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FLETCHER GROUP WEBINAR

Built to Last:

Financial Sustainability for Recovery Homes with Insights on Rural Recovery Experiences

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Fletcher Group Webinar · September 3, 2026

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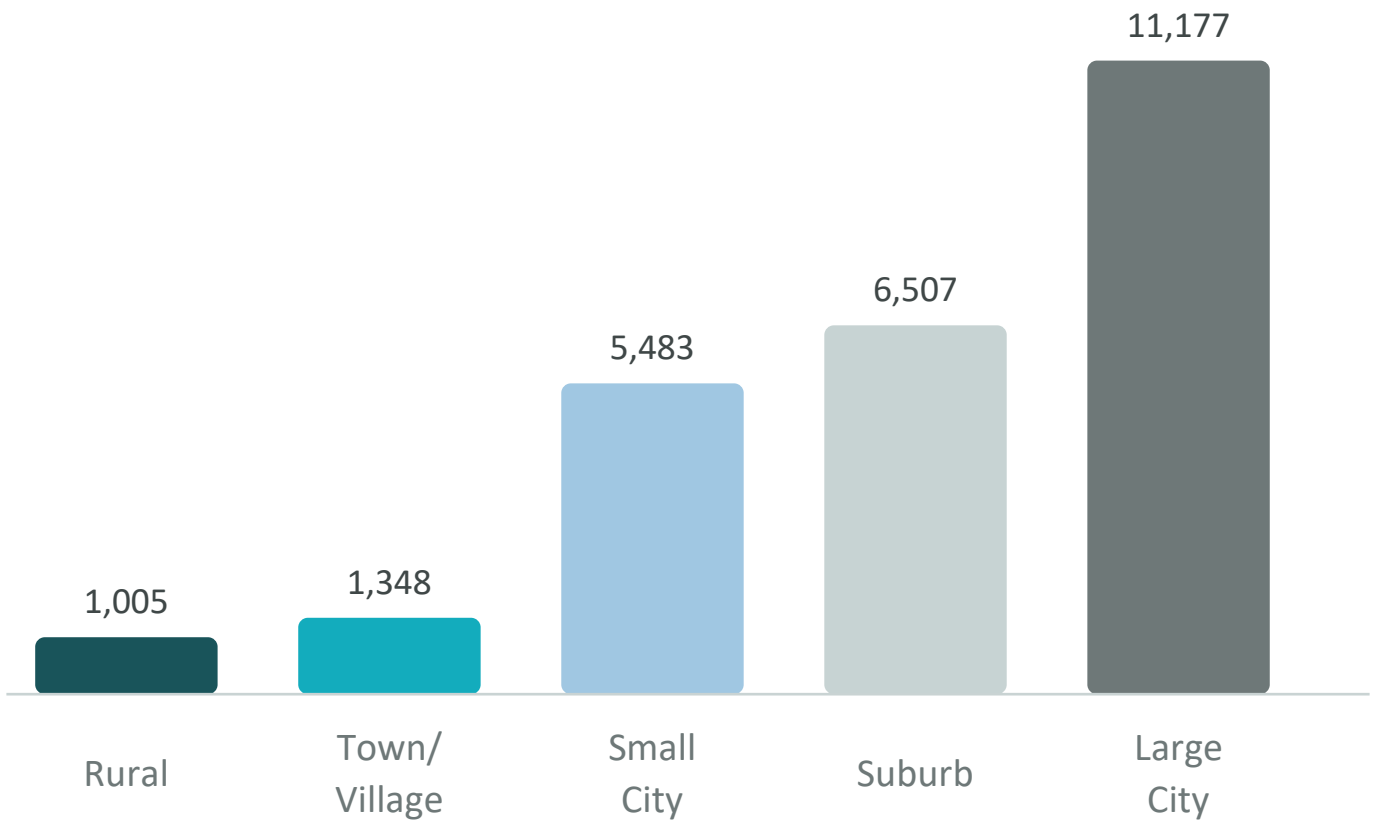
CCF's Legacy Program: Recovery Housing Rental Assistance Stipends

Where Do Rural Stipend Recipients Land for Recovery Housing?

A geographic analysis of rental stipend recipients who self-identified as living in a rural area

The Applicant Pool



1,005

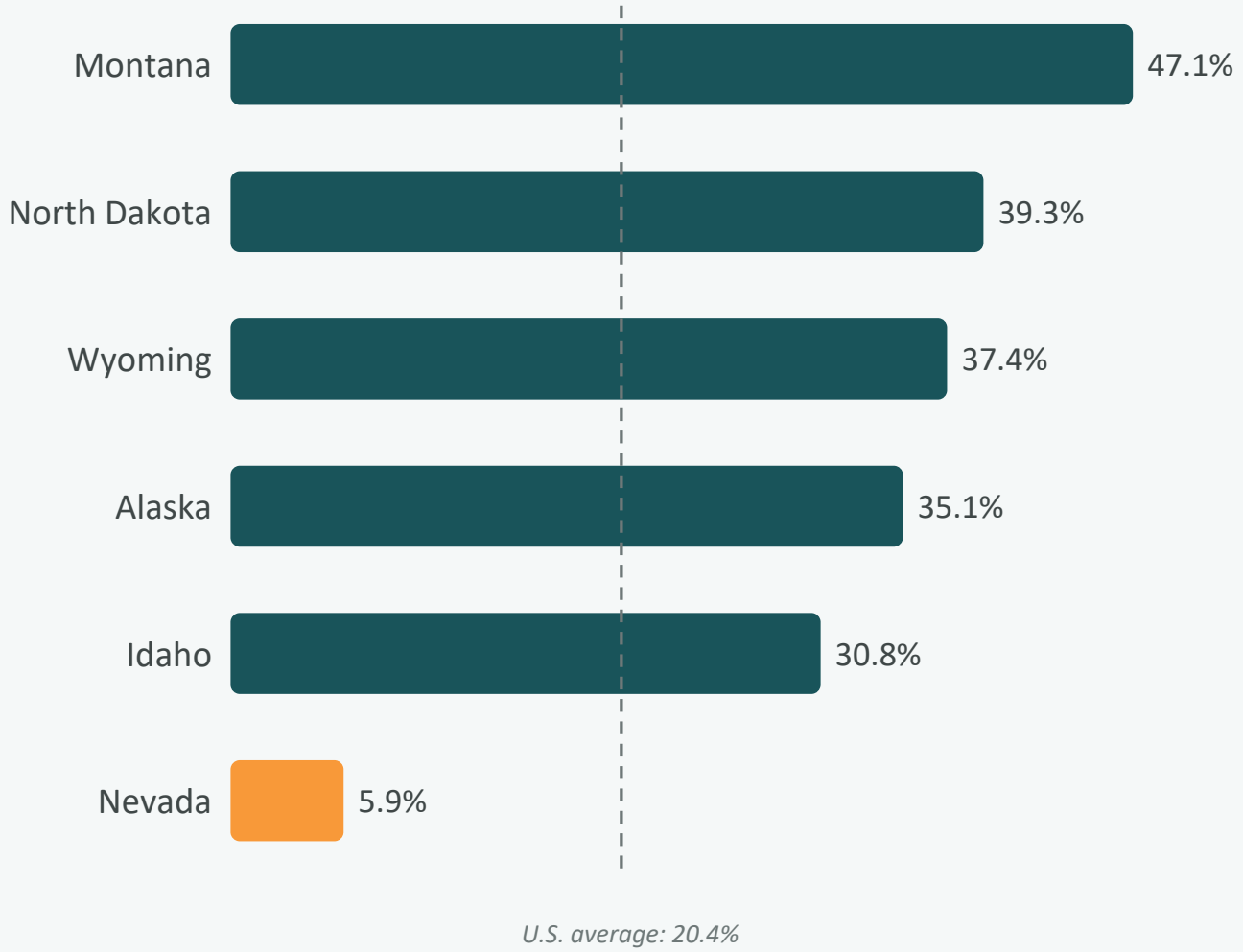
Applicants (3.9% of all applications) self-identified as living in a rural area

2,021

of all 25,520 applicants ultimately received a rental stipend (7.9%)

Six States With No Stipends

No stipends were provided in these states; shown with the share of each state's population living in rural areas.



Rurality

Wyoming submitted no applications at all. Alaska, Idaho, Montana, Nevada, and North Dakota each submitted only a handful of applications, and none received stipends. Five of the six are among the nation's more rural states, with Montana in the top five.

The Nevada exception: 94% of Nevadans live in urban areas (Las Vegas/Reno). However, nearly all of the state's land is remote frontier, leaving its small rural population among the most isolated in the country.

Five of the six states sit far above the national average for rural population percentage

From Applications to Rural Recipients

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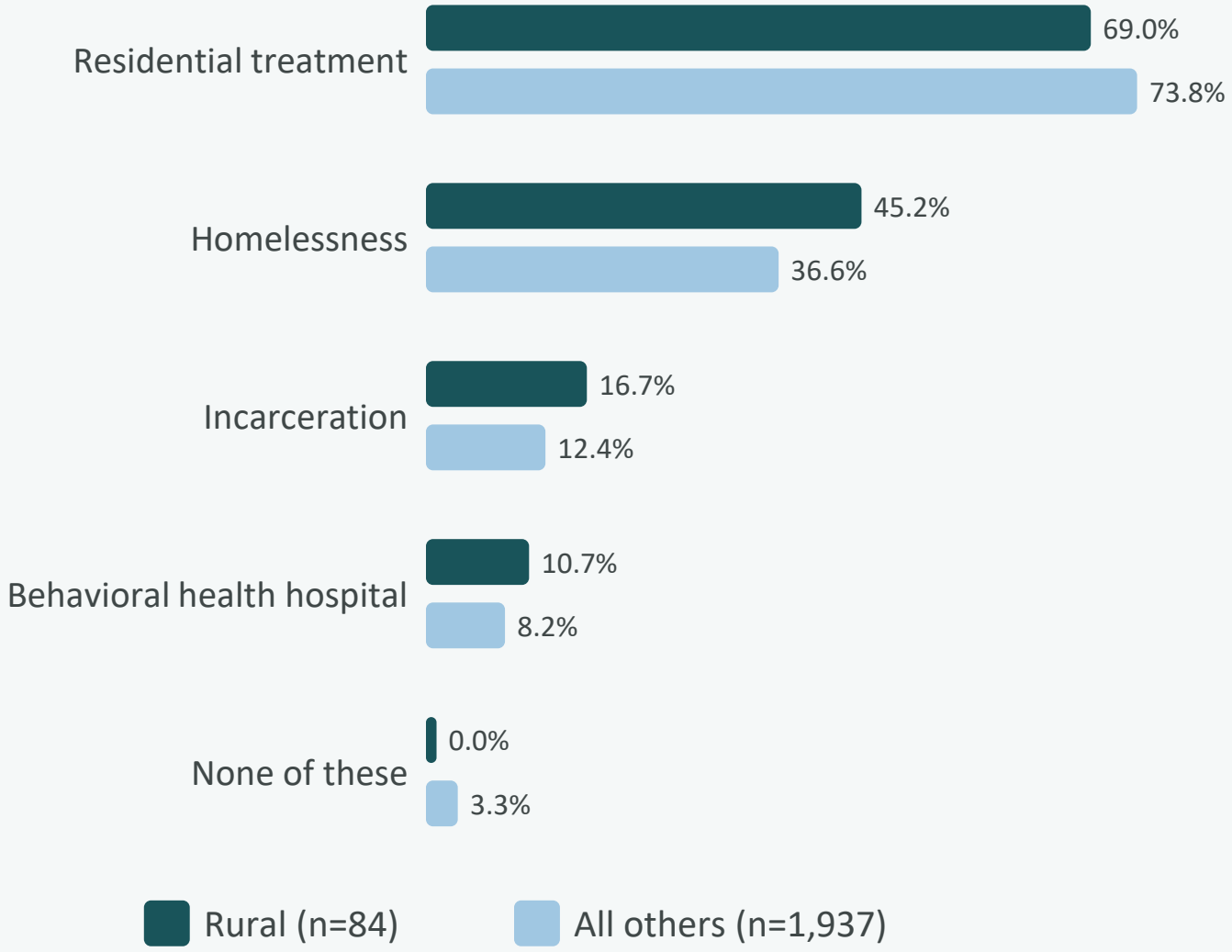
25,520 Total rental stipend applications received

2,021 Applications approved and funded with a stipend (7.9%)

84 Stipend recipients who self-identified as living in a rural area (4.2% of recipients)

Where They're Coming From

Settings recipients reported entering recovery from (select all that apply)



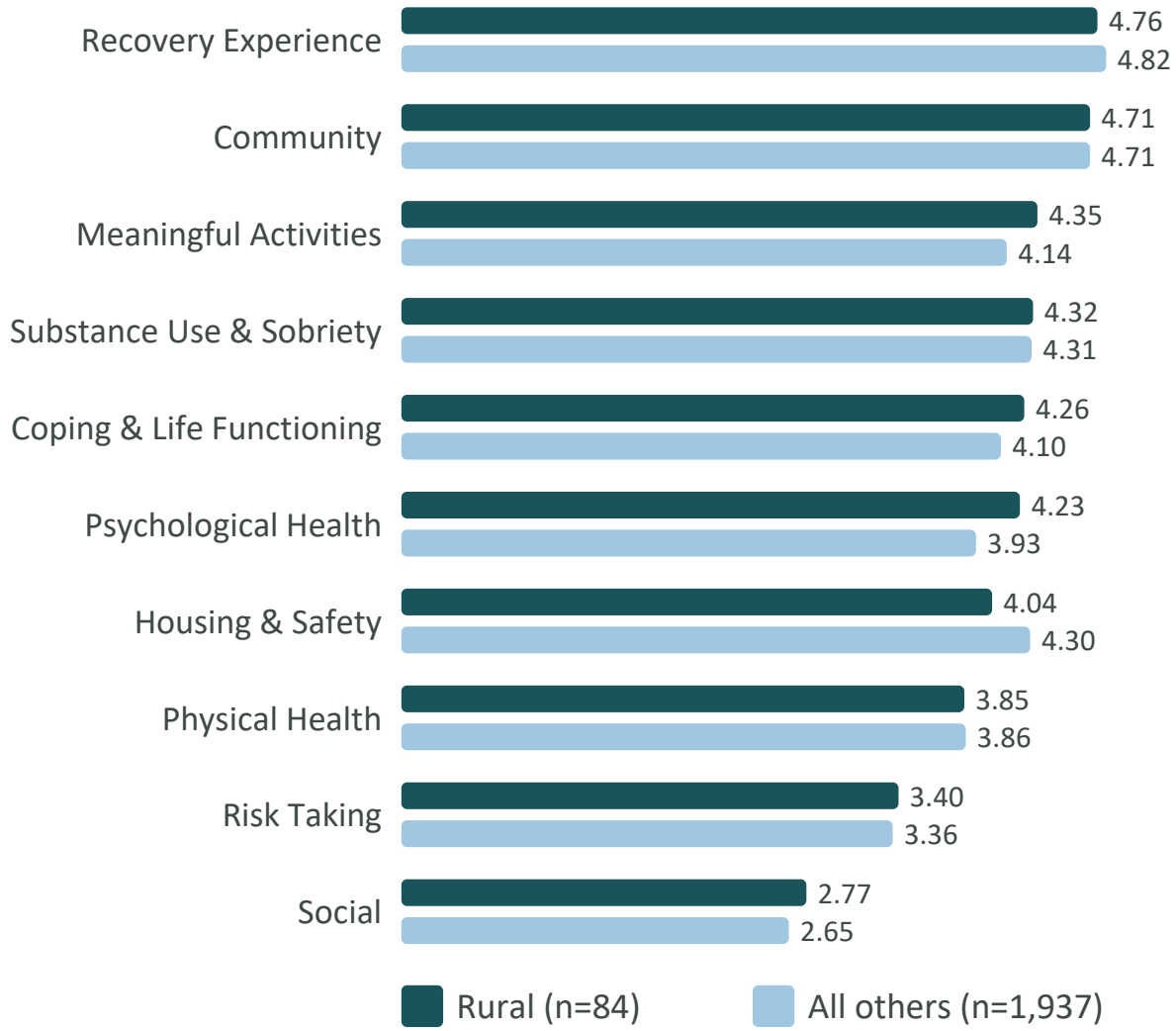
100%

of rural recipients entered recovery from at least one crisis setting: treatment, homelessness, incarceration, or hospitalization.

45% of rural recipients were coming from homelessness, compared with 37% of everyone else.

Recovery Capital When They Applied

Average scores on the Assessment of Recovery Capital (ARC) at application. (higher = more recovery capital)



Overall: About the same. Rural recipients averaged 40.8 out of 50, everyone else 40.2.

Stronger: Psychological health and meaningful activities
Rural recipients scored higher on both. This is a real difference, not just noise from a small sample.

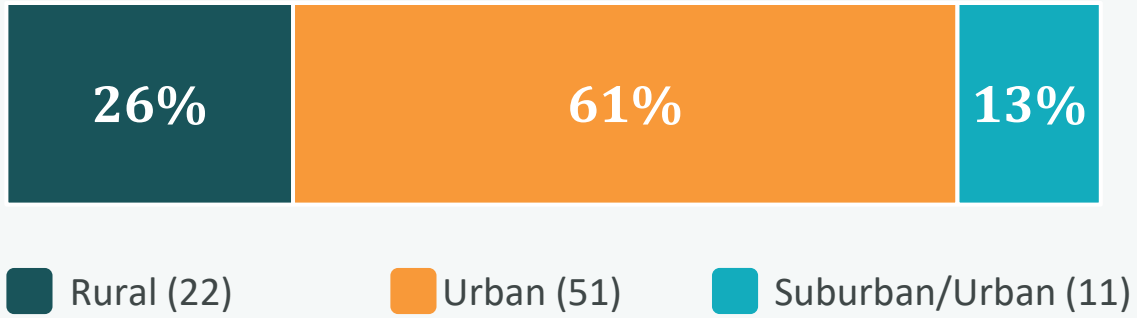
Weaker: Housing and safety
Rural recipients scored lower here. This is driven specifically by questions about the physical home: pride in it, and feeling safe there.

Both groups: Social support is the lowest-scoring area.

Where They Landed

Rurality of the recovery home ZIP code for the 84 rural-identified stipend recipients

All 84 rural-identified recipients, by recovery home area type:



74% of rural stipend recipients moved out of a rural area

22 (26%)
moved into a recovery home that is also in a rural area

51 (61%)
moved into a recovery home in an urban area

11 (13%)
moved into a recovery home in a suburban / metro-adjacent area

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The University of Texas at Austin
Addiction Research Institute
School of Social Work

THE RESEARCH FOUNDATION

Recovery Housing Sustainability (RHS) Research Project

Examining the financial and operational challenges that shape the long-term viability of recovery residences

Overview of the Project

The research problem and the proposed solution

The University of Texas at Austin Addiction Research Institute Steve Hicks School of Social Work

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RESEARCH PROBLEM

Housing costs in recovery residences are not presently covered by private or public health insurance. Lack of insurance coverage presents barriers to individuals needing recovery housing and may also threaten the quality and sustainability of recovery housing at the provider level.

SOLUTION

Develop innovative funding models to address the financial gap created by insurance ineligibility

Generate empirical research to inform new policy initiatives advocating for RHO insurance coverage eligibility

What is financial sustainability?

The ability of a recovery housing program to maintain stable, long-term financial health while continuing to provide safe, supportive, and effective housing for individuals in recovery — generating sufficient revenue to cover operational costs, maintain facilities, pay staff, and invest in program improvements without relying solely on short-term funding sources.

Research Approach

How the RHS project gathered its evidence

56

unduplicated recovery housing provider surveys completed

321 surveys solicited

Mean age: 46.6 years

Self-identified Race & Ethnicity: 14.3% Latino, 82.5% White, 5.3% Black/African American, 8.8% Bi/Multi-racial

52.6% male · 42.1% female

56% for-profit · 36.8% non-profit

50% Level II · 37.5% Level III

70

Participants in qualitative data collection

7% Latino · 10.5% Black/African American

64.9% in recovery

44 interviews with key stakeholders

12 interviews with providers

14 group modeling participants

Preliminary Findings

Early results from the RHS provider research

84.2%

of recovery home operators who responded to the provider survey are in recovery

68.5%

have a documented business plan

5.25×

more likely for for-profits to cover operating expenses

Research Questions & Interviews

The qualitative interviews…

RESEARCH QUESTIONS

(1) What are the barriers and facilitators to obtaining and maintaining organizational sustainability for recovery housing?

(2) What are perceived solutions to improve the sustainability of recovery residences?

INTERVIEWS

44 interviews were completed:

- 10 Providers
- 10 Residents
- 9 Advocates
- 9 Treatment Employees
- 6 Network Representatives

The Ecological Model

The Institutional Level of the Ecological Model

Institutions = Individual Recovery Residences

- **Clear Mission Driven Goals**
- **Multiple Streams of Funding**

"There's a lot of people coming in with no money and the cost to operate a house requires that the people that live there pay a portion of the bills in the home. If you get even half the people that can't pay for a month or six weeks, you have to have some sort of [money] put in reserve, or some sort of supportive funding, third party funding to keep the lights on, to keep the water flowing, to keep the landlord happy."

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The Ecological Model

The Community Level of the Ecological Model

Community = Providers and Recovery Housing Networks

- **Quality Standards**
- **Training**
- **Continuing Education**

"There is so much damage done by [homes] operating outside of those standards… they're the ones that are making recovery look like addiction in neighborhoods … people in the general public don't get that. They don't know the difference. To have a standard for everyone to follow would remove that barrier."

The Ecological Model

The Public Policy Level of the Ecological Model

Public Policy = Legislation and Policies

- **Government Funding**
- **Health Insurance Eligibility**

"One of the things that did not pass in legislation in the session was the budget rider attached to {the bill} to support recovery housing…There are no funds right now from the state. We're working on that."

The Ecological Model

The Societal Level of the Ecological Model

Societal = Stigma

- **Culture of Acceptance**

“There’s just lots of local ordinances and city ordinances that are mainly fueled by NIMBY politics. People don’t want recovery homes in their backyard, or even in their city or town. They assume that a bunch of drug addicts are moving into a home together and they’re going to be stealing and still continuing actively in that behavior and substance use. We’ve got to shift that paradigm a little bit.”

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FROM RESEARCH TO PRACTICE

Recovery Housing Accelerator (RHA) Program

Translating RHS findings into structured support for recovery housing operators

From Research to Practice

The RHS project laid the groundwork for the RHA programming

1

Business Model Canvas (BMC)

A simple, structured approach to understanding and communicating a business model. As a result of RHS, a recovery-housing BMC was created and refined.

2

Financial Sustainability Toolkit

Developed from the RHS findings and centered around the RH BMC; development led by CCC. A guide for operators and owners to support the longevity of their business.

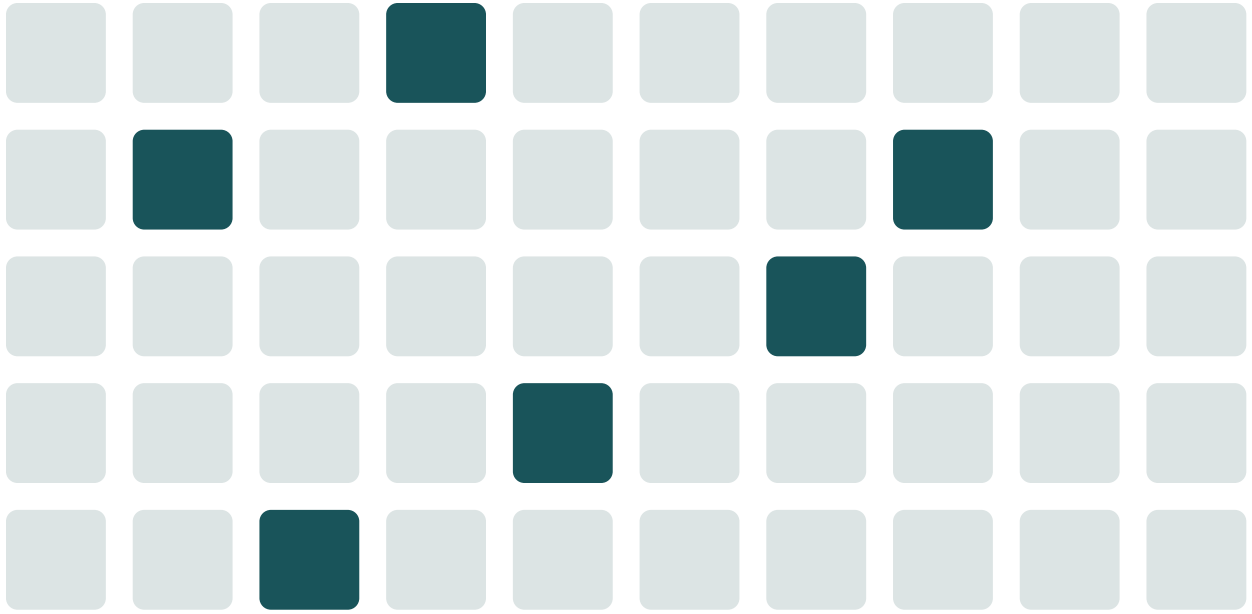
3

Training / Curriculum

A training curriculum has been initiated to supplement the toolkit. It will be used within the RHA program to provide structured assistance to participants.

Rural Representation Among Accelerator Program (RHA) Applicants

The 50 recovery housing organizations that applied to the RHA program — each square is one organization



Operates at least one house in a rural ZIP (6 orgs)

All houses in urban or suburban ZIPs (44 orgs)

12%

of applicant organizations (6 of 50) operate any recovery housing in a rural ZIP code.

Where the rural houses are: Mountain Lake, MN · Ortonville, MN · Emporia, KS · Marlow, OK · Bartlesville, OK · Marlin, TX

Of 72 unique house ZIP codes listed across all applications: 55 urban, 10 suburban/metro-fringe, 6 rural, 1 invalid.

The Recovery Housing Accelerator Program

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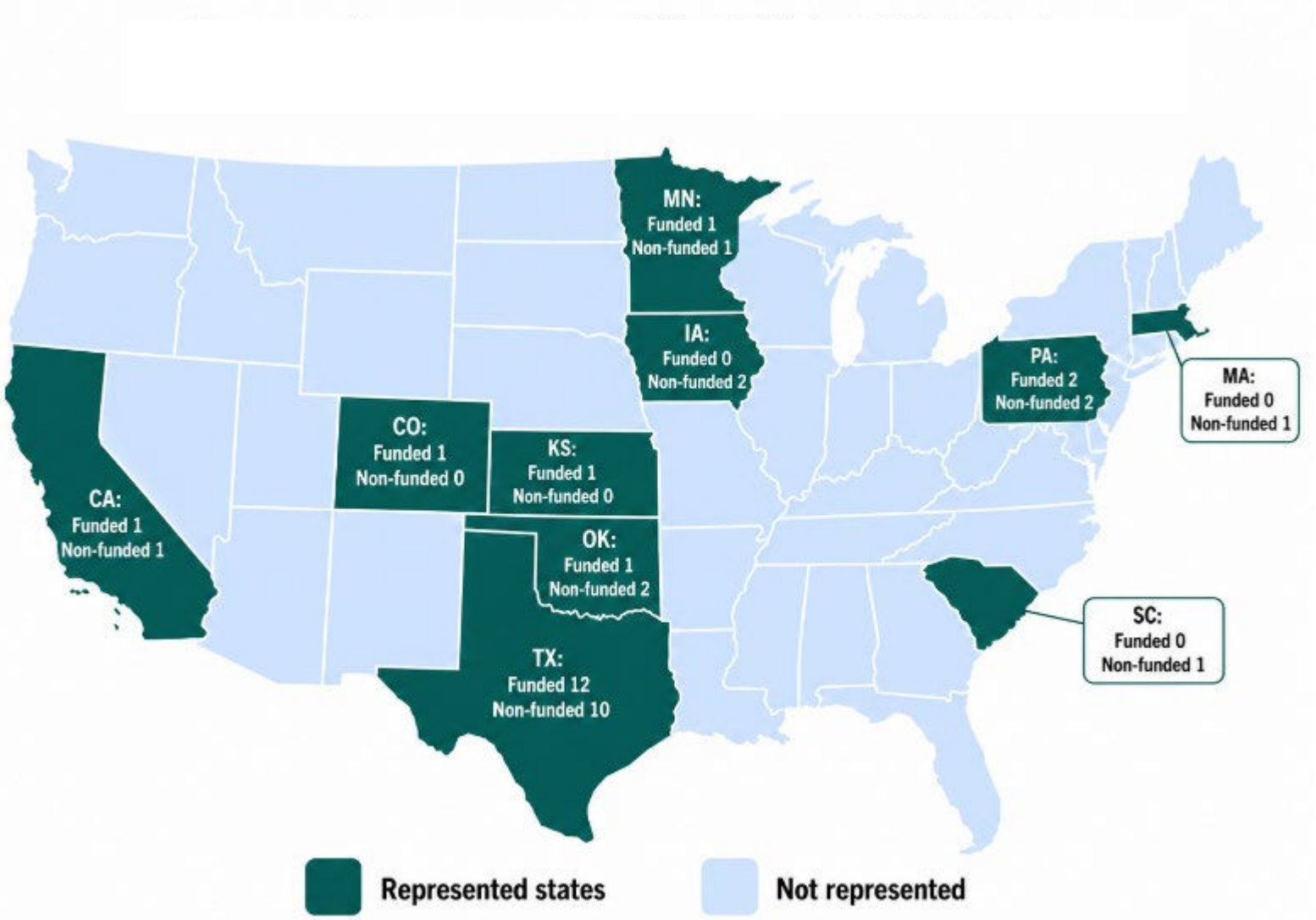

Source: uploaded RHA baseline spreadsheet (39 total records; 19 funded; 20 non-funded).

- **39 participants (from 29 recovery housing organizations) in 10 states**
- **These 39 participants operate 132 recovery homes serving up to 947 individuals in recovery at any one time**
- **There are 19 funded recovery home operators - each will have the opportunity to seek reimbursement funding support to expand their sustainability and become certified by a state NARR affiliate**

RHA Implementation

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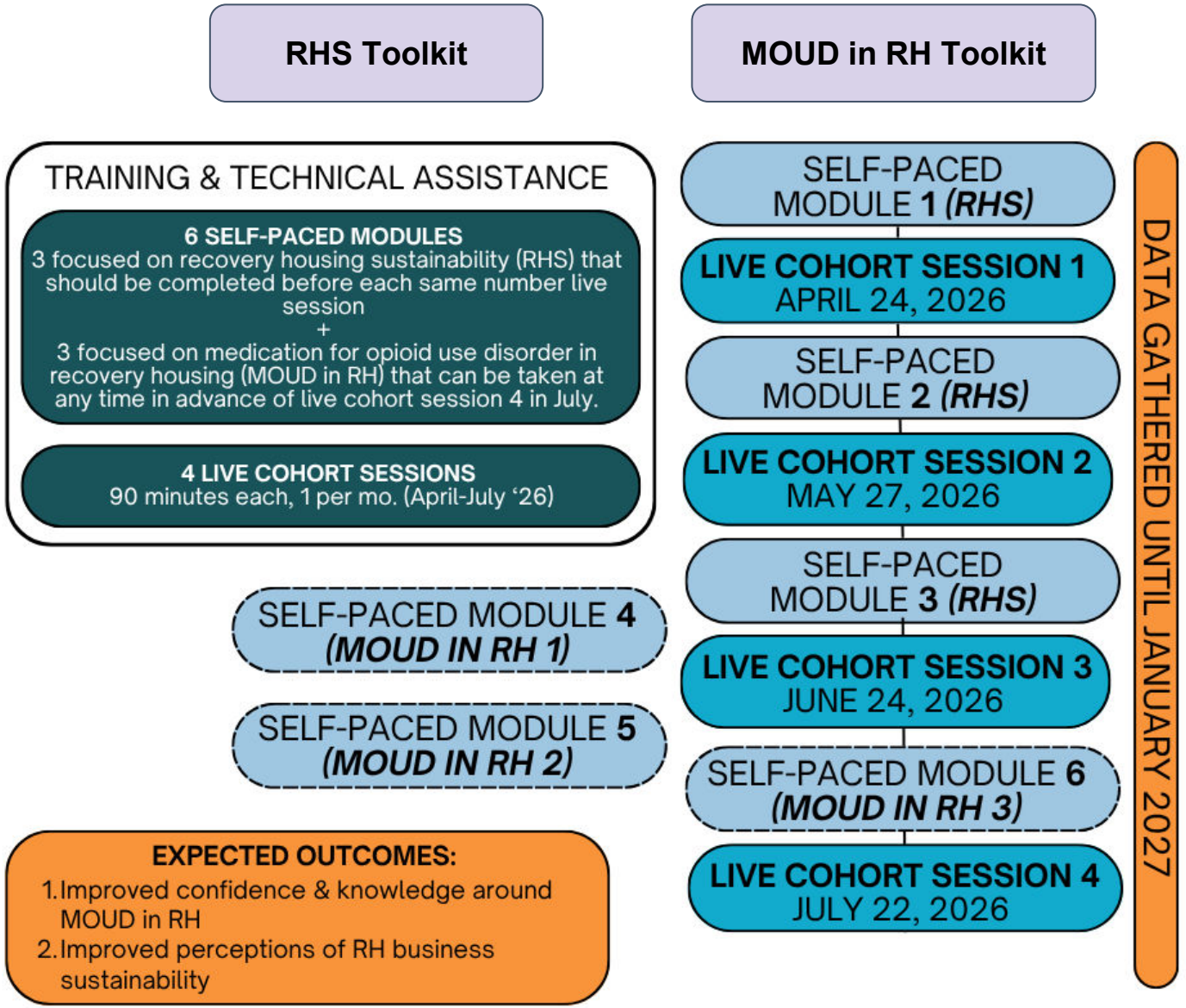
- **Targeted support**
- **Capacity-building**
- **Access to peer learning networks**



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Backup Slides

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OPTIONAL DEEPER DIVE

How Do Rural Recipients Compare to Everyone Else?

Demographics, prior settings, and recovery capital — rural-identified recipients (n=84) vs. all other stipend recipients (n=1,937). These slides can be removed if time is limited.

How We Determined Rurality

Methodology used to classify each recovery home location

1. Identify the recovery home ZIP code

For each of the 84 rural-identified recipients, we extracted the ZIP code of the recovery/rental home they ultimately moved into, from the recovery housing questionnaire fields (ZIP code and/or mailing address).

2. Apply the federal rural-urban framework

Each ZIP was classified using the same framework used by the USDA Economic Research Service (Rural-Urban Commuting Area codes) and HRSA's Federal Office of Rural Health Policy: county-level OMB metropolitan/nonmetropolitan status, combined with local population density and commuting patterns.

3. Verify borderline cases

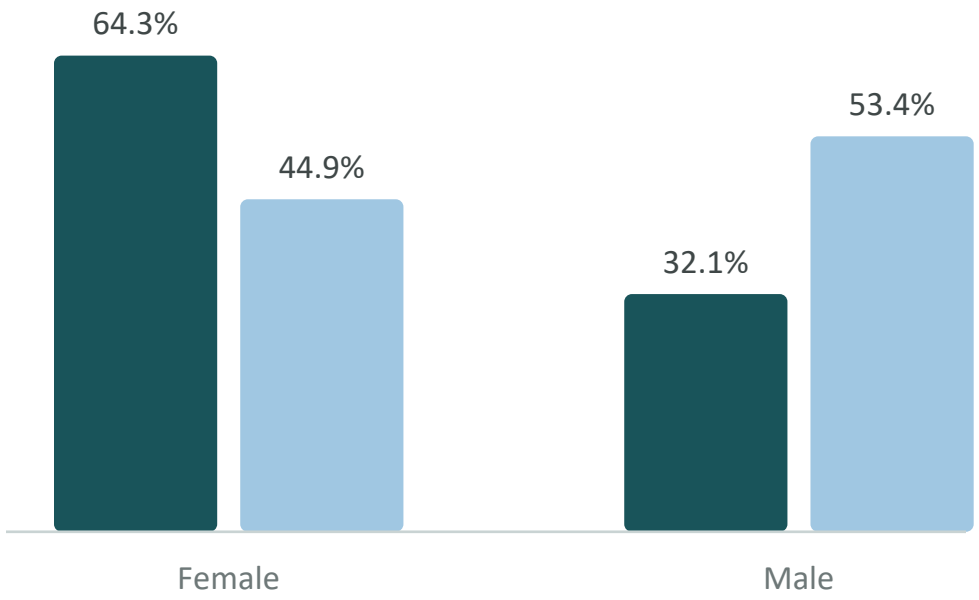
Places sitting inside a metro county but with small-town characteristics (e.g., exurban towns, micropolitan seats) were individually researched and labeled “Suburban/Urban” rather than assumed rural or urban by default.

Note: This is a desk analysis based on publicly available federal rural definitions, not an automated match against the full USDA/HRSA ZIP-level dataset. We recommend confirming any borderline (“Suburban/Urban”) cases against HRSA’s Rural Health Grants Eligibility Analyzer before this data is published or cited externally.

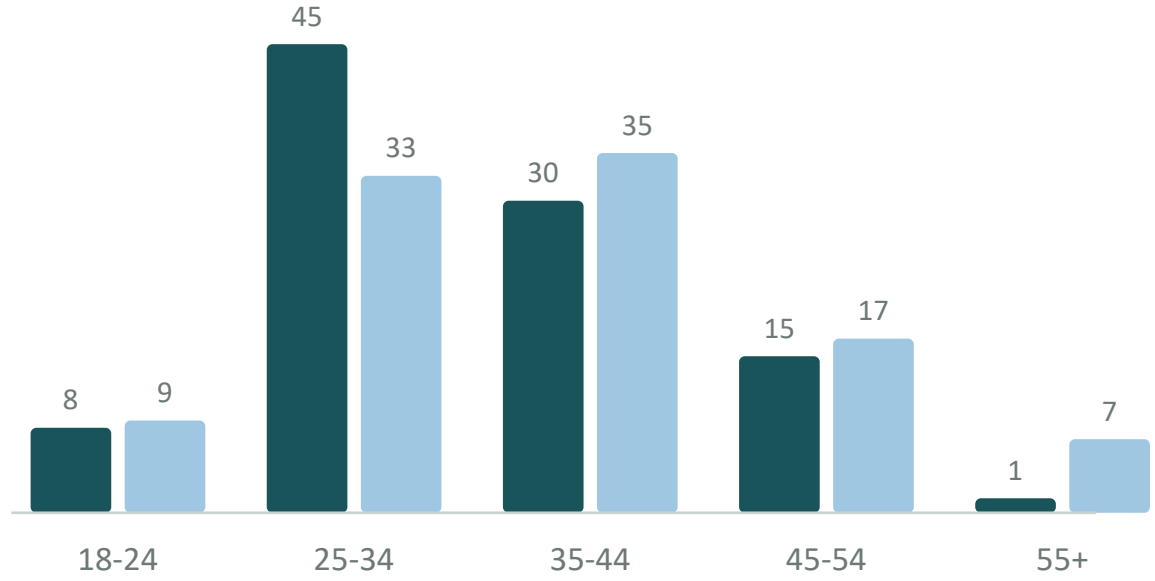
Who Are the Rural Recipients?

Rural-identified recipients (n=84) vs. all other stipend recipients (n=1,937)

Gender identity (%)



Age distribution (%)



Rural recipients skew female (64% vs 45%, p<.001) and younger (mean 35.5 vs 38.2 yrs, p=.01), concentrated in the 25–34 range.

Snapshot: Rural vs. All Other Rental Assistance Stipend Recipients

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Measure	Rural (n=84)	All others (n=1,937)	Notes
Female	**64.3%**	44.9%	p < .001
Mean age	**35.5**	38.2	p = .01; excludes invalid DOB-derived ages
White	**89.3%**	75.6%	Black/African-American: 2.4% vs 10.9%
Hispanic/Latinx	15.5%	16.5%	No meaningful difference
Household income < $25k	81.0%	86.0%	Both groups overwhelmingly low-income
Partial college or beyond	36.9%	45.6%	Rural slightly lower college exposure
Entering from homelessness	**45.2%**	36.6%	**n.s.** but sizable gap
From ≥ 1 crisis setting	**100%**	96.7%	No rural recipient answered “none of these”
ARC composite (0–50)	40.8	40.2	**n.s.**; domain differences on prior slide

Interpretation caution: rural n=84 is small; percentage-point gaps under ~10 points are generally not statistically distinguishable. Comparisons are unadjusted.