

Good Health Depends on Decent Housing

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HAWAI'I BUDGET & POLICY CENTER

GOOD HEALTH is of utmost importance to individuals and to society. That's why we support public health and healthcare coverage as state policy goals and obligations. But it is now clear that good health is impossible without decent housing.

This handout summarizes findings from a 3-part policy series that documents the inseparable connection between health and housing policy, shows how housing investments save healthcare dollars, and outlines best practices in housing for a healthier future.

The series is available at www.hibudget.org/publications/good-health-depends-on-decent-housing

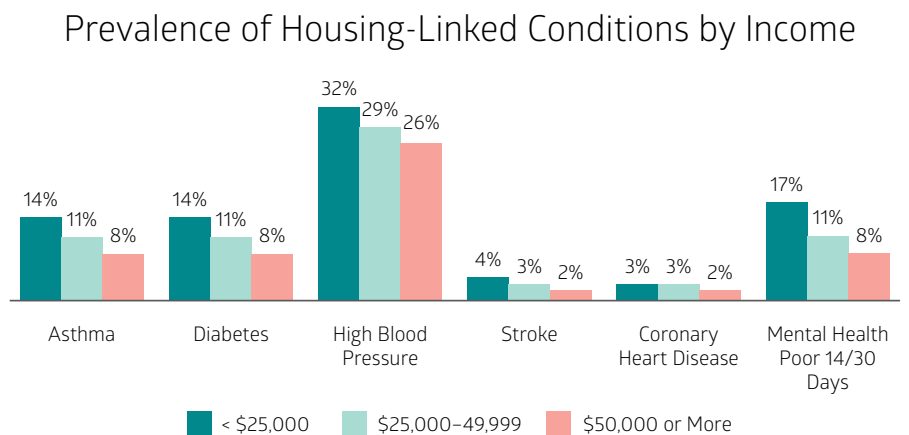
The Health and Housing Connection

Poor health and income constraints are associated in a number of ways, but the effects of inadequate and insecure housing are especially noteworthy.

Part One of the series reports on how unsafe housing, living in a low-income neighborhood, and chronic stress from housing cost burdens produce cumulative effects that result in mental and physical health problems. It also outlines health and socioeconomic disparities in Hawai'i, and makes it clear that by under-investing in human needs, such as housing, we pay a large price for healthcare.

Research shows that:

- Underinvestment in low-income neighborhoods makes them more stressful and unhealthy for the people who live in them.
- Low-income neighborhoods offer fewer options to purchase healthy food and more that promote processed food and drink.
- Low-income housing is often placed in areas exposed to pollution such as vehicle emissions.
- Poor housing is more apt to have



pests such as rats, cockroaches, fleas, bed bugs and mosquitoes that are implicated in infections and diseases.

- Poorly maintained housing with broken appliances, malfunctioning plumbing, and faulty electrical wiring lead to health hazards.
- The burden of poverty and poor housing falls much more heavily on Native Hawaiians, who not only earn less money than the state average, but also face the consequences of historical trauma, continued social prejudice, structural discrimination, and injustice regarding their land

and culture.

- Poverty and poor housing together are implicated in high rates of chronic diseases. Studies show a correlation of housing conditions with asthma, diabetes, high blood pressure and stroke, heart disease, and anxiety and depression. This is borne out by data for Hawai'i showing the disproportionate prevalence of these conditions among low-income households.
- The costs for treating these conditions are high and are typically paid for by Med-QUEST, Hawai'i Medicaid program

Health and Care for People Experiencing Homelessness

The strong link between health and housing is magnified for people experiencing homelessness. Living conditions—the stress and conflict of crowded shelters or living on the streets, emotional trauma, unsanitary conditions, poor nutrition, sleep deprivation, and violence and sexual abuse—contribute to poor mental and physical health.

Healthcare costs are particularly high for people without shelter and social support because it is often rendered in hospitals and emergency rooms.

Part Two reports on how helping people

with housing and other needs is not only life-changing for the individual, but also saves money.

Key findings include:

- Med-QUEST, which typically covers the expensive cost to provide medical care for people experiencing homelessness, is working with health plans and providers to provide permanent supportive housing to people who are chronically houseless.
- Investing in permanent supportive housing has been shown to

significantly reduce healthcare costs. One Hawai'i-based pilot demonstrated savings of more than \$30,000 per participant per year.

- A variety of effective strategies can help people experiencing homelessness regain housing and recover their health and wellbeing.
- Access to stable housing is key to prevent and remediate homelessness. Unfortunately, Hawai'i's housing market falls far short in providing homes affordable to low-income and working class residents.

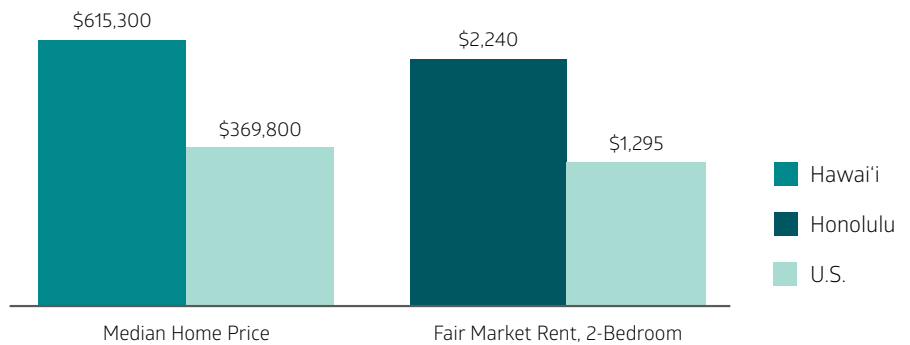
Building a Housing Market for Hawai'i's Working Families

Good health depends on decent housing, but how can we bridge the significant gulf between Hawai'i's high cost of housing and what most residents can afford? Part Three highlights the disconnect between the state's housing market and the needs of its residents, and outlines policy approaches and best practices that should guide housing development in Hawai'i for decades to come.

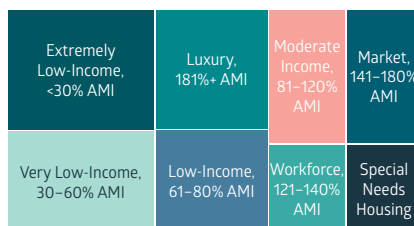
The report shows that:

- Hawai'i has the nation's most expensive housing market
- Much of Hawai'i's housing supply is not available to local residents.
- Hawai'i needs another 54,000 housing units by 2025. Only 26 percent of the need is for market-priced and luxury housing.
- Hawai'i's renters have been especially squeezed by the housing market: Fair market rents increased by nearly 60 percent since 2000 while middle-income wages rose by just 25 percent.

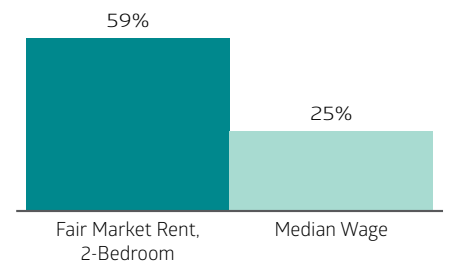
Hawai'i Housing Costs vs U.S., Averages, 2021



Nearly 75% of Housing Needed is for Households that Can't Afford Market-Priced Units



Hawai'i Rent Increases Compared with Wages, 2000-2021 (2021 Dollars)



Housing Recommendations

Hawai'i has many reasons to address housing affordability, and reducing the associated healthcare costs is among the most important. The mismatch between local housing supply and needs is not inevitable—it is a problem we can solve with good policy.

Build housing targeted to the needs of Hawai'i families

Because people from across the world compete to buy and rent properties in Hawai'i, simply building more houses and condos is not likely to ensure that residents can get permanent homes they can afford.

Hawai'i's housing policy must use state and county resources to support affordable development and then ensure the units built remain affordable and available to local residents indefinitely. Best practices include:

- Engage the community to understand the importance of fair housing policy, and be involved in the solution.
- Prioritize mixed-income housing.
- Use all resources available to reduce the cost of building housing while also recognizing the

unique standing of Native Hawaiians. Public resources that can support housing include: public land; public financing; and public resources for infrastructure.

- Maximize the use of targeted taxes to finance affordable housing.
- Expand rent subsidies such as housing vouchers.
- Maximize the potential of Low-Income Housing Tax Credits.
- Ensure that affordable housing built with public resources so it is restricted to local residents who meet income and occupancy requirements and remains affordable for the long-run.

Help people who fall into homelessness get back into permanent housing

While Hawai'i can't "solve homelessness" without building more adequate affordable housing, a strong safety-net system must remain in place to prevent the long-term loss of housing and to provide services that help restore stability. Recommended practices are outlined below:

- Increase the availability of vouchers to subsidize rent.

- Prevent housing discrimination against people who use vouchers.
- Ensure adequate funding for prevention and rapid rehousing.
- Invest in housing first and permanent supportive housing to save lives and money.