



Danielle Gray
Senate Finance Committee
Testimony on HB 33 (SFY 2024-25 Operating Budget)
June 8, 2023

Chair Dolan and Members of the Senate Finance Committee -

Thank you for allowing me the opportunity to provide testimony today.

My name is Danielle Gray and I serve as the Executive Director of Ohio Recovery Housing (ORH). We are a non-profit organization with the mission to increase access to high quality recovery housing options for Ohioans with substance use disorder.

Recovery housing is a critical component of the continuum of care for persons with substance use disorder. A recovery home is not defined by the people who live in the home, but the environment that is created. A recovery home provides a safe, supportive living environment where individuals in recovery from a substance use disorder can receive peer support, connection to services and supports in the community, and participate in resident driven recovery planning.

We know that recovery housing works. ORH has been collecting outcomes data on recovery housing from participating organizations since 2016. Looking at our most recent data collected in 2022, we found that:

- 88% of residents who are moving out of recovery housing indicate that they are connected to ongoing recovery support services to maintain long term recovery when they are leaving recovery housing, with nearly 75% connected to certified peer support.
- 57% of residents had no income when they moved into recovery housing. At six months of living in recovery housing, only 23% of residents did not have an income.
- Nearly 1 in 5 recovery residents reported having an income of \$25,000 or more after living in recovery housing for six months.
- Over 50% of residents have over \$5,000 in debt when they move into recovery housing, compared to 42% of residents at move out. While this may not seem like a small decrease, considering the relatively low incomes of residents of recovery housing, it is impressive how many are able to use living in an affordable recovery home as an opportunity to pay off debt and prepare for the future.
- After six months, 17% of residents achieved a high school diploma or equivalent, 5% achieved technical or vocational certification.¹

¹ Gallant, K (2023). Ohio Recovery Housing Resident Outcomes Report: May – December 2022. Mighty Crow Media, LLC.



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Without access to recovery housing, people will be at risk of homelessness or returning to environments where they are surrounded by people, places and things that promote a life in active addiction, instead of being surrounded by people, places and things that support a life in long-term recovery.

We know that recovery housing is also desperately needed. According to a recent analysis using the Calculating An Adequate System Tool (CAST) developed by SAMHSA and adjusted specifically for recovery housing, only 31% of total recovery housing capacity is being met across Ohio². There are thousands of Ohioans with a substance use disorder who would benefit from and potentially be interested in a recovery housing environment if it were made available to them.

We know that recovery housing offers a solid return on investment. We see in research that a conservative estimate of the net benefit of a stay in a recovery housing setting is about \$17,830³. This benefit comes from reduced likelihood of incarceration, reduced likelihood of hospitalization, as well as increases in resident employment and income. Based on these estimates, researchers estimate that Ohio's existing recovery housing network has saved the state of Ohio \$34,897,500 in reduced criminal activity, reduced health care spending, and other expenses related to addiction in 2022. Overall, the total economic benefit to Ohio of Ohio's existing recovery housing network is just over \$51 million – this figure includes the previously mentioned cost savings as well as the increased income of residents – as residents of recovery housing are likely to further their education, reduce their debt, and gain ongoing stable employment⁴.

The demand for recovery housing is high and funding is limited. Recovery housing is not an eligible benefit under Medicaid or private insurance – therefore, recovery housing operators rely on public and private grants, resident rent payments, fundraising and other sources of financial support to ensure they have enough revenue to cover expenses and ensure that the housing is still affordable for the people who need it. The recovery housing general revenue fund line item is one such critical method of supporting recovery housing operators.

The current version of HB 33 includes confusing language that may misconstrue the purpose of these dollars by referring to capital appropriation guidelines. The historical purpose of these funds is to provide ongoing operating assistance for recovery housing operators and to support the continuous quality of the recovery homes for Ohioans who need them.

² Green, B. Mapping the Gap: An Assessment of Capacity, Cost-Benefits, and Disparities in Utilization in Ohio Recovery Residences. 2023

³ Lo Sasso AT, Byro E, Jason LA, Ferrari JR, Olson B. Benefits and costs associated with mutual-help community-based recovery homes: The Oxford House model. *Eval Program Plann.* 2012 Feb;35(1):47-53. doi: 10.1016/j.evalprogplan.2011.06.006. Epub 2011 Jul 22. PMID: 22054524; PMCID: PMC3596872.

⁴ Green, B. Mapping the Gap: An Assessment of Capacity, Cost-Benefits, and Disparities in Utilization in Ohio Recovery Residences. 2023



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Ohio Recovery Housing feels strongly that the quality of services matters. The Governor's introduced and Ohio House passed version of the budget included essential provisions that increase the quality of recovery housing, protecting residents and neighborhoods.

Currently, across our state there are many recovery housing operators who choose not to invest in or understand expectations for quality standards. It only takes a couple of low quality or bad actors in this space to make it more difficult for quality operators to become established and gain critical community support.

Our office frequently gets calls from family members, residents, or neighbors about low-quality uncertified recovery housing in their community. These individuals are often shocked to learn that unless the homes receive funding from their local behavioral health authority or the Department of Mental Health and Addiction Services, there is very little that can be done about the issues. Even in those cases, the organization may lose funding, but there is nothing that can be done to require that they cease operations. The As Introduced and House passed version of the budget provided an essential pathway for these residents, family members and neighbors to bring concerns and have them appropriately addressed.

The House passed version of HB 33 contained essential provisions that would create a registry of recovery homes, as well as establish a quality process for recovery residences. Under this language, OhioMHAS would be able to accept certification from nationally recognized entities including the National Alliance of Recovery Residences State Affiliate or Oxford House, Inc, or others as identified by the Department. We are supportive of this strategy, because it allows our state to increase the quality of recovery residences and protect residents of recovery housing without unnecessary growth to state government or requiring additional rule making.

People in recovery deserve and need a quality living environment that provides them a home, a place to rediscover their purpose, a sense of community, and the ability to continue on their journey toward health. Our neighbors deserve to know high quality recovery housing services are being offered by organizations that recognize the importance of being responsible neighbors and value being part of the community. I ask that you support the increased funding for recovery housing as well as the critical policy provisions in the OhioMHAS budget that would increase access and quality of recovery homes across Ohio.

Thank you again for your time and attention and I would be happy to answer any questions that you may have.