

Financial Landscape and Resilience of Recovery Housing in West Virginia

FLETCHER GROUP RESEARCH TEAM AND WEST VIRGINIA ALLIANCE OF RECOVERY RESIDENCES



Substance Use Disorder in West Virginia

Substance use disorder (SUD) impacts 16% of West Virginians ages 12 and older, many of which do not receive any treatment for their SUD.

- Major barriers identified are low thresholds for dismissal from services, financial barriers, and a lack of comprehensive support

Drug overdose deaths increased from 36 per 100,000 residents in 2011 to nearly 91 deaths per 100,000 residents in 2021 in West Virginia

Recovery Housing is an important part of the continuum of care in West Virginia

- Of the 10,000 estimated recovery houses in the U.S., 110 are in West Virginia.

Study Purpose

To help inform financial planning and expansion efforts in West Virginia by examining the financial size of recovery houses, revenue sources, operating expenditures, financial resiliency, and barriers related to operation including those related to the grant application process.

- West Virginia's Governor's Council on Substance Abuse Prevention and Treatment has included expanding recovery housing capacity and knowledge in the 2023 Priorities.
- Specifically, they have recognized a need for information regarding the funding needs and structure, revenue sustainability, and barriers to continued operations of recovery houses in West Virginia.¹²

Study Methods

DESIGN: Cross-sectional survey. Developed by Fletcher Group and WVARR with subject matter expert feedback from West Virginia state officials, researchers at the University of Kentucky, and recovery house owners and operators.

COMPONENTS: Survey components included house characteristics, revenue & financial resources, and top barriers to continued operation.

DISSEMINATION: The survey was disseminated with RH operators in West Virginia via two routes: 1) emailed invitations 2) and in person recruiting at the WVARR Annual Conference. Survey recruitment focused on recovery houses that were certified, or in the process of being certified, by WVARR.

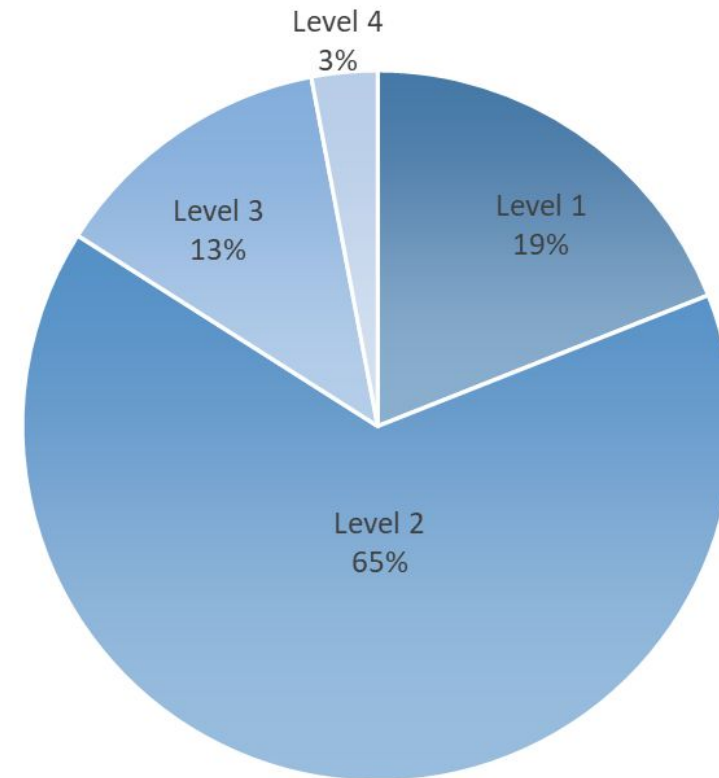
MEDIAN TIME TO COMPLETE SURVEY: ~18 minutes.

DATA COLLECTION PERIOD: All data were collected via Qualtrics between May 10, 2023, and June 23, 2023.

Sample Overview

- ✓ The total sampling pool included 96 recovery programs based on latest estimates that there are 110 recovery programs (87% non-Oxford) in the state of West Virginia.
- ✓ Participants who completed less than 50% of the questions (N = 8) were excluded from analysis.
- ✓ **Our final sample consists of 34 recovery housing programs and given estimates of total number of non-Oxford model recovery homes in the state, this survey yielded a 35% response rate.**

Percent of Recovery Houses Certified at Different Levels



Sample Overview

House Characteristics

Table. Characteristics of recovery housing programs surveyed, West Virginia, 2023, (N = 34)

Characteristic	Count (%)
Operate Many Residences	19 (56)
Rural*	11 (32)
Urban	14 (41)
Suburban	11 (32)
NARR Certified	29 (85)
Provide Clinical Services in House	12 (35)
Require Residents to Work	27 (79)
Support Medication Assisted Treatment	31 (91)
Has a Waitlist	22 (65)

*Rurality designation based on Health Resources and Services Administration's definition

Sample Overview

Residents Served

Table. Resident populations served by recovery housing programs in West Virginia (N =34)

Characteristic	Count (%)
Populations Served	
Male	13 (38)
Female	15 (44)
Females with Children	7 (21)
Males with Children	1 (3)
Other	1 (3)
Special Populations Served	
Indigenous	1 (3)
Pregnant	6 (18)
Parenting	4 (12)
Youth	2 (6)
Non-English Speakers	0 (0)
Individuals with Disabilities	4 (12)
Veterans	8 (24)
LGBTQIA+	8 (24)
Individuals with a History of Homelessness	25 (74)
Individuals with Criminal Justice Involvement	33 (97)
Individuals Diagnosed with a Mental Health Condition	28 (82)

Sample Overview

Economic Characteristics

Table. Economic conditions of residents served in recovery housing programs surveyed, West Virginia, 2023, (N = 34)

Characteristics	Count (%)
Receiving TANF	8 (24)
Receiving SSI	7 (21)
Receiving Medicaid	33 (97)
Receiving SNAP	28 (82)
Unemployed and Receiving Benefits	2 (6)
Unemployed and Not Receiving Benefits	15 (44)
Not able to Work	0 (0)
Retired and Not Receiving Social Security Benefits	3 (9)
Retired and Receiving Social Security Benefits	0 (0)
Disabled and Receiving Social Security Benefits	5 (15)
Disabled and Not Receiving Social Security Benefits	3 (9)
Veteran and Receiving Benefits	1 (3)
Veteran and Not Receiving Benefits	7 (21)

Annual Operating Costs

In 2022, the median annual operating cost was \$249,645

- operating costs ranged from \$12,500 to \$4.5 million per year.

Operating costs varied by number of residents served

- 10 residents or less: \$107,500
- 11 to 40 residents: \$236,000
- 41 residents or more: \$1.1 million

Operating costs varied by number of homes operating:

- Multiple homes: \$450,000
- Single home: \$205,000

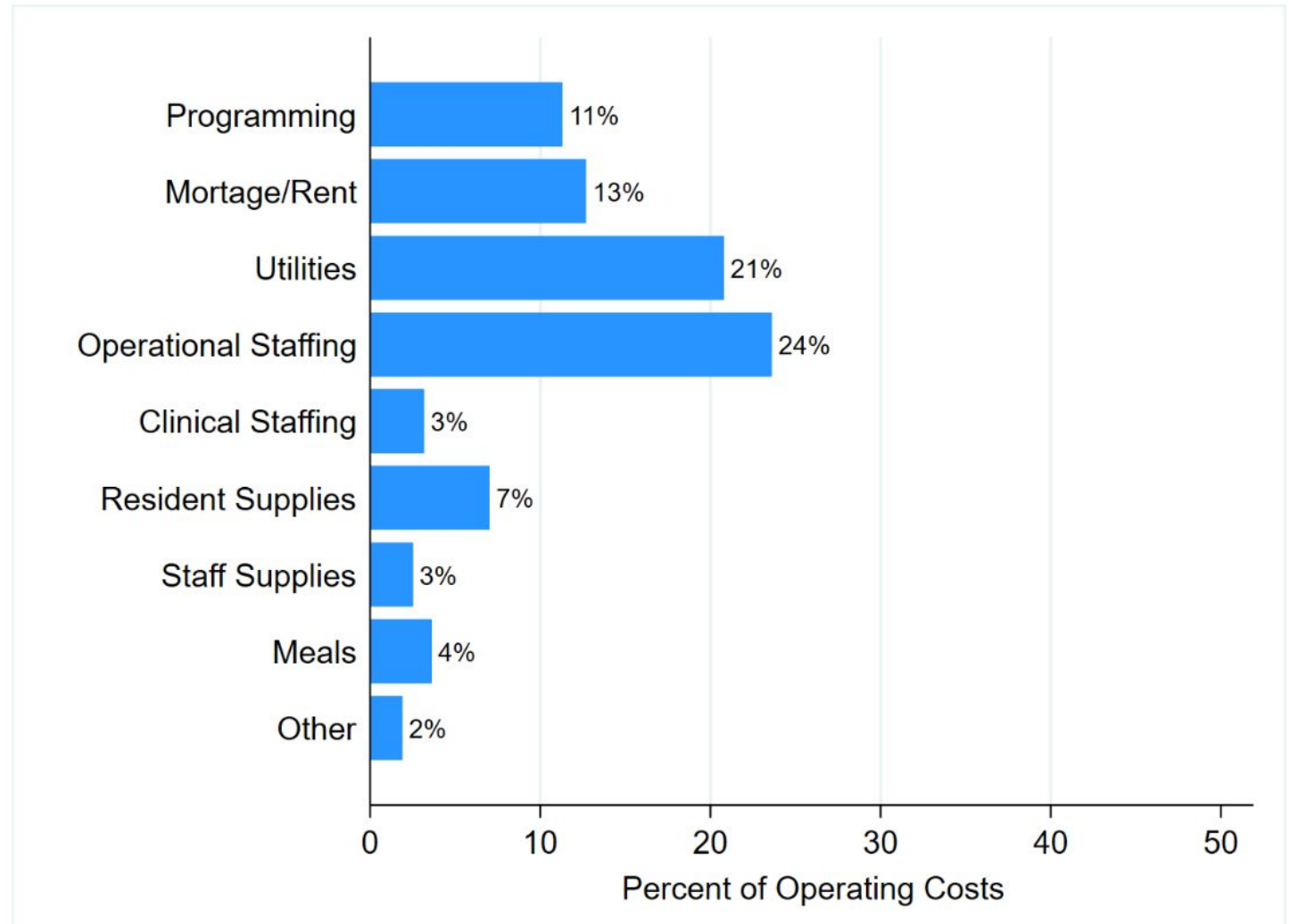
Operating costs varied by rurality of program location:

- Rural: \$229,589
- Nonrural: \$349,823

Operating Costs

- Operational costs (staffing, mortgage/rent, and utilities) account for **61%** of costs
- Services costs (programming, supplies, and meals) account for **25%** of costs.
- Programming costs account for **11%** of costs

Figure. Percentage of program operating budgets that are spent on different categories among West Virginia Recovery Housing Programs, 2023 (N = 25).

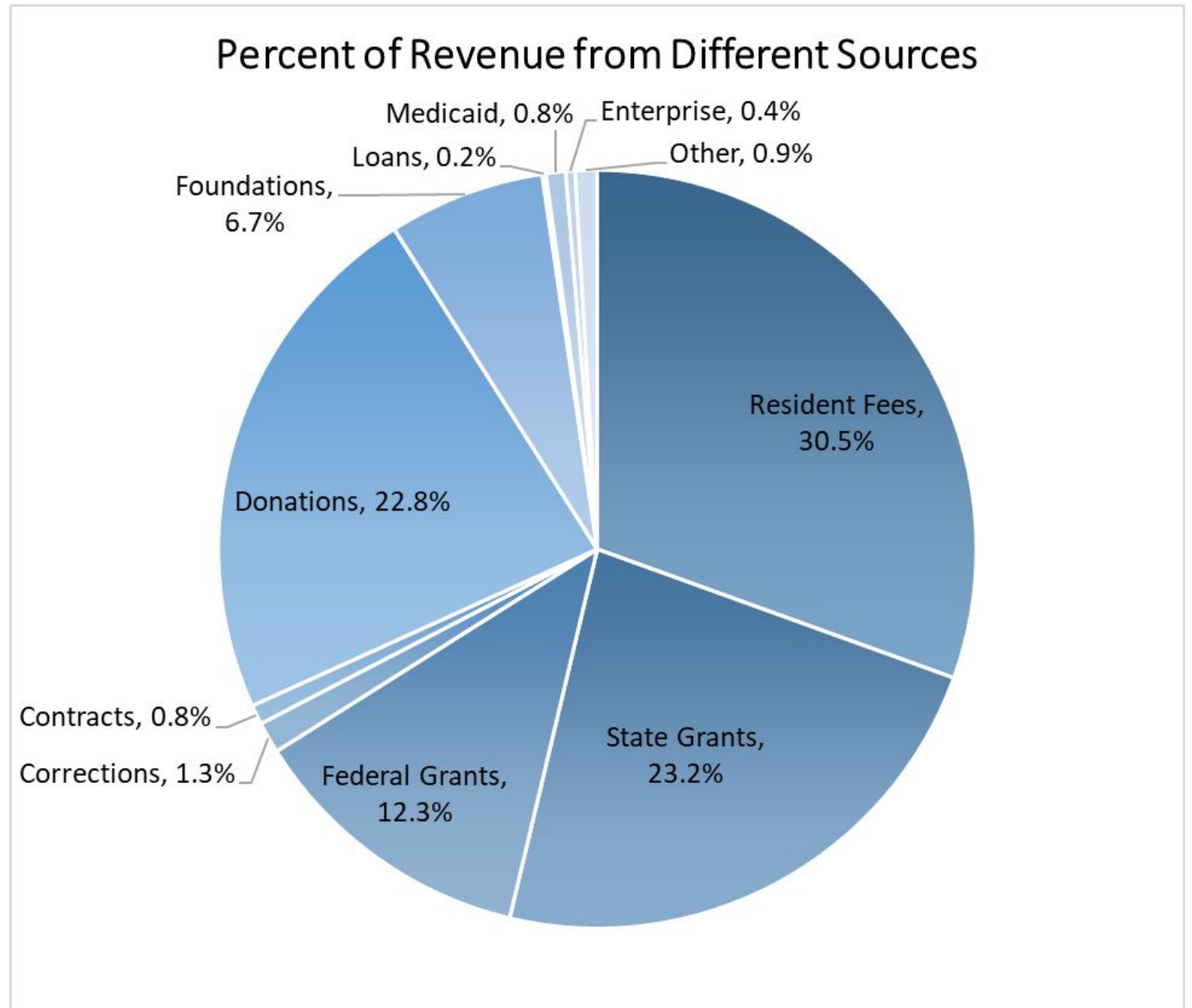


Revenue Sources

Largest revenue source is resident fees

- Average amount charged was \$410 per month
- Fees ranged from \$100 to \$800 per month
- Programs receive 75% of resident fees charged on average
- 13% of programs dismiss residents who are unable to pay fees

Figure. Percent of revenue from difference sources Reported by West Virginia Recovery Housing Operators, 2023, (N = 30).

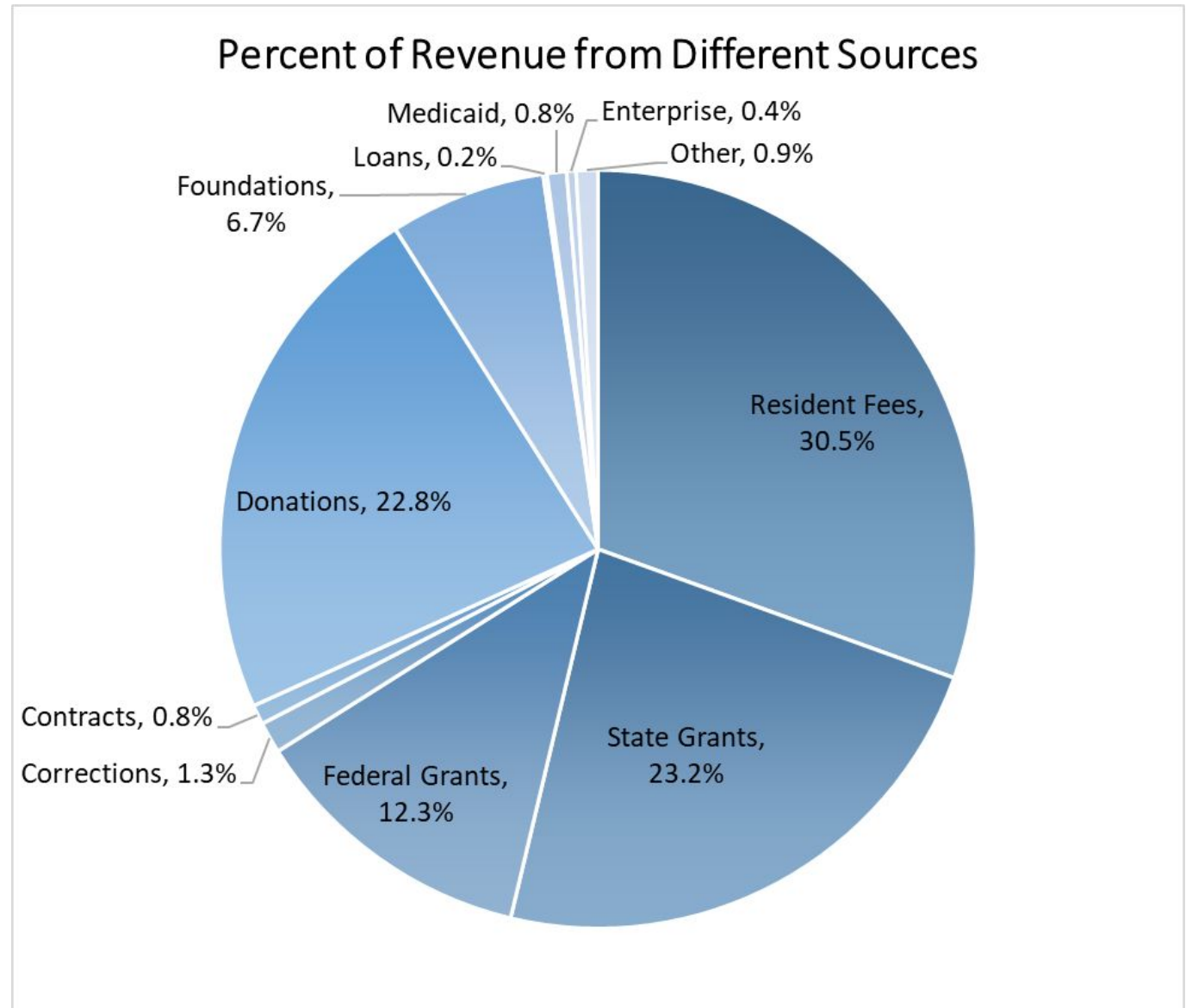


Revenue Sources

State and local grants are second largest source of revenue

- 50% received State Targeted Response Funds
- 63% received State Opioid Response funds
- 50% received Substance Abuse Prevention and Treatment Block Grants.

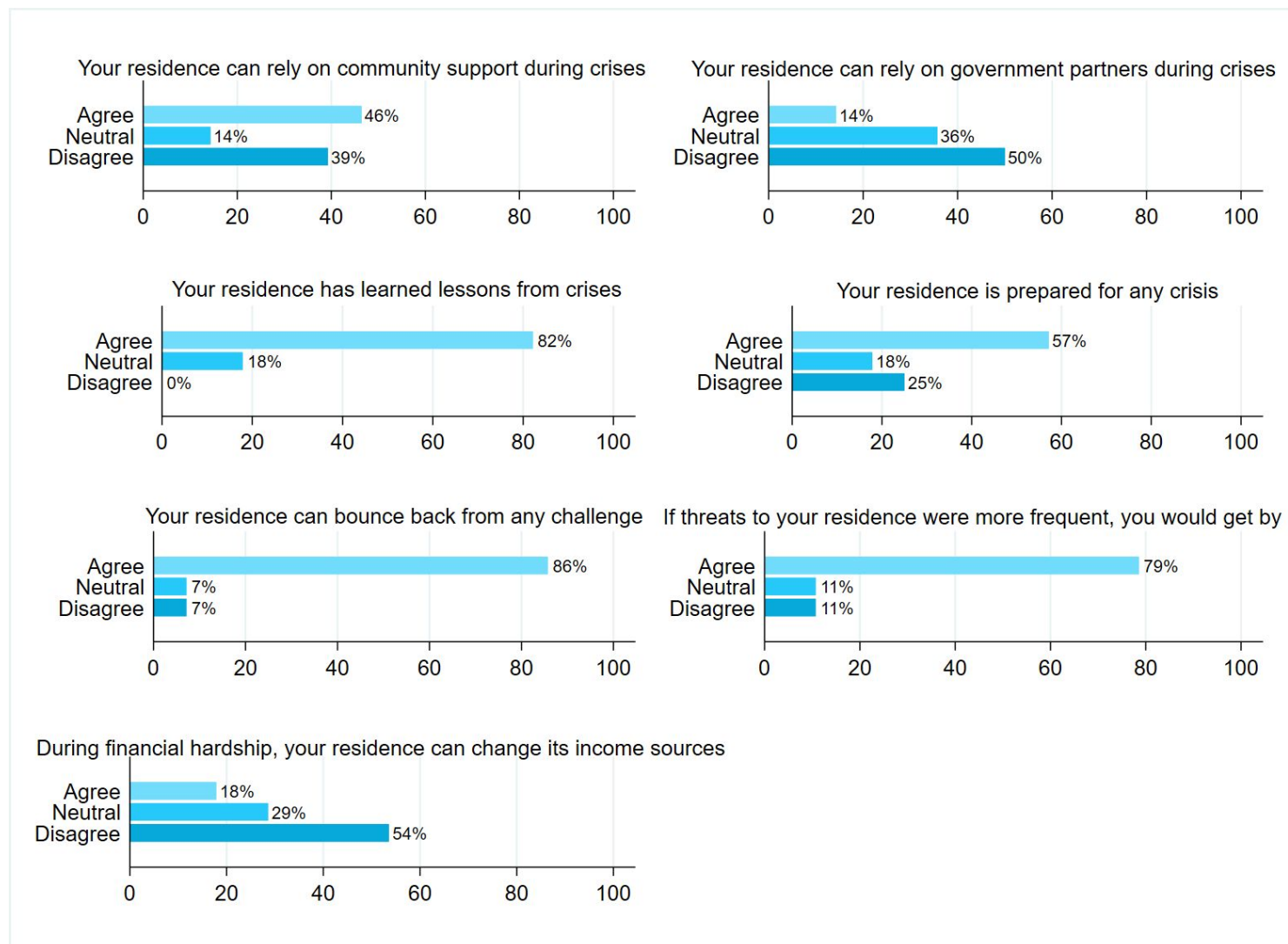
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Financial Resiliency

- On a scale from 1 to 10, programs ranked their financial resilience at **6.4 on average**
- When asked how capable their program was to overcome funding disruptions:
 - 7% were not capable
 - 55% were slightly or moderately capable
 - 38% were very or extremely capable
- 46% of recovery housing programs surveyed indicated they received 75% or more of their revenue from one source.

Figure. Share of West Virginia recovery housing programs that agreed, disagreed, or were neutral for various statements, 2023, (N = 28).



Operational Challenges

Lack of financial resources if the most significant challenges recovery housing programs identified

- 68% identified it as the largest barrier their program faced

Figure. Ranking of challenges to continued operation (N = 28).

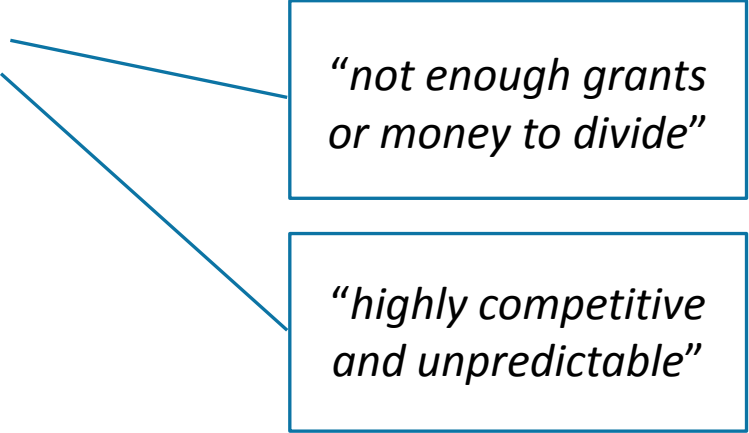


Barriers related to Grants

- Programs that had received grants of any kind (N = 14) reported an average of **49 hours spent per month** finding and applying for grants.
 - 86% of programs indicated that it was somewhat or extremely difficult to find grants
 - 50% indicated it was somewhat or extremely difficult to apply for grants.

- Specific barriers related to grants included:

1. The limited number of grants available



*“not enough grants
or money to divide”*

*“highly competitive
and unpredictable”*

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- Specific barriers related to grants included:

1. The limited number of grants available
2. Grants do not meet program needs

“funded services do not match need”

“difficult to find funding to support operational costs”

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- Specific barriers related to grants included:
 1. The limited number of grants available
 2. Grants do not meet program needs
 3. Sustainability

“Grants can be inconsistent year to year and are no guarantee. This can present a significant barrier to finding, recruiting, and retaining quality peer recovery support specialists”

Recommendations to Address Barriers: Financial Resources and Staffing Shortages

- Provision of Education and Training on state grants and application processes.
 - Designated grant specialists at the state to advise applicants
- Increase the availability of start-up funding and the development of a long-term (1 year +), sustainable funding for certified recovery residences.
- Increase certified recovery residence capacity in rural areas and develop strategies to address barriers including lack of available transportation to, and within, these communities.
- A state emphasis on the provision of culturally appropriate tailored services in certified recovery residences for special populations, including women, women with children, pregnant and parenting people, families, veterans, LGBTQ+, people of color, and people with physical disabilities.
- Enhance support offered in-house by leveraging state funded programs for residents may be eligible for, such as West Virginia's Non-Emergency Medical Transportation (NEMT), which provides transportation to Medicaid beneficiaries.

Recommendations to Address Barriers: Retention, Stigma, and Referrals

Resident Retention

- Promote and cultivate relationships among recovery housing programs and other recovery and SUD providers, such as recovery community organizations in the larger recovery ecosystems, to ensure recovery housing residents have access to crucial resources during financial crises.

Community Stigma

- Provide training and resources to recovery housing programs to encourage community partnerships, to reduce stigma, and increase community support.

Referrals

- Establish a comprehensive registry that identifies bed availability, reduces waiting lists, and increases capacity for RH that have openings and identifies gaps in available RH in rural communities.

WEST VIRGINIA RECOVERY HOUSING FINANCIAL LANDSCAPE

PREPARED BY FLETCHER GROUP RESEARCH TEAM IN
COLLABORATION WITH THE WEST VIRGINIA ALLIANCE FOR
RECOVERY RESIDENCES.

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We want to work with you!

If you would like to conduct a financial landscape assessment of recovery housing in your state, please contact:

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Thank you!

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