

## Housing RX: North Sound ACH Housing Transformation Project Suggestion

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](mailto:MedicaidTransformation@hca.wa.gov) with the subject **Medicaid Waiver Project**. Thank you for your interest and support.

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<b>Project Title</b>	Housing Rx
<b>Rationale for the Project</b>	
<p><b>Problem Statement:</b> Homeless persons use the emergency department more frequently, stay in the hospital longer, are more likely to be readmitted, and incur higher medical costs than their housed counterparts. When homeless persons are ready to be discharged they are either discharged back to the street without adequate recovery plans (resulting in higher likelihood of readmission), or they are kept in the hospital much longer than someone with stable housing due to the need to recuperate in a stable, safe environment. Similarly, people who are homeless upon discharge from residential treatment institutions including psychiatric hospitals and inpatient chemical dependency treatment often lack access to appropriate housing upon release. Housing instability for these patients frequently precludes progress in their recovery, exacerbates symptoms, and results in relapse. Coordinating the prioritization of housing opportunities across healthcare and homeless housing systems will maximize the housing opportunities for some of our communities' highest priority chronically homeless patients and greatly enhance the return on investment from the new supportive housing Medicaid waiver benefit provided under Initiative 3.</p> <p><b>Evidence Base:</b> The Substance Abuse and Mental Health Services Administration of the U.S. Department of Health and Human Services (DHHS) recognizes supportive housing as an evidence-based program for people with behavioral health conditions.<sup>1</sup> During the most recent homeless census in January 2015, there were 359 people who were chronically homeless in the North Sound ACH region; 300 of them were without shelter (living on the street, in tents, or in cars).</p> <p><b>Federal Objectives:</b> A primary objective of Housing Rx is to build capacity throughout the North Sound ACH region to prepare health care providers, MCOs and each local housing Continuum of Care (COC) for the rollout of the state's new Medicaid Supportive Housing Benefit program through the Waiver's Initiative 3. This project will provide outreach, training and relationship building activities to ensure strong clinical-community connections between hospitals and behavioral health institutions with each COC's homeless housing coordinated entry program.</p>	
<b>Project Description</b>	
<p><i>Which Medicaid Transformation Goals<sup>1</sup> are supported by this project/intervention? Check box(es)</i></p> <ul style="list-style-type: none"> <li>✓ Reduce avoidable use of intensive services</li> <li>✓ Improve population health, focused on prevention</li> <li>✓ Accelerate transition to value-based payment</li> <li>✓ Ensure Medicaid per-capita growth is below national trends</li> </ul>	

<sup>1</sup> (SAMHSA. (2014, March 20). SAMHSA's National Registry of Evidence-based Programs and Practices. Retrieved from <http://www.nrepp.samhsa.gov/>: <http://www.nrepp.samhsa.gov/>). Also, example of evidence base from a Seattle supportive housing program, see: Larimer, M.E. et al. Health Care and Public Service Use and Costs Before and After Provision of Housing for Chronically Homeless Persons With Severe Alcohol Problems. JAMA. 2009;301(13):1349-1357.

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

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

**Target Population:** This project would focus on people who are chronically homeless and are frequently hospitalized, frequent ED users, and those who are being discharged from inpatient treatment settings.

**The goal:** Reduce avoidable use of intensive, high cost services; improve population health; and Initiative 3: Provision of targeted community supports – supportive housing.

**Intervention:** This project is designed to build capacity of regional service providers, our BHO, and MCOs to optimize the use of the new supportive housing Medicaid benefit through a regional stakeholder planning, training, and ongoing engagement process. This will help the target population gain access to permanent supportive housing using housing-first practices in both scattered site and project-based apartments. Through this process, medical and behavioral healthcare providers will become proficient in aligning the methods used to assess and make referrals to each county's homeless housing coordinated entry program using the Health Care Authority's new criteria for medical and functional necessity under the supportive housing Medicaid benefit program.

Activities will include:

1. Early regional planning workshops to inventory the stakeholders that need to be engaged and the full range of housing resources currently available and in the pipeline over the five year planning horizon.
2. Capacity building workshops in each of the five North Sound ACH counties to develop common visions of information sharing, patient eligibility determination, prioritization, referral, and housing access and retention services across housing, medical and behavioral health sectors.

**Outcomes:** Subset of Common Measures - Health Care Costs: Reduced Medicaid spending per enrollee  
Average annual Medicaid savings per supportive housing enrollee = \$957.

**Partners:** Opportunity Council, Whatcom Alliance for Health Advancement, Catholic Community Services, Skagit Community Action, Whatcom County Health Department, Skagit County Health and Community Services, PeaceHealth, Providence (others will be recruited throughout the planning process).

**Health Disparities:** Homeless individuals experience health problems, especially chronic illnesses, with greater prevalence than those who are housed; they suffer mortality rates three to four times higher than those in the general population.

### Core Investment Components

National and local research demonstrate that supportive housing improves health outcomes and reduces health care and other system costs for people who are chronically homeless. The two components of this project will (A) quantify Medicaid costs pre- and post-housing intervention for existing supportive housing programs in four counties, and (B) implement better clinical-housing connections in new partnerships between local hospitals and each of the five counties' homeless housing coordinated entry programs. A primary objective of the project is to prepare each local Continuum of Care for the rollout of the state's new Medicaid Supportive Housing Benefit program through the Global Waiver.

### Cost for three year duration:

Housing Rx planning and oversight – 0.5 FTE Coordinator (\$112,500). Data analyst (\$45,000).  
Leveraged in-kind resources: Workshop trainers who are field experts providing services in-kind.

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Services leveraged: Existing housing case management staff in Snohomish, Skagit and Whatcom counties (\$420,000). Supportive housing units and rent subsidies leveraged: 200 units of housing @ \$7,200/year per enrollee = \$1,440,000. Existing Hospital social work and ED staff.

**Full Implementation:** Because there are supportive housing programs serving chronically homeless persons in four of the five counties, Housing Rx can begin immediately. Initial steps include securing MOUs for project participation by service providers, developing the evaluation plan, and enrolling existing supportive housing tenants who were formerly chronically homeless into the program for the purpose of data collection. This project is designed to quantify the cost savings of existing supportive housing, AND, through a regional stakeholder planning process, prepare housing and behavioral health service providers to participate in a new Supportive Housing Medicaid benefit program that is part of the Global Medicaid Waiver. This newly anticipated funding stream for supportive housing services will allow us to scale-up of supportive housing region-wide for referrals/consultations (estimate will be developed during the project planning component).

**ROI:** Cost criteria can be used to identify people who are frequent users of or at risk of becoming frequent users of public systems who need supportive housing. Washington State Research and Data Analysis Division's (RDA) 2012 analysis shows average annual per person health and behavioral health care Medicaid costs of \$33,459 in SFY 2012 for 2,042 chronically homeless individuals in the top cost decile. Using data from RDA's study and a body of published empirical evidence, the Corporation for Supportive Housing estimated an average total Medicaid cost reduction of \$6,360 per beneficiary per year (or \$3,180 of the state's share of these costs). When accounting for the costs of providing supportive housing services, the net annual savings per beneficiary equals \$957 (\$479 state share).<sup>2</sup>

### Relationship to Washington's Medical Transformation Goals

- Reduce level of chronic homelessness.
- Improved health for people who were chronically homeless.
- Reduced criminal justice involvement by people who are primarily arrested due to their disabilities.
- Increased patient satisfaction scores for hospitals who have fewer disruptive and difficult-to-serve patients.

### Project Metrics

WAHA will measure pre- and post-housing Medicaid costs. Opportunity Council will use the State's Homeless Management Information System to report measures of enrollees' housing stability across the region.

<sup>1</sup>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.

<sup>2</sup> Corporation for Supportive Housing, 2014.