

North Carolina's Urgent Repair Program

25 YEARS OF HOUSING RESULTS

For 25 years, the North Carolina Housing Finance Agency's Urgent Repair Program (URP) has funded home repairs across the state for almost 15,000 low-income households with special needs, such as seniors, persons with disabilities and veterans. These repairs do more than fix homes—they improve quality of life and can lower public Medicaid/Medicare costs of program participants.

BACKGROUND

Low-income homeowners who are elderly or have disabilities face serious housing challenges. For seniors, the physical and financial burdens of home maintenance can be overwhelming; more than a third of adults over 50 are housing cost-burdened, meaning they pay more than 30% of their monthly income in housing expenses.¹ Furthermore, most homes are not designed for people with mobility or dexterity limitations.² As a result, many low-income homeowners who are elderly or have disabilities cannot safely remain in their homes and must enter institutional care.

Institutional care comes at a high price. Nationally, the cost of living in a long-term care facility averages between \$41,000 and \$85,000 per year; in-home care costs about \$30,000 per year, producing annual savings of at least \$10,000.³ These savings not only benefit homeowners, but taxpayers at large, who cover about two-thirds of the cost of institutional care through Medicaid (40%), Medicare Post-Acute Care (23%), and other public sources (3%).⁴

URP helps low-income homeowners remain in their homes. URP fixes home conditions that threaten health and safety, helping homeowners age in place and avoid institutional care. The NC Housing Finance Agency administers URP through local government and nonprofit partners who approve applicants and oversee the work.

QUALITY-OF-LIFE IMPACTS

In a survey of homeowners who received URP assistance between 2005 and 2015, **91%** reported satisfaction with the program, and over the program's 25-year history, hundreds of homeowners have contributed personal stories about how repairs have impacted their lives. In Wilson County, a mother of five could not afford a new HVAC system, which her family needed to keep the home healthy for her youngest child with severe asthma. URP funding helped her purchase the HVAC and one year later, her son's health was greatly improved and he could enjoy normal activities again. In Durham County, an elderly army veteran's roof was so full of holes that water streamed into his home when it rained, collecting in buckets and bowls. After receiving roof repairs funded by URP, the homeowner reported that he is "so happy [he] has not a drop of water" to worry about.

URP homeowners in Monroe, NC



"Our back door did not have steps...We were scared if we had a fire, we might not be able to get out...we would have to move in with family because we do not have the money to fix it."

- Madison County Homeowner

"Sanitation improved with the repair of my sink. My quality of life would be poorer with exposure to mold/mildew and leaks."

- Forsyth County Homeowner

"I would have had to do without other necessary things to pay for the repair."

- Lee County Homeowner

PUBLIC COST SAVINGS

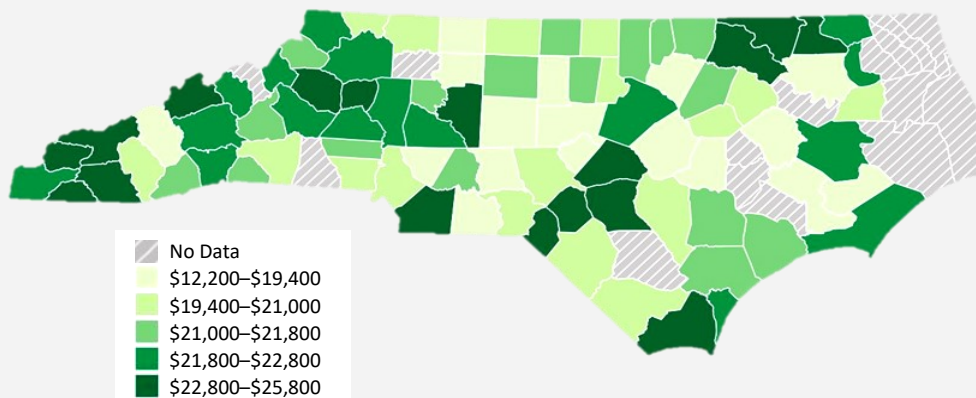
Cost/benefit analysis using URP participant survey data and data from Genworth's annual "Cost of Care" survey⁵ estimated that in a best-case scenario in which every URP participant aged in place rather than moving into institutional care, the state of North Carolina would save more than **\$550 million**. This means that every **\$1** of URP funding could save up to **\$19** of Medicaid/Medicare spending.⁶



New porch (above) and ramp (below) funded through URP



Estimated Annual Medicaid Cost Savings through URP (County Average per Household)



The considerable quality-of-life improvements and Medicaid/Medicare cost savings that can be achieved for relatively low per-unit investment make the Urgent Repair Program one of the most impactful and cost effective models for home repair and rehabilitation.

- To learn more about the North Carolina Housing Finance Agency's Urgent Repair Program and other repair and rehabilitation programs, visit www.nchfa.com/current-homeowners/repairing-your-home.
- To learn more about NCHFA's policy and research activities, visit www.nchfa.com/about-us/research-reporting-and-policy.

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6. For more details on the analysis, see the North Carolina Housing Finance Agency's brief titled "Urgent Home Repair: Quality of Life and Cost Impacts", available at <https://www.nchfa.com/about-us/research-reporting-and-policy/agency-investment-impacts>.

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