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Affordable housing could solve homelessness and rising health care costs in Baltimore. Advocates will face an uphill battle if hospitals — a major player in treating men and women living on the street — don't change their view. PAGES 14-17

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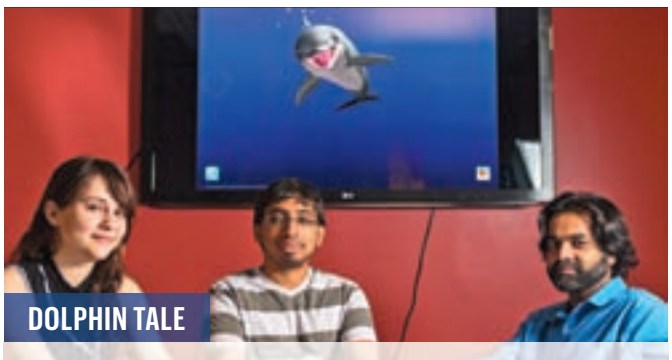
RAVENS MARKET TO THE WOMEN

As the team looks to overcome the Ray Rice domestic abuse scandal, it is focusing on attracting and retaining female fans. A special event at M&T Bank Stadium attracted more than 4,000 women.

SARAH MEEHAN, 12



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BUSINESS LENS

From the classroom to the boardroom

Travel with a Cristo Rey Jesuit High School student as she navigates the world of work. **JACLYN BOROWSKI, 24**

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COVER STORY

HOME, HEALTHY HOME

BY JACLYN BOROWSKI

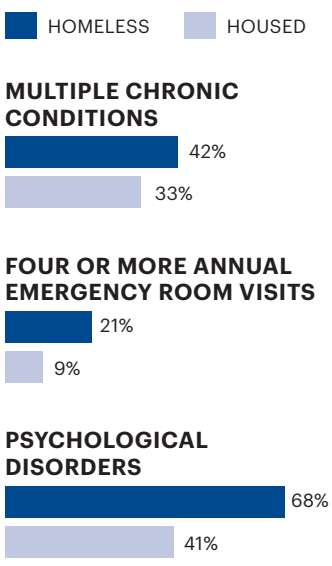
WHY AFFORDABLE HOUSING CAN FIX BALTIMORE'S HOMELESS CRISIS

BY SARAH GANTZ | SGANTZ@BIZJOURNALS.COM | 410-454-0514 | @BALTBIZSARAH

Mercy Medical Center can pick out which patients are homeless by their address: The Fallsway. No one really lives there. Not permanently, anyway. ¶ A homeless shelter, a soup kitchen, a free clinic and a mess of tents under Interstate 83 downtown can all be found along Fallsway. But not a home. ¶ Still, this is what thousands of patients list as their address when they show up in Mercy's emergency room. And they show up a lot. ¶ Homeless individuals frequent the ER three times as much as the average patient. Mercy estimates that homeless patients account for 5 percent of its ER traffic, about 3,000 visits, though it's hard to know for sure. The paperwork patients fill out when they arrive does not ask, "Are you homeless?" ¶ Advocates for the homeless think they have a solution to cut down on the number of people living on the streets and reduce their health care costs: affordable housing. People who have a home are more likely to see their doctor regularly, take their medication on time and place greater value on their health. Creating new housing would be a large undertaking, but advocates think it could be the most effective way to make a long-term difference in Baltimore.

SICK ON THE STREET

Patient data from federally qualified health centers shows that homeless individuals' health problems are more severe when compared to low-income health center patients. Health center patients are typically in worse health than the general public.



SOURCE: A FEDERALLY FUNDED STUDY OF 2009 HEALTH CENTER PATIENT SURVEY DATA

COVER STORY

Health Care for the Homeless draws many of its clients from right across the street, Baltimore's Fallsway.

BY JACLYN BOROWSKI

With 3,000 people homeless in Baltimore on any given night, nonprofit advocacy groups won't be able to do it alone. Advocates will need business partners with deep pockets. And they think hospitals need to step up to the plate. Hospitals see hundreds of homeless patients every month and have long-standing partnerships with the clinics that can help those patients after they're discharged. What's more, a new payment model requires hospitals to reduce costs and unnecessary care, and it is pushing them to look more closely at what makes their patients sick. Advocates see this as an opportunity to get hospitals on board with a housing project.

"Right now we're all delivering more health care – both in primary care and in hospitals – to people who are homeless because homelessness has made them sicker," said Health Care for the Homeless CEO Kevin Lindamood, who is leading the charge. "This new landscape that incentivizes better care in the community gives us the opportunity to think creatively about how we better improve the health of vulnerable populations. We believe that's housing."

Convincing hospitals that housing is a worthwhile health care intervention will be a tough sell. The health care landscape is changing but hospitals are set up to treat – and now try to prevent – diseases. When it comes to reducing costs within their four walls, they are looking at what medical conditions are most costly and finding ways to reduce their toll. Homelessness is not an illness, at least not one hospitals are prepared to fix.

▸ ABOUT THIS STORY

This story is part of an occasional series about how Maryland's new, unprecedented way of regulating hospital revenue will force Baltimore hospitals to confront the city's deep-seated health problems. The project is supported by a fellowship from the Association of Health Care Journalists and the Commonwealth Fund.

"Not everyone sees it yet, not everyone is comfortable taking the risk to get there," Lindamood said. "But there are and will be innovative institutions that see the logic and the chance to improve health and reduce costs."

Endless cycle

Advocates will need an ironclad case with evidence to prove housing works – and can save hospitals money.

Lindamood is willing to wage that battle because every day he sees the toll homelessness takes on his clients' health. Health Care for the Homeless' clinic does its best to treat thousands of patients, connect them with doctors and get them the right medications. But eventually patients wind up back on the street in the environment that made them sick in the first place.

That was true for Mark Schumann. Now 57, Schumann was homeless for about five years. He lost his job as a meat cutter when an injury made it physically impossible for him to do the work. On the street, Schumann's health took a turn for the worse. He struggled with a mental health disorder and would make three or four trips to the hospital a year, whenever a manic episode flared up. And managing his diabetes was nearly impossible. When your options are a hot meal packed with starch and salt or nothing at all, you take the meal.

Everything changed the day he woke up next to a dead man on the floor of a Baltimore homeless shelter. He watched people prod the man with their feet to test for life that was long gone, and wondered, "How did I end up here?"

"That shook me right to the roots," Schumann said. "He was my age. That could have been me."

Around 2010, Health Care for the Homeless set him up in an apartment where the $690 rent was covered by a grant. But when the grant ran out and Schumann had to take over the monthly payments, he was left with little more than $100 to pay for food and necessities every month. A year later, Schumann made it into a subsidized apartment near Wyman Park, where he still lives.

Now that he has a home, Schumann sees his doctors regularly and no longer needs medication for his diabetes.

Housing worked for Schumann, and Lindamood thinks it can help many more of his clients. To prove he's right, Lindamood is working with Episcopal Housing Corp. and the city to bring a 12-unit affordable housing building to Baltimore. Health Care for the Homeless already tracks patients' data and could use it to see whose health could improve with stable

CONTINUED ON PAGE 17

COVER STORY

LESSONS ON LIVING

Home is more than a place to live; it can be a place to heal

BY SARAH GANTZ
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As Baltimore resident Mark Schumann's experience shows, there is a clear link between homelessness and health.

For Schumann, a medical condition in part led him to become homeless – he lost his job after an injury prevented him from doing the physical labor required. Living on the street made his health even worse. His diabetes and mental disorder became difficult to control.

Housing is a common solution offered up by advocates who argue a stable living situation is the first step to getting homeless individuals to better manage their health.

Advocates point to programs like the Apartments at Bud Clark Commons in Portland, Ore., as examples that housing works. This affordable housing development has 130 apartments dedicated to housing homeless individuals with multiple chronic health conditions.

Home Forward, the housing agency that runs the apartment complex, works with three clinics in Portland to determine which patients are good candidates for housing. A wait list for the property ranks people by the severity of their health condition. Those with the worst health problems can jump to the top of the list.

Once admitted to Bud Clark, residents work with case managers to wean themselves off the lifestyle choices that are degrading their health and redirect them from the ER to a regular doctor. A study of the program showed residents saw a 45 percent decline in monthly health care costs.

Residents are far from reformed. Many, like Michelle Leiby, refuse to give up their vices. The program does not require them to.

Leiby is an alcoholic, and while she has cut down her drinking, she's not sure she'll ever be able to give it up completely.

"I should do it this time because it seems like I have a chance," Leiby said. "I don't want to have to go back out there."

This is exactly how the program is supposed to work, said program director Rachael Duke. Forcing people to quit cold turkey never works. But give them a reason to improve themselves – a place to live, in this instance – and they'll fight harder.

Leiby, 32, has lost 60 pounds in the 18 months since she has lived at Bud Clark. After being homeless and hopeless for 12 years, she is thinking about a job. She would love to work with animals, even just as a dog walker.

VIDEO ONLINE

Mark Schumann talks about how his health improved after he moved into his own home at **baltimorebusinessjournal.com.**

BY JACLYN BOROWSKI

Mark Schumann adopted his cat, Martha, shortly after moving into his apartment three years ago. He felt a connection to the cat because, like him, she was older and came from a shelter.

COVER STORY

CONTINUED FROM PAGE 15

housing. Case workers would make sure clients keep appointments with doctors and take their medication. Lindamood sees this as the pilot of what could be a larger-scale, long-term solution.

The idea is similar to a 130-unit apartment building in Portland, Ore. The Apartments at Bud Clark Commons are dedicated to homeless people with significant health problems. Home Forward works with clinics in Portland to prioritize patients. A 2014 review of the program showed that residents' health care costs dropped 45 percent after moving in.

No sure bet

Hospitals are clear stakeholders in public health. In Maryland, their revenue is now tied to their ability to keep patients well enough to not require so much hospital care. Advocates are hopeful that if hospitals see how much they can save by housing homeless patients they will invest some of the savings in the program.

"That's always kind of my dream, that they'd see it's worth it to invest in social services," said Adrienne Breidenstine, who runs Journey Home, the city's homelessness program.

But getting them to put money on the table isn't a sure bet.

Mercy Medical Center, one hospital advocates see as a potential partner, played a role in founding Health Care for the Homeless and holds a seat on the organization's board. Mercy works with Health Care for the Homeless' doctors and helps give people a place to sleep on winter's harshest nights.

Mercy is invested in homelessness. But when it comes to throwing money behind a project, the hospital will focus on problems that can show a direct impact on the hospital's expenses. Medical conditions like congestive heart failure, lung disease and kidney failure are easier to track, since patients typically keep coming back for follow-up care. Homeless patients as a group are harder to track.

"They're not ours," said Sister Helen Amos, the executive chair of Mercy's board of trustees. "They might be in our emergency department tonight, but they might be at University [of Maryland] tomorrow and Hopkins the next day."

Lindamood and Breidenstine are not discouraged. The city is helping find a potential site and $1.2 million in grant funding for the 12-unit development. Since the building will be made out of modular units stacked on top of one another, the building could be move-in ready eight months after settling on a site. Health Care for the Homeless is upgrading its electronic health records and installing new data analysis programs that can help the organization better measure how residents' health changes as a result of housing.

They are motivated by people like Schumann, who has been off the streets for four years.

"Homelessness doesn't define me," Schumann said. "It's something that happened and it's over."

He spends much of his time on a newspaper he launched in 2011 to give homeless individuals a voice. He advocates for homelessness issues in Annapolis and serves on Health Care for the Homeless' board.

At night, Schumann goes home.

BY JACLYN BOROWSKI

"Not everyone sees it yet," Kevin Lindamood, CEO of Health Care for the Homeless, says of hospitals trying to actively end homelessness to reduce the high cost of health care.

PICTURE OF HEALTH

The Apartments at Bud Clark Commons in Portland, Ore., is an example of how housing can improve health among homeless people. Here's a look at the program's results from a 2014 study. Ninety-nine out of 130 residents participated in the study.

STUDY DEMOGRAPHICS

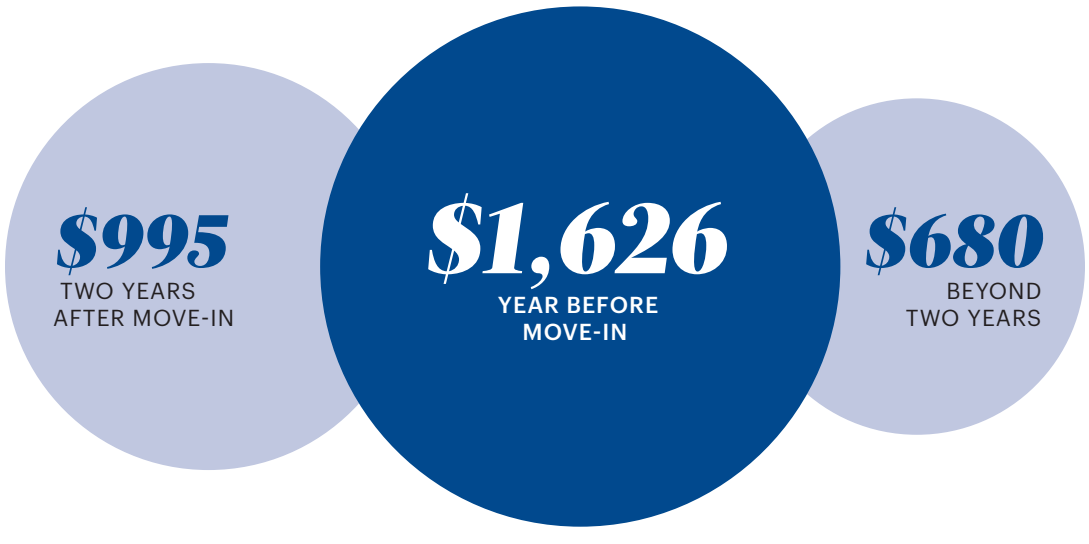
56% female

59% Medicaid

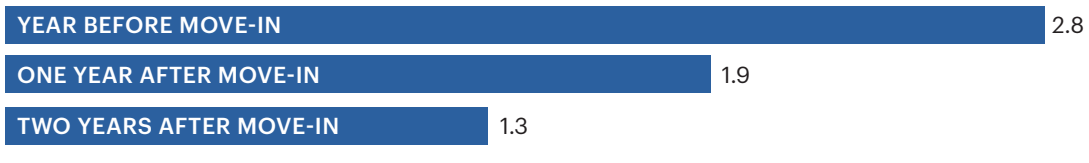
49 average age

1.7 average length of time since move-in, in years

HEALTH CARE COSTS PER MONTH AMONG RESIDENTS WITH MEDICAID



AVERAGE NUMBER OF ANNUAL EMERGENCY DEPARTMENT VISITS



SOURCE: CENTER FOR OUTCOMES RESEARCH & EDUCATION; 2014 REPORT "INTEGRATING HOUSING AND HEALTH"