



Looking Back to Find Ways Forward in Housing

JANE GRAF, MS

“We can do better”—this simple idea was uttered in a front-porch meeting of Catholic sisters in the early 1980s in Nebraska, setting a precedent that would lead to the birth of the nation’s largest affordable housing nonprofit, Mercy Housing.

With a presence in 42 states, nearly 40 years of experience and a 341-property portfolio, one would assume that from the outset, Mercy Housing wanted to become a real estate powerhouse, but that wasn’t the case. Our founder, Sr. Timothy Marie O’Roark (‘Sister Tim’), a Sister of Mercy in Omaha, just wanted to help low-income families find stable, healthy homes. She had been serving as a legal aid attorney, working with families facing eviction. Witnessing the horrible conditions, rapacious leases and tumultuous legal processes they were going through inspired her to find a solution.

Sr. Tim’s firsthand experience helping low-income families made the way forward obvious. An affordable home has the power to transform lives. She knew a home was the foundation for everything: better careers, education and especially health. She was confident in this, not only from her personal experience, but her life experience as a Sister of Mercy dedicated to justice in a society that often forgets the needs of the poorest among us.

Determined, Sr. Tim asked the Sisters of Mercy in Omaha to join the fight for affordable housing by founding a sponsored ministry dedicated to developing, owning and managing housing. It wasn’t a hard sell, and with an initial investment of \$500,000, the sisters initiated their venture, calling it Mercy Housing. From the begin-

ning, the sisters recognized the profound impact of quality housing on health and their instincts told them that adding supportive services should not be optional. After all, the support they could offer through “resident services” was the means to build better futures for those families most in need. With a clear vision and tenacious spirit, the sisters began to do what they do best: leverage their relationships for organizational growth, solve impossible problems and produce impact to improve communities. Over time, Mercy Housing invited other communities of sisters to join the effort and eight communities formed the Founding Communities of Mercy Housing:

- Daughters of Charity, Province of St. Louise
- Daughters of Charity, Province of the West
- Sisters of Bon Secours, USA
- Sisters of Mercy, Northeast
- Sisters of Mercy, South Central
- Sisters of Mercy, West Midwest
- Sisters of St. Joseph of Orange
- Sisters of St. Joseph of Peace

Then, in 2016, the Wheaton Franciscan Sisters approached Mercy Housing to take ownership of their affordable housing organization, Franciscan Ministries, assuring their legacy would be stewarded into the future. Over our nearly 40 years of operation, we have grown our property management (Mercy Housing Management Group), our



loan fund activities (Mercy Loan Fund) and our resident services programs, all significant instruments for expanding our reach and delivering affordable housing with impact. But, perhaps our greatest innovation has been our unique position to pair housing and health care.

**HOUSING AND HEALTH CARE,
NOT SO NOVEL FOR THE SISTERS**

It comes down to shared goals. Overcoming the structural barriers that exist between the two industries is where Mercy Housing’s connection to the sisters and their health care ministries gives us a leg up.

Since the early days of their ministries, the communities of sisters that founded Mercy Housing have been in the business of health care. Sr. Terese Tracy and Sr. Lillian Murphy, the first and second chief executive officers of Mercy Housing, came out of hospital administration. They always understood that a doctor can only do so much if a patient doesn’t have a healthy place to call home. Experts know that the most significant predictor of health is the environment — most importantly, your home. The conversation about the link between housing and health among Mercy Housing and our Catholic health care partners began in earnest in the late 1990s. Through a unique partnership, a group of Catholic health systems joined with Mercy Housing in recognition of the fact that housing and health care were linked, and that we could do more together than separate. Mercy Housing was young and emerging. The health systems were mature and eager to support an effort that would increase affordable housing and demonstrate the potential health benefits. They invested in our infrastructure so we could grow and respond to the affordable housing needs in their markets and across the country.

Additionally, we began to explore in earnest the opportunities and benefits of focused health interventions at our properties. All this work supports the knowledge that the health of an individual is dependent and greatly enhanced by the availability and quality of their housing. But, that’s only half of the equation. Add to that a support network that brings access to preventive care, healthy food and a supportive social network, and we can hit it out of the park.

Over our history and with the support and involvement of our Catholic health partners, Mercy Housing has developed a significant number of affordable homes. The support has come in the form of donated land, low-interest loans, capital grants, lines of credit and joint development opportunities. The opportunities to partner in targeted service delivery are equally important. Our partnerships have extended from health screenings, health navigators, chronic disease management programs and wellness nursing, to mention only a few.

I have often described the evolution of the resident services work at Mercy Housing in this way: we began by providing a thousand acts of random kindness. And we witnessed results at the individual level that brought tears to our eyes: seniors that remained living in their affordable apartment with support around them until they passed

It took decades before the public realized the value in what the sisters had been pushing all along, realizing that four walls and a roof aren’t enough.

in the most dignified manner; children taken out of homelessness to have stable places to live and bedrooms for the first time in their lives. All life-changing, but with no path to assuring we could do it again and again. Next, we focused on models that represented our collective learning over many years. We began to actively learn from our mistakes and professionalize our approach. Then we focused on measuring the impact of those services through an exhaustive data collection process that began to track the results of our efforts. And finally, after many iterations of collected data, and years of collaboration with our health partners and colleague organizations, we have evolved to recognize that the measures that are most important lead to positive health outcomes. Our investment is best focused on those specific interventions.

At Mercy Housing, it was never an afterthought to couple these services with housing, but rather a founding principle. For many other housing organizations, it hasn’t always been clear why these resident services are essential. It took decades

before the public realized the value in what the sisters had been pushing all along, realizing that four walls and a roof aren't enough. It wasn't until the '80s and '90s that this model of housing with resident services caught on, and for a simple reason, it works.

While there is widespread agreement that health and housing are critically linked, there is little consensus surrounding how to make this pairing replicable. Current housing-health care models pose interesting case studies but lack the concrete steps and procedures for making it scalable. Over our history, Mercy Housing has experimented, modified and refined our work to address the determinants of health. We have done that work with our many Catholic health care and other community partners. We don't yet have the answer on how to align economic incentives to assure that housing and services can be considered a primary treatment plan — a prescription option for health care providers — as they face the health obstacles experienced by their patients. What we do have is the history, commitment and belief that our work together can lead us to a playbook which can guide us to those answers.

That brings us to today. How can Mercy Housing move forward after years of experimentation and partnership with our health care partners at a time of tremendous turmoil but unprecedented need? First, let me acknowledge our strategic Catholic health care partners who have been working with Mercy Housing over the past 20 years. They are Ascension, Bon Secours Mercy Health, CommonSpirit Health, Providence St. Joseph Health, Trinity Health and PeaceHealth. Our health partnerships are deep and extend far beyond our Catholic health partners.

PLANNING AHEAD FOR GREATER COLLABORATION

Doug Jutte, MD, MPH, is executive director of the Build Healthy Places Network, a cross-sector collaboration, and a member of Mercy Housing's Board of Trustees. He recommends that affordable housing organizations, interested in expanding the capacity of their services, ask themselves, "How can our work in housing support the health goals of hospitals and health care systems?" When you want to partner with other organizations in different sectors, in practical terms you're trying to combine the fiscal calendars and expectations of two distinct industries while also trying to merge their very different approaches to identifying and measuring meaningful outcomes. Listen-

“Health care is not in the housing business. But it’s time for the dollars to follow what the research shows — many physicians have said that they wish they could prescribe housing, not just medication, because they know how important it is.”

— DOUG JUTTE, MD, MPH

ing is key. Health care is not in the housing business. But it's time for the dollars to follow what the research shows — many physicians have said that they wish they could prescribe housing, not just medication, because they know how important it is. This is not as abstract an idea as it sounds, and with growing health care partnerships, we're getting closer to making this a reality." He cites the country's dire lack of affordable housing — and the ensuing negative health consequences — as a call to the negotiating table for housing, health care and development partners. "Now, more than ever, there are too many low-income people whose health and opportunity to prosper would improve dramatically if they had a stable home and the services to support obtaining quality health care and managing their daily lives. The affordable housing sector is getting creative and pooling resources. Key stakeholders like health care are starting to notice. So now is the time to capitalize on this momentum to build the relationships that will break ground and open doors to more affordable and service-enriched housing for our most vulnerable individuals and families."

In 2020, Mercy Housing will be launching a new strategic plan that doubles down on keeping the organization resident-centered with a focus on lasting change. We will continue to expand our affordable housing portfolio but with an eye toward achieving resident goals with new and innovative partnerships. We have a housing and health crisis in this country. All of it comes back to the individual, and our challenge for the future is how we can take the history and experience we have, coupled with our deep partnerships and change the health trajectory in our communities



for the better. We are challenged with finding a new way forward with our Catholic health care partners. How can we take what we know from years of experimentation and success to a scalable solution that meets the health and housing needs of our communities? We are up to the challenge even if we don't know the exact answer or precise path forward.

I close with a story about a Mercy Housing resident that defines our success and calls on us to find that path forward: an elderly resident named John found himself homeless and battling a serious health problem. He endured two heart surgeries while living in his car and finally found his home, a one-bedroom apartment in a Mercy Housing community where services and a caring staff surrounded him. When John arrived he could not walk without great effort. His anxiety and fear level from living on the street were debilitating. His paranoia didn't allow him to sleep. But within months, he was walking to the store and cooking on his own. He was engaged in life, tending

to the flowers on his patio and enjoying his art. In his words, "Mercy Housing saved my life." We all know John's example is possible. Our challenge for the future is how can we make this exception the rule.

JANE GRAF is president and chief executive officer of Mercy Housing, a national nonprofit organization that develops and manages affordable housing.

REFERENCES

- David Cooper, "One in Nine U.S. Workers Are Paid Wages that Can Leave Them in Poverty, Even When Working Full Time," *Economic Policy Institute*, June 15, 2018, <https://www.epi.org/publication/one-in-nine-u-s-workers-are-paid-wages-that-can-leave-them-in-poverty-even-when-working-full-time/>.
- Juliette Cubanski et al., "How Many Seniors Live in Poverty?," Henry J. Kaiser Family Foundation, Nov. 19, 2018, <https://www.kff.org/medicare/issue-brief/how-many-seniors-live-in-poverty/>.

Sr. Lillian Murphy, RSM, who previously served as the president and chief executive officer of Mercy Housing, died July 25 in San Francisco at age 78. She led the nonprofit from 1987 until 2014. She viewed safe, affordable housing as an issue of justice and is remembered for expanding Mercy Housing from a regional organization into one that employs more than 1,500 people and has a national reach.

QUESTIONS FOR DISCUSSION

Jane Graf discusses the history of Mercy Housing, which was founded by the Sisters of Mercy in Omaha and further established with the support and vision of other congregations of religious sisters. At its 40-year mark, it is not only one of the most successful housing initiatives in the country, it is using its network and lessons learned to explore ways to strengthen the connection between housing and healthy communities.

1. How is Catholic health care making inroads to support the health of individuals and communities through housing initiatives? What practices or programs does your ministry offer to patients who are either housing insecure or currently homeless? What are some areas of opportunity where services could be improved?
2. What specific fields of health care could benefit most from supportive housing (for example, cancer screening, obstetrics, routine checkups)? What services do you offer that are most connected to housing issues? How could your services around housing support the health of the individual you are treating as well as the families also at risk?
3. What are the biggest barriers to making the connection between housing and health care scalable? What opportunities are possible with new partnerships and a growing understanding of the social determinants of health?
4. The sisters have always understood the connection between health care and housing. How are we transmitting that message and what should our ministries be doing to grow those connections?

JOURNAL OF THE CATHOLIC HEALTH ASSOCIATION OF THE UNITED STATES

www.chausa.org

HEALTH PROGRESS®

Reprinted from *Health Progress*, September-October 2019
Copyright © 2019 by The Catholic Health Association of the United States
