



April 24, 2023

Damon Smith
General Counsel
Department of Housing and Urban Development
451 7th Street SW, Room 10276
Washington, DC 20410-0500

Re: Docket No.FR-6250-P-01, Affirmatively Furthering Fair Housing

Submitted electronically via <http://www.regulations.gov>

Dear Mr. Smith:

Trinity Health appreciates the opportunity to comment on policies proposed in the Department of Housing and Urban Development's (HUD) Affirmatively Furthering Fair Housing proposed rule. We support the engagement of communities experiencing poverty and other vulnerabilities in the implementation process of program activities and the streamlining of data collection and fair housing analysis outlined in the proposed rule. Trinity Health urges HUD to place the voice of members from these communities and protected classes at the forefront with the implementation of this rule. Furthermore, any actions that HUD can take to reduce the paperwork and analysis burden on local community development groups and public housing authorities would provide significant benefits to broader adoption of these programs.

Trinity Health is one of the largest not-for-profit, Catholic health care systems in the nation. It is a family of 123,000 colleagues and over 26,000 physicians and clinicians caring for diverse communities across 26 states. Nationally recognized for care and experience, the Trinity Health system includes 88 hospitals, 135 continuing care locations, the second largest PACE program in the country, 136 urgent care locations and many other health and well-being services. Trinity Health has 15 medical groups with 1,324 primary care providers and 4,193 specialty care providers. Based in Livonia, Michigan, its annual operating revenue is \$21.5 billion with \$1.4 billion returned to its communities in the form of charity care and other community benefit programs.

More than 18 million households living within Trinity Health's service areas suffer from housing cost burden (defined as having housing costs that are 30% or more of total household income). Just under 10 million of these households are renters. Being able to maintain affordable and stable housing is a key contributor to a family's ability to build wealth and maintain a healthy living environment. The lack of affordable housing creates significant financial burdens for our neighbors, especially those from low-income communities, which create and exacerbate both wealth and health inequalities within our communities. It is not unusual to see differences of more than twenty years in population life expectancies between wealthier suburban communities and low-income urban communities. In many ways, the ZIP code where an individual lives can define their overall life expectancy and health outcomes more than any other factor. Aging, unsafe, and unaffordable housing stock plays a significant role in perpetuating these wealth gaps.

Trinity Health believes in addressing the total health of our communities – supporting all of the health needs of the people that we serve. In furtherance of this mission, Trinity Health has invested significant resources to address upstream drivers of poor health outcomes including the lack of safe and fair housing. For the last 20 years, Trinity Health has been at the forefront of health system investment in community development work – primarily through providing low-interest loans to Community Development Financial Institutions (CDFIs) working on key social and health-related issues (access to safe affordable housing; availability and access to healthy food; access to capital for minority business owners and entrepreneurs; etc.). In 2016, the Trinity Health Board of Directors formally committed \$75 million of its active investment portfolio to specifically support community investing in low-income communities that have experienced historic disinvestment.

Over the last four years, Trinity Health has actively worked to take this large national community investing program and devolve it to a local level to achieve greater measurable impact in the communities that it serves. These efforts took on a greater sense of urgency as the impact of the COVID-19 pandemic laid bare many of the systemic inequalities and disinvestment in communities experiencing high poverty and limited access to health care across the United States. Trinity Health launched a major three-year strategic realignment of its community investing program in 2021 to focus its investments on communities with significant minority populations experiencing poverty and historical disinvestment.

As of March 2023, approximately \$57 million of these funds have been formally deployed or committed to CDFIs and/or individual community development projects. These funds have directly enabled more than \$330 million in lending and program development in communities across Trinity Health's 26-state service area since 2018. By 2024, the community investing program will align all its investing based on a “priority community” standard – an approach driven by high level needs data and local community leadership buy-in.

Approximately half (\$29 million) of the Trinity Health's deployed investments is connected to the development of affordable housing. Our partners have leveraged this investment to deploy more than \$218 million in capital towards affordable housing development. Altogether, Trinity Health's investments have created 4,900 units of affordable housing over the last five years (including 225 supportive housing beds).

Community engagement in this investing process is crucial to its success. When Trinity Health reimaged its community investing program in 2021, we focused our CDFI and community development partners on actively engaging community members in their work. Our program specifically values partners that reflect integrative thinking that connects residents into other projects – like transportation, education, and other resources. Supported projects should employ community residents and businesses. There must also be a very clear connection between the community's needs (as identified by the community itself) and the proposed project and loan pool. Trinity Health also requires our partners demonstrate that their projects have a mechanism to continue to gather and incorporate community and stakeholder feedback into the project or loan pool.

This community engagement in our investing work reflects our broader engagement efforts with the communities that we serve as part of our core health care services. While community health needs assessments (CHNA) and Implementation Strategies are required by the Internal Revenue Service (IRS), Trinity Health ministries have historically conducted CHNAs and developed Implementation Strategies as a way to meaningfully engage our communities and plan our Community Health & Well-Being work. Community Health & Well-Being promotes optimal health for those who are experiencing poverty or other vulnerabilities in the communities we serve by connecting social and clinical care, addressing social needs, dismantling systemic racism, and reducing health inequities. Trinity Health has adopted the Robert Wood Johnson Foundation's definition of Health Equity - “Health equity means that everyone has a fair and just opportunity to

be as healthy as possible. This requires removing obstacles to health such as poverty, discrimination, and their consequences, including powerlessness and lack of access to good jobs with fair pay, quality education and housing, safe environments, and health care.”

Trinity Health encourages HUD to require deep community engagement to drive the Equity Plans outlined in this proposed rule. It is vitally important that we put the needs of the people who will be most impacted by this work at the forefront in planning its outcomes.

The proposal to “streamline the Equity Plan's required fair housing analysis, while providing easy-to-use data to support that analysis” is a necessary change to the rule and Trinity Health supports this modification. Developing new affordable housing for low-income communities is a very complex process. The handful of housing projects that Trinity Health has directly supported have involved 3-4 years of pre-development planning and are heavily burdened with reporting requirements. Placing another layer of reporting and planning on top of common community development funding sources such as the Community Development Block Grant (CDBG) program can limit adoption of these programs and prevent much-needed support from reaching underserved communities that are located with broader municipalities that do not wish to deal with the increased reporting requirements. Any means that HUD can employ to make this process easier will help all community development organizations more nimbly react to the worsening affordability gap that we see across all our communities.

Thank you for the opportunity to provide comments on the fair housing proposed rule. If you have any questions on our comments, please feel free to contact me at jennifer.nading@trinity-health.org.

Sincerely,

/s/

Jennifer Nading
Director, Medicare and Medicaid Policy and Regulatory Affairs
Trinity Health