

TEMPLATE FOR TRANSFORMATION PROJECT SUGGESTIONS

For projects to be considered for inclusion in the Medicaid Transformation Project List, please provide the information requested in the template. We are looking for summarized information – **2-3 pages maximum per project**. Please email completed templates by **January 15, 2016**, to MedicaidTransformation@hca.wa.gov with the subject **Medicaid Waiver Project**. Thank you for your interest and support.

Contact Information	<p><i>Identify point person, telephone number, e-mail address</i></p> <p>Daniel Malone DESC Executive Director (206) 464-1570 dmalone@desc.org</p> <p><i>Which organizations were involved in developing this project suggestion?</i></p> <p>DESC</p>
Project Title	<p><i>Title of the project/intervention</i></p> <p>Developing housing options for medically fragile behaviorally challenged chronically homeless adults for whom no other appropriate and already-established housing options exist</p>
Rationale for the Project	
<p><i>Include:</i></p> <ul style="list-style-type: none"> • <i>Problem statement – why this project is needed.</i> <p>There is a great need to develop and operate appropriate housing options for highly vulnerable individuals with significant behavioral health and medical needs and no viable residential options but who can not or will not accept more traditional placements in Assisted Living, Adult Family Homes or Skilled Nursing Facilities. Either due to the complex nature of the behavioral health disorders or the rigid limits of the existing health care safety net, many highly vulnerable DESC clients are prevented from accessing medical care in the same manner as the general population. This results in substandard treatment for both acute and chronic conditions, as well as an over reliance on expensive (and potentially avoidable) emergency medical care. DESC proposes to operate a supportive housing program in which assisted living style services are provided, including integrated behavioral and primary care, supported by state-only non-healthcare funds in order to develop an alternative to traditional assisted living settings that are ill equip to deal with the behavioral health challenges of DESC’s typical clients.</p> <p>DESC is unmatched in this region in the breadth and depth of its services, which comprise a continuum of care for the most disabled high needs homeless adults in King County, WA, particularly individuals who are severely mentally ill, chemically dependent or dually disordered, often with other physical or neurological disabilities. DESC serves nearly 2,000 individuals each day, and its service philosophy is centered around:</p> <ul style="list-style-type: none"> • A recovery model of services that emphasizes participant involvement in treatment planning and decision-making • A multi-disciplinary clinical approach to concurrent co-occurring disorder treatment • An emphasis on out-of-office, community-based service delivery • Integration of certified Peer Specialists into mental health services and other positions • Adopting evidence-based, best and promising practices including, Programs of Assertive Community Treatment, a Supported Employment Program, motivational interviewing, outreach and engagement, harm reduction and cognitive behavioral therapy • Housing First and permanent supportive housing (PSH) evidence-based models 	

DESC would operate the project in a Housing First model - designed to provide intensive services to the hardest people to house. DESC has vast experience in managing a continuum of housing from survival services (shelters) to scattered site housing and permanent supportive housing, all serving homeless adults, both men and women. Not including scattered sites, the agency currently manages 782 units of permanent supportive housing in ten projects. The oldest of the supportive housing projects, the Union Hotel, was rehabilitated in 1994 and has a stable operating history of 21 years. This long history and successful track record are owed to the agency's core mission and attitudes and flexibility in our approach to serving difficult clients.

This unlicensed Housing First permanent supportive housing project would marry DESC's skill with this group of individuals and the particular behavioral and physical challenges they live with to better access to behavioral and primary health care so as to avoid downstream public cost.

- *Supporting research (evidence-based and promising practices) for the value of the proposed project.ⁱ* Supportive Housing is a nationally recognized evidence-based program for homeless individuals. This project will increase the capacity of provider organizations like DESC to offer the residential settings so crucially needed by our State's most vulnerable residents.
- *Relationship to federal objectives for Medicaidⁱⁱ with particular attention to how this project benefits Medicaid beneficiaries.* This proposal supports federal Medicaid objectives to Improve health outcomes for Medicaid populations. This proposal focuses on a highly vulnerable and difficult to serve subset.

Project Description

Which Medicaid Transformation Goalsⁱⁱⁱ are supported by this project/intervention? Check box(es)

- Reduce avoidable use of intensive services**
- Improve population health, focused on prevention**
- Accelerate transition to value-based payment
- Ensure Medicaid per-capita growth is below national trends

Which Transformation Project Domain(s) are involved? Check box(es)

- Health Systems Capacity Building
- Care Delivery Redesign**
- Population Health Improvement – prevention activities**

Describe:

- *Region(s) and sub-population(s) impacted by the project. Include a description of the target population (e.g., persons discharged from local jail facilities with serious mental illness and or substance use disorders).* Very vulnerable extremely low income individuals with both behavioral health challenges and a range of primary health care concerns, exiting institutions or long periods of homelessness.
- *Relationship to Washington's Medicaid Transformation goals.* This proposal supports Washington's Medicaid Transformation Initiative #3 to develop PSH for those most critically in need.
- *Project goals, interventions and outcomes expected during the waiver period, including relationship to improving health equity/reducing health disparities.* Assist residents in accessing behavioral, primary and specialty care services thereby addressing the inequitable accessibility issues that this population often faces. May result in avoidance of as frequent emergency medical response and/or future institutional care.

- *Links to complementary transformation initiatives - those funded through other local, state or federal authorities (such as the health home program and Early Adopter/Behavioral Health Organization regional purchasing) and/or Medicaid Transformation initiatives # 2 and 3.*
 1. The project supports the Mental Illness and Drug Dependency Action Plan, by reducing the number of chemically dependent and/or mentally ill people using costly interventions such as jail by providing them with permanent housing options and support services.
 2. The Committee to End Homelessness (CEH) estimates in “A Roof Over Every Bed in King County: A Ten Year Plan to End Homelessness” that for the Type of Housing and Support Needed by Homeless Subpopulations (p.25), 7,300 total units are needed for single homeless adults, 2,900 of which would provide an intensive level of support services on-site.
 3. The goals of the Housing Element of Seattle's Comprehensive Plan, in particular section H((45))44, which states: “Pursue a comprehensive approach of prevention, transition, and stabilization services to decrease potential homelessness, stop recurring homelessness, and promote long-term self-sufficiency.” DESC is deeply committed to stopping the cycle of recurring homelessness and promoting improved self-sufficiency via our permanent supportive housing projects
- *Potential partners, systems, and organizations (e.g., health and social service providers, ACH participants) needed to be engaged to achieve the results of the proposed project.* Continued partnership with capital funders managing the permanent supportive housing pipeline is required. Continued partnership with equity partners to fund the bricks and mortar is also required.

Core Investment Components

- Describe:*
- *Proposed activities and cost estimates (“order of magnitude”) for the project.* Fund PSH building operations are approximately \$500,000 per year per project
 - *Best estimate (or ballpark if unknown) for:*
 - How many people you expect to serve, on a monthly or annual basis, when fully implemented. 90+ per project
 - How much you expect the program to cost per person served, on a monthly or annual basis. \$5,000 per unit per year, depending on economy of scale.
 - *How long it will take to fully implement the project within a region where you expect it will have to be phased in.* DESC’s next building (90 units) opens September 2017.
 - *The financial return on investment (ROI) opportunity, including estimated amounts and associated ROI timeline.* With partnership from the County, data from diverted emergency medical interventions will be estimated.

Project Metrics

Development of Washington State Medicaid Transformation Projects List – December 2015

The state will monitor implementation of transformation projects at regional and statewide levels through process and outcome measures. Each project will require clearly defined outcomes that relate to the goals and specific process steps.

Wherever possible describe:

- *Key process and outcome measures (and specific benchmark performance data if known) against which the performance of the project would be measured. Include priority measures sets described in the Waiver application <http://www.hca.wa.gov/hw/Documents/waiverappl.pdf> pages 46-47^{iv}.*
- *If no specific benchmark performance data are currently available, what efforts will be undertaken to establish benchmark performance ahead of any proposed project implementation?*

ⁱThe Washington State Institute for Public Policy, <http://www.wsipp.gov>, has identified “evidence-based” policies that can lead to better outcomes; Behavioral health research reports developed by the Research and Data Administration are available at: <https://www.dshs.wa.gov/bhsia/division-behavioral-health-and-recovery/decision-support-and-evaluation>

ⁱⁱ Medicaid objectives as stated in GAO report 15-239, April 2015, <http://www.gao.gov/products/GAO-15-239>:

- Increase and strengthen coverage of low income individuals.
- Increase access to, stabilize, and strengthen provider networks available to serve Medicaid and low-income populations.
- Improve health outcomes for Medicaid and low-income populations.
- Increase the efficiency and quality of care for Medicaid and other low-income populations through initiatives to transform service delivery networks.
- Criteria established for specific demonstrations described through an informational bulletin or State Medicaid Director’s Letter – available at: <http://www.medicaid.gov/federal-policy-guidance/federal-policy-guidance.html>.

ⁱⁱⁱ Transformation goals as stated in Washington’s Medicaid Transformation waiver, <http://www.hca.wa.gov/hw/Documents/waiverappl.pdf>:

- Reduce avoidable use of intensive services and settings such as acute care hospitals, nursing facilities, psychiatric hospitals, traditional LTSS and jails.
- Improve population health, with a focus on prevention and management of diabetes, cardiovascular disease, pediatric obesity, smoking, mental illness, substance use disorders and oral health; that is coordinated and whole-person centered.
- Accelerate the transition to value-based payment, while ensuring that access to specialty and community services outside the Indian Health system are maintained for Washington’s tribal members.
- Ensure that Medicaid per-capita cost growth is two percentage points below national trends.

^{iv} This includes the statewide common measure set for tracking health care quality and cost across multi-payer public and private health delivery systems: http://www.hca.wa.gov/hw/Documents/pmcc_final_core_measure_set_approved_121714.pdf and the subset of 2016 Medicaid contract common performance metrics. It also includes priority measures for critical behavioral health and community support services recommended by the 5732/1519 Steering Committee and reported to the Legislature in “Service Coordination Organizations – Accountability Measures Implementation Status”, (page 36) at: http://www.hca.wa.gov/documents_legislative/ServiceCoordinationOrgAccountability.pdf.