

# Strategies to Expand Housing Opportunities for Medicaid Enrollees with Complex Health and Social Needs

James M. Yates, Senior Consultant

Rachel Post, Senior Associate

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# Agenda

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- The Return on Investment for Affordable Housing
- Affordable Housing and Permanent Supportive Housing Basics
- How Housing Can Support the Goals that ACHs are Attempting to Achieve?
- Strategies for ACHs to Create Successful Housing Partnerships
- Future Technical Assistance Support Available to ACHs

**Purpose:** Introduce the return on investment for housing investments, provide basic information on how affordable housing and permanent supportive housing is created, and offer specific strategies on how ACHs can improve access to housing and create new housing opportunities.



# An Opportunity and a Role for ACHs

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- **Supportive Housing services:**
  - Tools to enhance the reach and impact of ACHs
- **Community investments:**
  - Investments of housing is a foundational need in addressing social determinants of health
- **Connecting the dots:**
  - FCS services coupled with ACH investments and coordination can ensure the comprehensive health needs for complex populations are addressed.



# Supportive Housing Significantly Reduces Use of More Expensive Interventions

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Emergency room visits declined by **57%**

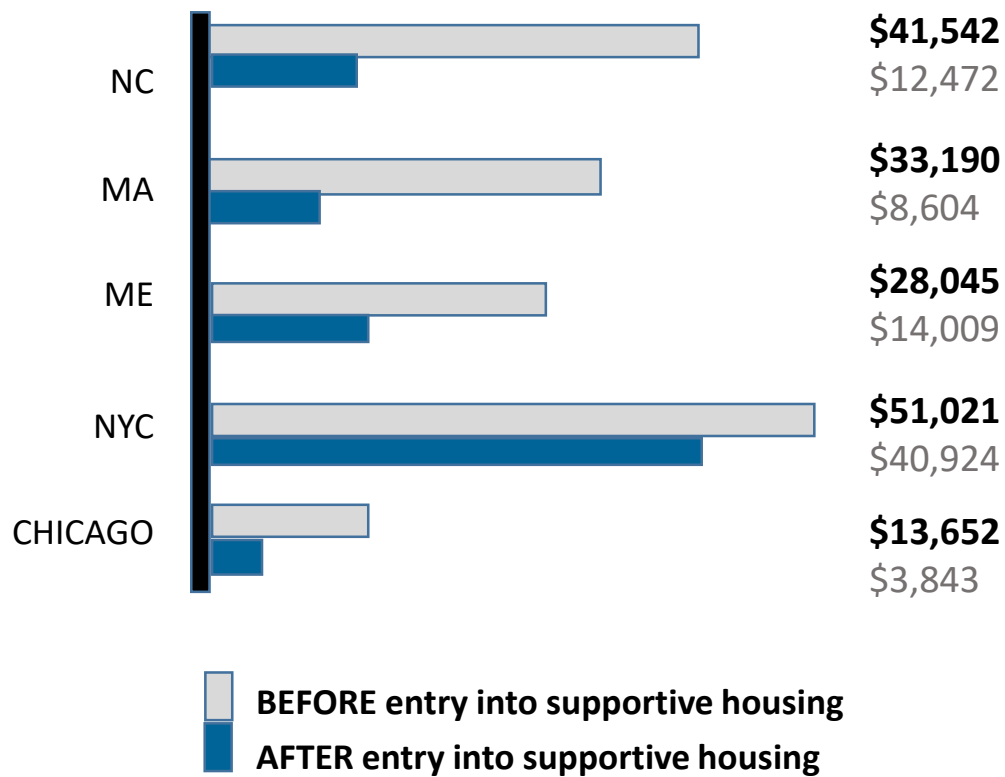
Emergency detoxification use declined by **87%**

Rate of incarceration declined by **52%**

**+83%** of individuals stay housed for at least 1 year

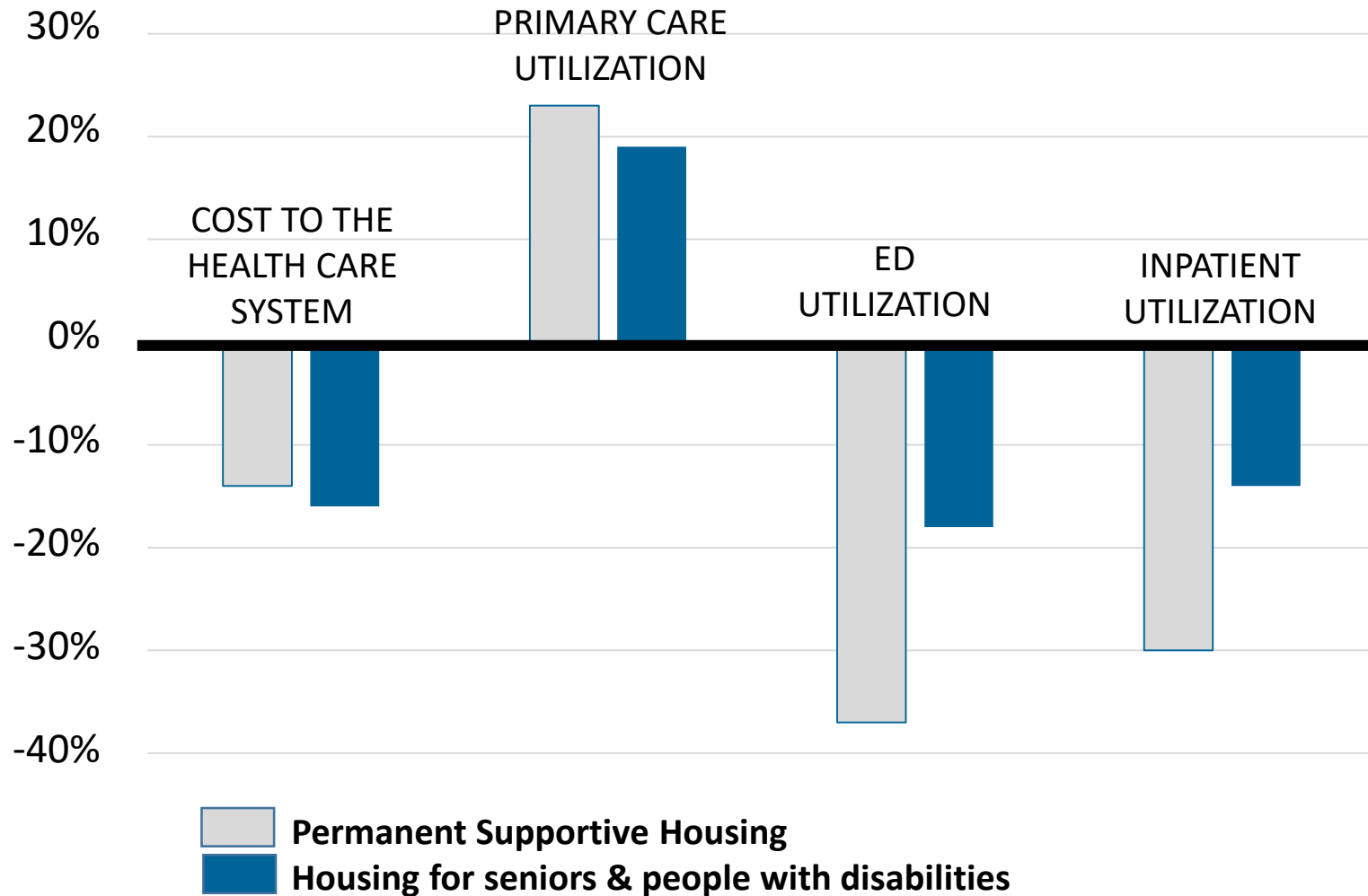
# Housing First Published Outcomes

Reductions in Utilization of Major Services  
Before & After Entry into Supportive Housing





# The Impact of Housing on the Health Care System





# Plymouth Housing's (WA) Housing First Program Results

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- A nationally recognized a cost-effective, evidence-based, innovative solution to chronic homelessness. It's also the most compassionate approach.

## FOR THE COST OF...

**3 DAYS**

**IN HARBORVIEW HOSPITAL**

**3 MONTHS**

**IN A KING COUNTY JAIL**

**1 YEAR**

**OF TEMP SHELTER**

**...PLYMOUTH PROVIDES 365 DAYS OF HOUSING AND CRITICAL SUPPORT SERVICES.**

*\*Sources: City of Seattle; Linda Taylor-Manning (City of Seattle); Washington State Hospital Association.*

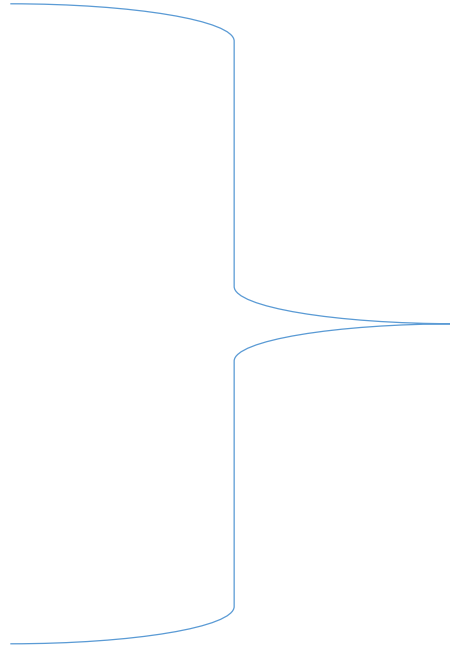


# PSH - An Intervention to “Competing” Demands

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## Key Policy Issues

Disabilities  
Substance Use Disorders  
Homelessness  
Community Integration  
Health Integration  
High Utilizers  
Affordable Housing  
Corrections



## Intervention

Permanent  
Supportive  
Housing



# How Can ACHs Use These Tools to Advance Their Work?

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## Permanent Supportive Housing

- Decent, safe and affordable community-based permanent housing providing consumers with rights of tenancy under landlord/tenant law and linked to voluntary and flexible services designed to meet consumers needs and preferences

## Permanent Supportive Housing Core Principles

- Housing costs must be affordable to the tenant (generally defined as paying no more than 30% - 40% of income for housing costs)
- Choice and control over one's environment is essential
- Housing must be permanent as defined by landlord/tenant laws
- Services must be flexible and individualized
- Integration, personal control, and autonomy



# How Can ACHs Use These Tools to Advance Their Work?

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## Affordable Housing Basics

What is a Rent or Operating Subsidy?

Consumer's income = \$750 per month

30% of income = \$225 per month

Apartment rent = \$966 per month

- Consumer share = -\$225 per month

Subsidy = \$741 per month

Subsidy is paid by state or federal agency through a local housing provider such as a public housing authority

# How Can ACHs Use These Tools to Advance Their Work?

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## Permanent Supportive Housing Models

- Single site models
  - Typically smaller in scale
  - Limited number of funding sources/not as complex
  - Normally one service population
  - Small scale apartment building
  - 50%/50% properties – homeless; workforce
- Scattered site
  - Allows tenant to choose rental unit in the community
  - Often Tenant based rental assistance
- Clustered/Integrated Models
  - Larger in scale
  - PSH component within a larger affordable rental housing project
  - Complex Financing Structure
  - Opportunity to partner with a skilled developer
  - Most Integrative Model

# Affordable Housing and PSH Basics

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- For more information on Affordable Housing and Supportive Housing, HCA sponsored an Affordable Housing Basics Webinar for healthcare providers across the State.
- The recording and slide deck are posted online now and are a good source for you to do a deeper dive into these topic areas.
- Go to the Webinar's Recording at: <https://www.youtube.com/watch?v=-Ufkc81n2Zc&feature=youtu.be>
- Webinar's slides are available at: <https://www.hca.wa.gov/assets/affordable-housing-basics-stakeholders.pdf>



# How Can ACHs Use These Tools to Advance Their Work?

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## What is Foundational Community Supports (FCS)?

### It is...

- Medicaid benefits for help finding **housing** and **jobs**:
  - Supportive Housing to find a home or stay in your home
  - Supported Employment to find the right job, right now



### It isn't...

- Subsidy for wages or room & board
- For all Medicaid-eligible people

# How Can ACHs Use These Tools to Advance Their Work?

## Who is eligible to receive FCS benefits?

<b>Supportive Housing risk factors</b> <i>One or more</i>	<b>Supported Employment risk factors</b> <i>One or more</i>
<ul style="list-style-type: none"><li>✓ Chronic homelessness</li><li>✓ Frequent or lengthy stays in an institutional setting (e.g. skilled nursing, inpatient hospital, psychiatric institution, prison or jail)</li><li>✓ Frequent stays in residential care settings</li><li>✓ Frequent turnover of in-home caregivers</li><li>✓ Predictive Risk Intelligence System (PRISM)<sup>1</sup> score of 1.5 or above</li></ul>	<ul style="list-style-type: none"><li>✓ Housing &amp; Essential Needs (HEN) and Aged Blind or Disabled (ABD) enrollees</li><li>✓ Difficulty obtaining or maintaining employment due to age, physical or mental impairment, or traumatic brain injury</li><li>✓ SUD with a history of multiple treatments</li><li>✓ Serious Mental Illness (SMI) or co-occurring mental and substance use disorders</li></ul>

1. PRISM measures how much you use medical, social service, behavioral health and long-term care services.



# How Can ACHs Use These Tools to Advance Their Work?

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## FCS complements transformation projects

### **FCS is a tool that can enhance ACH transformation projects**

- ✓ Project 2B: Community-based Care Coordination
- ✓ Project 2C: Transitional Care
- ✓ Project 2D: Diversion Interventions
- ✓ Project 3A: Addressing the Opioid Use Public Health Crisis

# How Can ACHs use these Tools to Advance their Work?

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## What is Evidence-Based Supported Employment (SE):

- Rapid job search
- Attention to interests
- Competitive employment
- Systematic job development
- Zero Exclusion
- Service integration
- Benefits Counseling
- Long term individualized support

## Studies have found that clients who obtain competitive employment through SE show improved clinical outcomes, including:

- Reductions in the number of admissions and lengths of stays for inpatient hospital use, both medical and psychiatric;
- Decreased number of psychiatric crisis visits;
- Increased attendance at regularly scheduled mental health visits; and
- Significant improvement in quality of life.

**One longitudinal study in New Hampshire found that individuals cost savings in annual medical and service costs for those people working averaged \$16,000 per person per year.**



## How Can ACHs Use FCS/Supported Employment to Advance Their Work?

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Develop a local planning and implementation strategy for FCS services in the region. This could include:

- Identifying the characteristics and need of their Medicaid beneficiaries that need housing and employment within their ACH areas;
- Determining the current availability of PSH and Supported Employment Services within the ACH area;
- Sizing the potential investment based on gap between need and availability of FCS services;
- Assessing the strength of the relationships between ACH and housing funders (local housing authorities and developers); and
- Leveraging ACH resources with other housing resources (e.g. Housing Choice Vouchers, tax credits, WA State Housing Trust Fund).

# Strategies to Create Affordable Housing

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- Facilitate **Access** to Existing Housing
  - Access Existing Vacant or Pipeline Units
  - Utilize rental assistance to secure affordability
  - Can be done quicker with rent subsidies and linkage to tenancy supports
  - Help with costs of search and moving
  - Does not create a permanent supply
- **Develop** Housing Units
  - In partnership with a Developer or State Agency by contributing either capital, expertise, advocacy.
  - Complex activity that takes time, expertise, multiple sources of funding
  - Creates supply of permanent supportive housing
  - Requires combining capital funding, operating subsidy, and access to supportive services through Medicaid and FCS

# Strategies to Access Affordable Housing

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## **'Housing Contingency' funds**

- Moving costs
- Security deposits
- Transitional and stabilization services

## **Housing Specialist or Navigator**

- Fund staff with housing market experience/background to focus on securing affordable housing for ACH beneficiaries and maintaining relationships with owners/managers.

## **Rental Assistance**

- Pay the difference between what a household can afford and the cost of the rent
- Can be long-term or short term
- Amount of units and length of term will depend on amount of funding available
- Could be used for “bridge” subsidies until permanent rental assistance is obtained

## **Capital contribution to secure access to existing housing**

- One time payment to ‘write down’ cost of housing to gain access to affordable housing
- May be structured as a Capitalized Operating Cost Reserve to lower rent over time
- Note: linking capital subsidy through set-asides for PWDs helps access units

## **ACH Considerations**

- May present a good option to get started to test what strategy works best for your community
- Can be scaled by the ACH to meet your goals
- Allow ACHs to build relationships with housing organizations with similar goals

# Housing Contingency Funds

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## University of Pittsburgh Medical Center (PA)

- Offers up to \$2,000 as part of enhanced community transition services targeted to persons transitioning from a nursing facility
- These housing supports exceed the maximum benefit provided by PA's fee for service Medicaid program.
- Allowance to be used for a range of housing related costs including:
  - Move in costs
  - Security Deposits/First Months Rent
  - Furnishings
  - Household Supplies
- Administered by the Healthplan in coordination with the nursing house transition team.
- Tailors the assistance to meet the individual's transition plan with a focus on eliminating barriers to access community-based housing.

# Housing Navigator Model

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## Hennepin Health (MN)

- Created the position of a Housing Navigator with skills and experience with affordable and PSH to work with health plan staff.
- Creates individual, program and system level linkages between the health plan and existing affordable and PSH resources in the community.
- Responsible for have detailed understanding about the housing options in the community including program characteristics, wait list processes and application procedures.
- Develops and cultivates a pool of landlords interested in providing rental housing options.
- Target these housing navigation services to patients with the most significant barriers to being able to access housing.
- These members are often homeless or unable to return to a safe, stable housing situation which has resulted in higher utilization of medical services.
- Play a “broker role” to improve access to housing supporting social work and community health workers who are part of the clinical teams.
- Offers up to three housing options for the community health worker to discuss with their member.

# Short term Rental Assistance Approach

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## Jefferson Healthcare and Olycap (WA)

Beginning in April of 2018, Jefferson committed to 1 year of rental subsidy at a cost of \$57,000 creating transitional housing for high utilizers in an OlyCap property.

- Victorian house located in upscale neighborhood and business district with 6 1-bedroom apartments.
- The house is staffed by one of its former residents, a gentleman who previously was chronically homeless but had stabilized there years ago.
- Team comprised of a hospital social worker, OlyCap housing case manager (funded through FCS) and mental health worker from area behavioral health provider are leveraged and visit residents every Friday at their home to coordinate care. 24/7 crisis response is available.
- Reasonable cost to secure property for one year. Must have a plan in place to sustain the model after the initial funding term.
- Program results in decreased utilization of ED, emergency responders, jail time, and improved community perceptions related to formerly homeless individuals.
- Jefferson's first-ever partnership across hospital, housing, and provider systems.

# Housing Development Strategies

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- Offer predevelopment funding to cover some of the costs of starting a project such as an option on land or property, hiring an architect, etc.
- Provide developers with short term, low-interest loans to create affordable housing opportunities.
- Establish a capital fund for grants/deferred payment loans to fill gaps in the acquisition or rehabilitation of new affordable housing.
- ACHs could invest individually or pool funds.
- Build the capacity of mainstream and/or mission-driven developers to develop PSH.

## ACH Considerations

- Creates tangible housing units/stock usually over an extended term
- Can be a more time intensive
- May make sense for ACHs to partner in order to create efficiencies
- Potential need for a Housing Partner to collaborate with you as an intermediary.
- Must structure targeting agreements in a manner consistent with Fair Housing law.

# Capital Investments in Housing

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## Central California Alliance Health Plan (CA)

- MCO covering three counties (Merced, Monterey, Santa Cruz) in central CA
- Targeted housing investments to the “eight percenters” who are using approximately 75% of the healthcare resources.
- Used resources (valued at \$79.2 million) funded with reserves accumulated from efficient health plan operations to create permanent supportive housing units.
- Investments in PSH are intended to reduce healthcare utilization of these high utilizers.
- Provided a capital grant of \$2.5 million to a non-profit developer to assist in the development of a 90 unit mix-use, multi-family housing development.
- The developer, MidPen Housing Corporation , was able to 90 Section 8 Project Based Vouchers from the local PHA for the development
- A preference for homeless high utilizers was established for 20 of the PBV assisted units.
- MCO expects to utilize these resources for capital investment in other PSH developments in the future.



# Tips on Engaging a Housing Partner

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## How do you think about partnering?

- **Start out with a manageable initiative to ensure success.**
- **Be clear to your partner what you need:**
  - Who do you want to house?
  - What are their incomes?
  - Type of Housing desired:
    - Bedroom size
    - Location
    - Proximity to services?
    - Integrated housing?
  - How many units? How long an affordability period?

## Understand the resources you bring to the table

- How much funding do you have access to or can you control? Is it one-time funding or recurring?
- What can these funds be used for?
- Can you use it to leverage additional housing funding?
- How can you leverage the supportive services you offer as well as the tenancy supports from Foundational Community Supports (FCS) effectively?



# Future Technical Assistance Support Available

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## HCA 2019 FCS TA Contract

- HCA is working to identify TA needs of ACHs to expand access to housing and supported employment.
- Please share your feedback with us.

## Technical Assistance (TA) with TAC may support:

- Developing key partnerships for potential investments (e.g MCOs, hospital systems, Community Based Housing Organizations)
- Supporting a feasibility study of possible investment strategies
- Supporting efforts to create a program design that leverages opportunities in your community
- Advising around the timing for potential investments
- Identifying the process for making investments (identifying priorities based on feasibility)



# Discussion

# Useful Affordable Housing Resources

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## Housing and Healthcare Resources

- Center for Outcomes Research in Education Health and Housing study: [https://oregon.providence.org/~media/Files/Providence%20OR%20PDF/core\\_health\\_in\\_housing\\_full\\_report\\_feb\\_2016.pdf](https://oregon.providence.org/~media/Files/Providence%20OR%20PDF/core_health_in_housing_full_report_feb_2016.pdf)
- Innovative Models in Health and Housing - <http://www.liifund.org/wp-content/uploads/2017/08/Health-and-Housing-LIIF-Mercy-Report-2017.pdf>
- United Healthcare Housing White Paper - <https://www.hudexchange.info/course-content/strategies-to-support-homeless-or-at-risk-clients-with-effectively-utilizing-the-healthcare-system/UnitedHealthcare%20Whitepaper.pdf>

## Affordable Housing Resources

- [State Funded Housing Assistance Programs](#)
- [Strategies to Assist People with Disabilities be Successful in the Housing Choice Voucher Program](#)
- [Rural Housing Toolkit](#)
- [Section 8 Made Simple](#)
- Financing Supportive Housing Guide (CSH): [Public Housing Toolkit for Supportive Housing \(CSH\)](#):
- [Piecing it All Together in Your Community: Playing the Housing Game](#)

# Background Slides

# Evidence Supporting Permanent Supportive Housing

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## CORE Study from Oregon (2016)

- The study found that costs to health care systems were lower for all groups after people moved into affordable housing:
  - 8% percent lower for families,
  - 14% lower for residents of PSH, and
  - 16% lower for seniors and persons with disabilities,
- Overall health care cost reductions were 12%.
- In addition, in the year after moving into affordable housing, the following findings were identified:
  - Outpatient primary care utilization had increased by 20%,
  - Emergency department use had fallen by 18%, and
  - Residents reported that access to care had improved by 40% and that the quality of care they received had improved by 38%.
- For more information on the Study's key results go to:

[Health in Housing, Exploring the Intersection Between Housing & Health Care](#)



# Evidence Supporting Permanent Supportive Housing

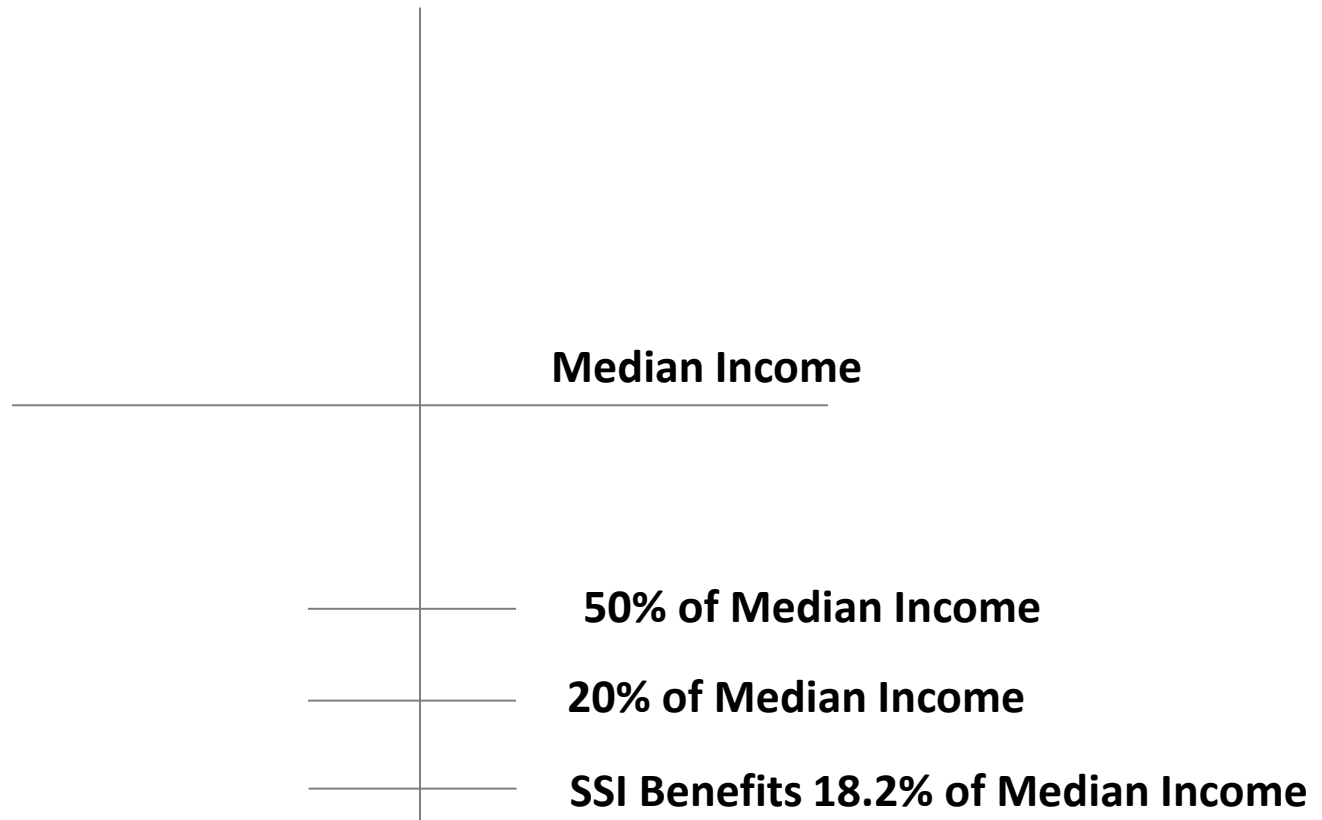
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- Over the 20-month duration, *A Place to Start*, a PSH program of Virginia Supportive Housing found:
  - Consumer emergency room visits declined by 61%
  - Inpatient psychiatric hospitalizations decreased by 62%, and
  - Emergency room costs were reduced by 66 percent.
- An evaluation in San Francisco demonstrated that PSH significantly reduced the likelihood of hospitalization.
- An evaluation of New York/New York III, a major supportive housing initiative, demonstrated a 41% decrease in the likelihood of being admitted to a psychiatric inpatient unit (once placed in PSH).
- Moore Place, a PSH program in Charlotte, North Carolina, demonstrated a 79% reduction in inpatient bed days for individuals housed.
- After one year in Massachusetts' Home and Healthy for Good program, the total per person cost for these Medicaid funded services had fallen from \$37,390 to \$10,112.13.



# Income of People with Disabilities on SSI

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# Housing Crisis for People with Disabilities in Washington

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- On average, in 2016, people with disabilities in Washington receiving SSI had to pay 123% of their income to rent a market rate one-bedroom unit
- The federal standard for affordability is 30% of income for housing costs
- In Washington, SSI income is only 18.2% of AMI.
- TAC's Priced Out Report provides data on each of WA's housing markets: [Priced Out: The Housing Crisis For People With Disabilities](#)



# Housing Affordability for People with Disabilities

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- **IF** affordability is defined as paying no more than 30-40 percent of income towards housing costs
- **THEN** SSI recipients in Washington State should pay no more than \$225 - \$300 towards housing costs (including all utilities)
- SSI recipients **need** housing options with deep affordability



# Washington's Affordable Housing Crisis

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- 15.2% of households in Washington are extremely rent burdened
- Housing affordability is a problem statewide but varies by region
- For extremely and very low income households, there is a deficit of 327,000 affordable and available units
- According to the Assoc. of Washington Housing Authorities (AWHA), since 2010 rent in Washington has gone up 64%, at the same time wages went up only 10%.

Washington State and local communities have developed resource coordination services to improve access to emergency housing resources:

- [Washington 2-1-1](#)
- [Coordinated Entry Access Points](#)