

# M&As helping AIDS organizations get streamlined

BY MARY MOORE  
JOURNAL STAFF

The acquisition of a small residential housing program by a Boston-based nonprofit is the latest in a series of mergers and acquisitions that are bringing local AIDS organizations together, a reflection of how significantly the epidemic has changed.

Most recently, **Victory Programs** acquired Ruah House from **Cambridge Cares About AIDS**, the second such deal for Victory in less than a year. The agreement marks another step in an ongoing effort by Cambridge Cares About AIDS to streamline operations either by letting go of programs or pursuing merger opportunities.

Located on the border of Cambridge and Somerville, **Ruah House** is home to seven women with AIDS. The house opened in the early 1990s, at the time when AIDS most assuredly meant death, and Ruah House was a place for women to spend their final days in dignity.

Today, people living with HIV/AIDS have much longer life spans. Ruah House, which Cambridge Cares About AIDS acquired in 2003, has become more of a group home with residents who are seeking greater independence rather than a pure AIDS program.

And housing is not an area in which Cambridge Cares About AIDS focuses most of its energy, said **John Gatto**, executive director. In the seven years that Ruah House was under the Cambridge Cares About AIDS umbrella, the women's housing program was not losing money, Gatto said, but it was "draining agency resources."

"Our systems are not set up to run a housing program 24 hours a day," said Gatto. "So when the water heater explodes, for us to get it fixed and fixed efficiently, it takes a significant amount of more work because we don't have a maintenance program."

A \$3.1 million organization that focuses most of its efforts on direct care, Cambridge Cares About AIDS operates 76 scattered-site housing units in the Boston area, but these are not located in buildings the organization owns. Its expertise is case management, HIV/AIDS education and prevention, and would be more in line with a needle-exchange program than property management, Gatto said.

On the other hand, owning and operating housing for people living with AIDS is one of Victory Programs' specialties, said executive director **Jonathan Scott**, and the operating costs for Ruah House will be lower under its management. Victory Programs owns housing and provides direct care for people recovering from alcohol and drug addiction, many of them also with HIV/AIDS.

"We have a whole facilities team, so we don't have to hire independent contractors every time a pipe bursts," said Scott, adding that Ruah House

will be its first program in the Cambridge area.

In addition, its social workers and clinical staff can work with Ruah House residents on their non-housing needs, he said.

While Ruah House complements the services Victory Programs provides, it also represents one of the many mergers and acquisitions the \$9 million organization has made over the past 20 years.

Scott estimated that of the 20 sites and 16 programs Victory operates



**Scott:**  
**Controlling costs**

throughout Boston, two-thirds are the result of acquisitions or mergers. Before Ruah House came the AIDS Housing Corp., which merged with Victory Programs last June. For its part, Cambridge Cares About AIDS has been in merger talks with **AIDS Action Committee of Massachusetts**, a deal that could be finalized as early as this spring. Gatto stressed that

Cambridge Cares About AIDS's push to streamline is not driven by financial concerns. The Cambridge organization has maintained a balanced budget over the last several years, he said.

"We would do this (merger with AIDS Action) even if it wouldn't save a lot of dollars because it's about what we feel needs to be done to best fight the epidemic," Gatto said.

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