

Foundational Community Supports bring long-term solutions to Washington's Health Care System

Washington state's Medicaid 1115 demonstration, called the Medicaid Transformation Project (MTP), offers the Health Care Authority (HCA) flexibility to provide proven, evidence-based interventions that stop the revolving door of emergency rooms, hospitalizations, detox, and other crisis services for both Medicaid beneficiaries with behavioral and physical health care needs and those receiving long-term services and supports.

The MTP's Foundational Community Supports (FCS) program includes supportive housing (SH) and supported employment (SE) services. SH combines affordable housing with individualized support services that assist tenants to access and maintain their housing, delivered flexibly based upon need and accessible where tenants live. SE, implemented using the evidence-based Individual Placement and Support (IPS) model, provides an integrated package of services, including targeted job development and benefits counseling, delivered by a collaborative team and tailored to the individual's needs and goals.¹

Research on supportive housing demonstrates that stable housing combined with supportive services can improve health outcomes and significantly reduce system strain and costs associated with emergency rooms, inpatient hospitalizations, detox and psychiatric admissions, use of publicly funded crisis services in hospitals, addiction treatment settings, corrections, shelter, emergency medical services and Medicaid overall. Likewise, supported employment is an evidence-based approach with over 28 randomized controlled trials showing outcomes that are 2-3 times better than other employment interventions. It addresses both individual recovery goals and social priorities regarding work force participation. It also addresses the increased need for integrated mental health and employment support resulting from the dramatic rise of behavioral health issues and unemployment from COVID 19.¹

Preliminary findings from the Washington State Department of Social and Health Services (DSHS) Foundational Community Supports Program Evaluation were consistent with these national findings and showed:

- Statistically significant improvements in employment rates, earnings, and hours worked.
- Statistically significant increases in transitions out of homelessness.
- Promising reductions in outpatient emergency department and inpatient utilization for FCS enrollees.

¹ Drake RE, Wallach MA (2020). Employment is a Critical Mental Health Intervention. *Epidemiology and Psychiatric Services* 29. E178, 1-3. <https://doi.org/10.1017/S20457960000906>

Supportive housing also offers an integrated setting for people exiting psychiatric institutions for whom the appropriate level of community supports and stable housing can prevent long-term homelessness, or who would otherwise languish in costly institutional settings.

Washington recently received approval of a proposed amendment to the MTP to allow federal payment of services under Medicaid for beneficiaries aged 21-64 who are receiving treatment in a residential facility for substance use disorders. This enables FCS services to begin for individuals while still in residential treatment, in order to start the discharge planning and transition process early and improve outcomes in the community. Safe, affordable housing options and services for people exiting residential treatment in the state will offer the community supports necessary to promote long-term recovery in the community.

Washington has submitted a request for a one-year extension for the MTP Waiver to CMS, to allow our state to more fully recover from the COVID-19 pandemic and to provide further analysis to determine the best option for long-term FCS sustainability for the state. The FCS program in Washington shows great promise for improving outcomes for a highly vulnerable population with complex physical, behavioral health and long-term care needs while maximizing federal revenue and saving significant state costs.