

IMAGINE 2018 – Finding Promising Solutions to Cancer-Related Housing Insecurity



THE PROBLEM:

A home generally provides a sense of security, stability, and control whether an individual rents or owns.¹ It is most often an individual's largest expenditure and for home owners it can be a significant source of wealth.² Each year over 600,000 cancer patients and their families are at risk for housing insecurity (e.g. living in a shelter, homelessness) because of increased medical expenses and productivity losses related to treatment.^{3,4} Among homeowners, cancer patients experience an increased risk of mortgage foreclosure after diagnosis, 35% within 3 years and 65% within 5 years.⁵

While the problem of housing insecurity is not unique to cancer patients, the challenge of maintaining permanent, stable housing is exacerbated by the high-cost for short term housing that is needed near treatment centers. For families who lose their home during cancer treatment, housing options are limited not just by what is affordable but also by what is safe for immunocompromised patients and accessible to their needs.

IMAGINE SESSION:

On December 12, 2018, Family Reach, a national nonprofit dedicated to alleviating the financial burden of cancer, hosted its third annual Imagine Session in Boston, Massachusetts. This think tank event was designed to define the problem of cancer-related housing insecurity and brainstorm solutions. The event:

- Drew 65 attendees from across the United States.
- Included a wide range of experts: patients, caregivers, government (e.g. Freddie Mac, Dept of Housing and Urban Development), healthcare, banking (e.g. Wells Fargo, MBA Open Doors Foundation), nonprofits (e.g. Just Tryan It, The Sam Fund), pharma, real estate (e.g. Gibson Sotheby's), public relations (e.g. Solomon McCown & Co, Harrison and Star).
- Hosted two panels:
 - A patient panel grounded attendees on the problem of cancer-related housing insecurity from the homeowner and renter experience.
 - A panel of professional experts:
 - Dr. Kira Bona, Pediatric oncologist and researcher, Dana-Farber Cancer Institute, Boston Children's Cancer & Blood Disorders Center
 - Kate Houghton, Public Policy Advocate & Young Adult Cancer Survivor
 - Peter Merrigan, CEO & Co-Founder, Taurus Investment Holdings
 - Stephen Porter, VP, Community Outreach Manager, Wells Fargo
- Small group discussions gave all participants time to reflect and elaborate on ideas generated by the panels and contribute ideas about the problems or solutions.
- Attendees consented to audiovisual recording of the event that was transcribed and analyzed to identify key takeaway points. Quotes from participants are indicated in blue.

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KEY TAKEAWAY POINTS:

Who is impacted by cancer-related housing insecurity?

- **Several factors at the time of diagnosis influence a patient's vulnerability to cancer-related housing insecurity** including comorbidities of the patient or caregiver, loss of income due to treatment, debt load, and out-of-pocket medical expenses.⁶
- **Individuals who are housing insecure before the cancer diagnosis are most vulnerable to cancer-related housing insecurity.**

What is the impact of cancer-related housing insecurity?

- **Negative impact on patients' psychosocial and physical health.** Housing insecurity during cancer treatment is a source of *"unimaginable stress"* for patients and caregivers but it also may expose individuals to substandard housing conditions that are associated with illness (e.g. infections, toxins) which may affect treatment success.^{7,8} Patients who experience financial distress during cancer treatment are more likely to rate their physical health, mental health and relationships as poor.⁹
- **Negative impact on patients' financial health.** Homeowners must be in default by 3-months to qualify for loan modification programs at which point the damage has been done to their credit score and long-term financial well-being. Furthermore, loan modification can result in an increase to a patient's monthly mortgage amount after the forbearance period which may be prohibitive for many families.
- **Housing insecurity has a direct impact on healthcare costs.**

"If you're housing insecure, you're more likely to be transportation insecure. You're more likely to be food insecure. We know that transportation insecurity is something that costs enormous sums of money to the medical industry all the time. If you're unable to get to your chemotherapy appointment on time, you show up three hours late, but you still need to get chemotherapy that day because I still want to give your child chemotherapy. That adds cost to the system in terms of staffing that you have to have there, in terms of beds that may be overflowing at that point in time." Dr. Kira Bona

- **Housing insecurity has a direct impact on societal costs.**

"About 240,000 potential mortgage problems will come out on an annual basis from cancer treatments. If those end up in foreclosure, it costs the system. The foreclosure cost, the legal cost—all these other costs that are associated with foreclosure—about \$19 billion of losses annually that are incurred. Not to mention the cost to the patients. This is just pure financial costs that we're talking about right now." Peter Merrigan

What are the housing needs for cancer patients?

- **Cancer patients need temporary housing.**

"There are some amazing programs out there, as we heard about, in terms of temporary housing, either as permanent housing or things like the Ronald McDonald House close to the hospital that can provide temporary or brief housing. The really frank answer is there are not nearly enough options for our families. We have families whose child is ready to be discharged home from the hospital, and there simply isn't a place for them to go." Dr. Kira Bona

- **Cancer patients need interventions that will prevent cancer-related housing insecurity.** Protecting stable housing for cancer patients is more cost effective and less emotionally devastating than fixing a housing insecurity problem after it occurs.

"When I ended up in the shelter, I found out it cost [the state] \$90.00 a day to keep me in that shelter. On top of that, I had to pay an additional \$200.00 out of my own pocket every month. It's a lot of money, close to \$3,000.00 a month that is going to whoever owns that unit that I'm being constantly

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sent to. My rent was \$1,000.00. Why couldn't I have stayed in my unit for \$1,000.00 and not cost the state another \$2,000.00?" Mother of child diagnosed with cancer

KEY TAKEAWAY POINTS (continued):

What are the promising solutions to cancer-related housing insecurity?

- **Expand use of mortgage modification (e.g. forbearance, deferment).** Mortgage modification is a cost-effective approach to managing housing insecurity and is currently available for VA loans, FHA loans and through specific mortgage companies (e.g. Wells Fargo). However, caveats regarding the timing of eligibility and the potential for increased monthly payments are a limitation to this solution.
- **Include cancer diagnosis as an eligibility trigger** for programs that bring financial relief for rent or mortgage payments during treatment. Cancer patients should have a unique path for eligibility that enables them to access help without affecting their credit score or incurring additional fees.
- **Scale preventative programs that work.** There are many programs that help families stay financially afloat during cancer treatment but the capacity to meet the need is limited. Scaling programs that directly pay for housing (e.g. [HomeStart](#), [Family Reach](#)), providing affordable temporary housing options (e.g. Ronald McDonald House), or balance cash flow and debt ([Family Reach](#)) can contribute to solving the problem of cancer-related housing insecurity.
- **Establish systems to connect families to HUD approved counseling agencies.** Many healthcare professionals, patients and families are unaware of HUD services. Housing counselors through HUD approved agencies can help individuals find homes to rent or help avoid foreclosure on a mortgage.
- **Change policy to provide debt relief during cancer treatment.** Making change through policy is possible! Public Law No: 115-245 (09/28/2018) Section 309 defers school loans for borrowers diagnosed with cancer while receiving treatment or during the 6-months after treatment ends. The Servicemembers' Civil Relief Act provides several mortgage-related protections for individuals with military service. The FDA recently issued official guidance to Human Subjects Review Committees to allow all cancer patients access to reasonable travel and lodging expenses to access clinical trials.
- **Create a mandatory insurance product to protect the rental pool.** This insurance product would enable a landlord to recover the cost of rent forgiveness.

SUMMARY & NEXT STEPS

The cross-fertilization of ideas from diverse stakeholders identified promising solutions for cancer-related housing insecurity that would not have been obvious if any single stakeholder group worked alone to solve the problem. To continue the momentum generated at Imagine, Family Reach has united a selection of these stakeholders in a Housing Coalition to advance the promising solutions to cancer-related housing insecurity. Furthermore, Family Reach is leading two pilot projects to improve housing for patients during treatment. Family Reach will share preliminary results of the pilots at the Imagine Session in December 2020.

- **Mortgage Loan Modification Pilot:** Family Reach has partnered with Wells Fargo and HomeFree-USA on a mortgage loan modification pilot. Through the pilot, Family Reach identifies cancer patients with a Wells Fargo mortgage who are experiencing cancer-related financial toxicity. If a patient meets program eligibility guidelines, Wells Fargo will modify the mortgage loan to provide one year's forbearance with no penalties. The length of the mortgage is extended as a result of this forbearance. Since the pilot launched, 53 patients have been referred to the program. Family Reach, Wells Fargo and HomeFree-USA.

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- **Hilton Honors Temporary Housing Pilot:** Family Reach has partnered with Hilton to provide a safe, clean, and reliable temporary home for patients who travel for cancer treatment or clinical trials. The cost of gas, lodging and food while away from home contribute greatly to the financial strain faced by families battling cancer. Through this partnership, Family Reach identifies families in need of temporary housing while traveling for treatment, and leverages donated Hilton Honors points to book hotel stays at no cost to the patient.

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