Department anticipates improved health outcomes among residents, increased access to health care, and savings to the State of New York and related federal programs like Medicaid.<sup>19</sup>

The Bronx is the poorest county in New York state (NYS), with 29.8 of its population living in poverty.<sup>20</sup> Nearly half (46 percent) of Bronx

<sup>16</sup> Coughlin, T. and Shartzter, A. The Challenges Of Rewarding Value Over Volume Without Penalizing Safety-Net Hospitals. Health Affairs Blog. March 2016. Accessed January 10, 2017. <http://healthaffairs.org/blog/2016/03/30/the-challenges-of-rewarding-value-over-volume-without-penalizing-safety-net-hospitals/>

<sup>17</sup> Governor Cuomo Outlines 2016 Agenda. January 13, 2016. New York State Website. Accessed January 10, 2017.

<https://www.governor.ny.gov/news/governor-cuomo-outlines-2016-agenda-signature-proposals-ensuring-new-york-and-will-continue-be>

<sup>18</sup> Number Of Homeless People In New York City Reaches All-Time High. CBS New York. November 2016. Accessed January 10, 2017.

<http://newyork.cbslocal.com/2016/11/02/homeless-record/>

<sup>19</sup> Mogul, F. New York Builds Housing to Cut Healthcare Costs. WNYC News. September 2016. Accessed January 10, 2017.

<http://www.wnyc.org/story/new-york-builds-housing-cut-healthcare-costs/>

<sup>20</sup> Frohlich, T. The poorest county in each state. USA Today. January 10, 2015. Accessed January 10, 2017.

<http://www.usatoday.com/story/money/personalfinance/2015/01/10/247-wall-st-poorest-county-each-state/21388095/>

## Description of Innovation

residents are enrolled in Medicaid.<sup>21</sup> Furthermore, roughly 35 percent of all families eligible for shelter services in New York come from the Bronx.<sup>22</sup> [SBH Health System \(SBH\)](#), one of the largest health care providers in the county, has provided services to Bronx residents for 150 years, primarily serving Medicaid, Medicare, or dual-eligible beneficiaries, which comprise 90 percent of SBH's payer mix.<sup>23</sup>

SBH has joined with developers, the State of New York, and New York City to construct a residential and wellness complex (450,000 square feet) designed to help low income and formerly homeless residents live healthily. The SBH Health, Wellness and Affordable Housing Project broke ground on Third Avenue in the fall of 2016 across the street from the main SBH Health System campus. The development will consist of an 11-story mixed use building with 181 affordable homes and a 12-story residential building with 133 affordable homes. HUD definitions and restrictions will ensure that the homes meet the standards for affordable housing, with costs at or below 30 percent of the family's income.<sup>24</sup> Of the 314 units in the complex, 95 units (approximately 30 percent) will be set aside for supportive and nonsupportive housing for formerly homeless families and individuals. The supportive housing will involve on-site access to a professional support network available to guide individuals on a path to overcome the challenges that left them homeless prior to residency in the

<sup>21</sup> An Economic Snapshot of the Bronx. New York State Comptroller. Report 4-2014. July 2013. Accessed January 10, 2017. <https://www.osc.state.ny.us/osdc/rpt4-2014.pdf>

<sup>22</sup> Street Homelessness in the Bronx. Uniting for Solutions Beyond Shelter. Accessed January 10, 2017. <http://www.nyc.gov/html/endinghomelessness/downloads/pdf/bronx.pdf>

<sup>23</sup> Facts and Statistics. About SBH Health System. Accessed January 10, 2017. <http://www.sbhny.org/about-us/#stats>

<sup>24</sup> Affordable Housing. US Department of Housing and Urban Development. Accessed January 10, 2017. [https://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/affordablehousing/](https://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/affordablehousing/)

complex.<sup>25</sup> The development was created to provide health care, wellness services, and essential social services in a convenient setting that will offer the opportunities to improve health and reduce health care costs for its low income (defined as people earning up to 60 percent of the area median income) and formerly homeless residents.

**The SBH Health, Wellness and Affordable Housing Project.** The SBH Health, Wellness and Affordable Housing Project will include a health and wellness space spanning nearly 50,000-square feet that includes an ambulatory care center, a pharmacy, a fitness area, a teaching kitchen, a childcare center, the area Women, Infants and Children (WIC) office, retail space, and a variety of wellness programs.

- Public-private partnership and funding. The development costs of \$156 million<sup>26</sup> are provided by multiple state and city agencies, including the NYS Homes and Community Renewal bonds and a mortgage loan through the Housing Finance Agency Low Income Housing Tax Credits, Medicaid Redesign Team (MRT) funds, Urban Community Investment Funds, New York City Housing Preservation and Development (HPD), the Bronx Borough, and Wells Fargo. Among the key private partners involved in the actual design and construction of the facilities are L+M Development Partners, Hornig Capital Partners, and Dattner Architects.
- Supportive housing. An MRT-supported housing program will provide supportive housing for high cost Medicaid patients, with a special focus on high utilizers of emergency room

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<sup>25</sup> <http://shnny.org/learn-more/what-is-supportive-housing/>

<sup>26</sup> <http://www1.nyc.gov/site/hpd/about/press-releases/2016/07/07-11-16.page>



services. The supportive housing component in 50 units will be managed by BronxWorks. The social services in the supportive housing units, expected to reduce hospital use among residents, include clinical case management, medication management, financial management, employment training, family counseling, and benefits assistance.

- Healthcare. The complex will include an SBH-affiliated medical facility, which will focus on preventive healthcare services for common preventable conditions such as lung disease, asthma, heart disease, diabetes and substance abuse. Counseling services will be offered for mental health and addiction. In addition, the facility will provide primary care, general radiology and point of care testing, and will include an urgent care center. A Women and Children’s Center will provide services related to women’s health (e.g. obstetrics and gynecology, mammography, internal medicine, and screenings). Integrated pediatric and behavioral health services will also be provided in the Children’s Center. A pharmacy will also be on site.
- Food and nutrition. Healthy food and nutrition will be highlighted throughout the complex. The development partners are currently negotiating a healthy food café and a rooftop garden for growing produce. In addition, plans are underway to include a teaching kitchen where residents will be able to learn the principles of nutrition and healthy cooking.
- Family support. An existing WIC center that currently serves 2,500 women and children will be relocated into the complex. Additionally, a commercial childcare center will be on site.

## Impact

- Wellness. The Mind Body Wellness Center in the complex will offer services that take a holistic approach to well-being and health improvement. While specific plans are still under development, early concepts include smoking cessation programs and exercise classes. A safe walking loop will be developed, and neighborhood events will be held to encourage walking. Possible services might expand to include yoga and meditation for stress relief and light activity.
- Retail. Additional space has been reserved for healthy food and commercial retailers.

Residency for this complex is scheduled for occupancy in June 2018. The effectiveness of this ambitious initiative remains to be seen and the community is waiting with anticipation. The convenience offered by co-locating health care, wellness programs, nutrition-rich meal options, and social services in a residential facility for low income and formerly homeless residents is expected to transform the health of its residents and the larger Bronx community. By addressing the social determinants of health and making health easy to obtain, this initiative is also expected to reduce Medicaid expenditures by reducing unnecessary hospitalization and use of emergency services.

**For the latest information about Bronx Center for Healthy Communities, please contact Karen Crowe, [kcrowe@sbhny.org](mailto:kcrowe@sbhny.org).**