

Craig Gullion
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 Craig Gullion, and I am the Executive Director of Compass Point Housing. We are a private, non-profit provider of recovery housing serving individuals with substance use disorders in Scioto, Lawrence, and Adams counties.

Recovery housing is a critical component of the continuum of care for persons with substance use disorders. A recovery home is not defined by the people who live in the home, but the environment that is created. At our recovery homes we provide a safe, supportive living environment where people can live together in recovery, finding support and healing in a structured environment, while also gaining critical recovery capital and life skills.

For example, "Jason" spent most of his adult life in active addiction until entering a treatment program and being referred to Compass Point Housing as a resident. "Jason" completed his clinical treatment program while living in our recovery housing and continued as a resident in one of our Level I recovery homes for men where he continued his recovery path, gained employment, and obtained his driver's license. "Jason" became a member of our maintenance team in 2019 and I am happy to report he recently purchased his first home for himself, his wife and infant son. "Jason" continues to be a leader in his recovery community and impacts others with his skills in construction and maintenance.

I know recovery housing works, and it is not just because I see results like this every day. We also have data that demonstrates that recovery housing works. Statewide statistics report:

- 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
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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

Recovery Housing is 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.

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.

Our organization is supported primarily by rent payments from our residents. While our local ADAMHS Board is a valued supporter of recovery housing, we do not have a local levy to enable our board to directly support our housing with rent assistance. One critical funding source that is vital for operational expenses assistance is the Recovery Housing Initiative funds in the General Revenue Fund.

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. We need it to be clear that these dollars are intended to be used for operations, and that recovery housing operators may continue to partner

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

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

with their local county boards to apply for appropriate capital funding through the existing capital programs.

We are a firm proponent of quality and recognize that quality outcomes are a result of quality processes, including recovery housing quality standards. That is why all our (16) sixteen recovery homes comply with and maintain certification through Ohio Recovery Housing. Unfortunately, across our state, there are many recovery housing operators who choose not to become certified. It only takes a couple of low quality or bad actors in this space to make it more difficult for those of us who are trying to do things the correct way to get a bad name. Once recovery housing has a bad reputation in the community, it is nearly impossible to earn the local support and trust that is needed to operate quality recovery housing effectively. We often get lumped into a negative stigma related to “group homes”, although our properties are well-maintained, have adequate, trained staffing and meet quality standards.

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.

As a non-profit, we exist to bring quality outcomes through the quality standards established in our recovery homes. Our residents and their families deserve the assurance that we will work to provide the quality standards that affords them the best chance to continue their recovery path. These policy changes are desperately needed. I really fail to understand why operators would resist meeting the quality standards already established, but I feel our entire industry is negatively impacted when “bad actors” are allowed to continue to operate. Indeed, it would be extremely helpful for our business to have to spend less time responding to concerns about recovery housing that comes from bad actors – allowing us more time and resources to support our residents and grow our business.

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 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.

 CEO Compass Point Housing