



November 12, 2014

Secretary Diana Dooley
California Health and Human Services
1600 Ninth Street, Room 460
Sacramento, CA 95814

Re: ACLU of California Comments on California's Proposed Section 1115 Medicaid Waiver Renewal

Dear Secretary Dooley,

The American Civil Liberties Union of California (ACLU of CA) appreciates the opportunity to provide input on California's Section 1115 Medicaid Waiver Renewal proposal. We write to express the ACLU of CA's strong support for the inclusion of Medicaid funded shelter, particularly permanent supportive housing, as an initiative in the State's proposal.

The ACLU of CA is dedicated to protecting and advancing the civil rights and liberties of all Californians, regardless of race, wealth, health or housing status. We work to reduce the number of people entering or returning to the criminal justice system due to health reasons, such as mental illness and substance use disorders, and the resulting chronic homelessness. Inclusion of Medicaid funded shelter in the waiver renewal would represent a crucial shift away from our harmful and counterproductive approach of criminalizing these societal problems and towards a more inclusive public health approach.

By including Medicaid funded shelter in the proposal, California acknowledges that health is determined by more than what occurs in hospitals and doctors' offices. Social determinants of health, including access to safe housing, are inextricably linked to individual health. In many situations, health problems result from or are exacerbated by a person's living situation, and attempts to address health concerns without also addressing these underlying causes are futile.

Permanent supportive housing, the provision of community-based housing to vulnerable homeless populations combined with voluntary and tailored support services, is a proven means of reducing homelessness and its negative health consequences. The U.S. Interagency Council on Homelessness and other federal agencies, including the Substance Abuse and Mental Health Services Administration, recommend permanent supportive housing as effective for people with chronic health conditions, including for those who are chronically homeless.¹ Studies have demonstrated that supportive housing is associated with significant cost savings from reductions

¹ U.S. Interagency Council on Homelessness. (2013). *Permanent Supportive Housing*. Retrieved from http://usich.gov/usich_resources/solutions/explore/permanent_supportive_housing; SAMHSA. (2014). *Permanent Supportive Housing*. Retrieved from <http://homeless.samhsa.gov/Channel/Permanent-Supportive-Housing-510.aspx>.

in emergency room, hospital, and jail admissions.² On an individual level, supportive housing has been shown to decrease use of alcohol and drugs, reduce symptoms of mental illness, and improve physical health and quality of life.³

However, funding for supportive housing is fragmented across many agencies and programs, stifling the ability to expand to the capacity required to address the major public health issues of mental illness, substance use disorders, and homelessness. Medicaid funding for supportive housing would provide the essential foundation to grow these needed services and allow us to adequately address these problems through the health system, rather than the criminal justice system. This will ultimately result in healthier and safer communities and significantly reduced costs. Inclusion of permanent supportive housing in the Medicaid waiver is vital for advancing the civil rights and liberties of individuals with chronic health conditions and those experiencing chronic homelessness.

Thank you again for the opportunity to participate in the stakeholder process. Please do not hesitate to contact me if you have any questions.

Sincerely,

Originally Signed By,

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cc: Toby Douglas, Director, California Department of Health Care Services
Mari Cantwell, Chief Deputy Director, California Department of Health Care Services

² Larimer, M. E. et al. (2009). Health Care and Public Service Use and Costs Before and After Provision of Housing for Chronically Homeless Persons with Severe Alcohol Problems. *JAMA*, 301(13), 1349-57 (estimating cost offsets of \$2,449 per person in the first six months); Moore, T. L. (2006). *Estimated Cost Savings Following Enrollment in the Community Engagement Program: Findings from a Pilot Study of Homeless Dually Diagnosed Adults*. Portland, OR: Central City Concern (estimating a \$15,006 per person annual cost saving for first year following enrollment); Culhane, D. P., Metraux, S., & Hadley, T. (2002). Public Service Reductions Associated with Placement of Homeless Persons with Severe Mental Illness in Supportive Housing. *Public Housing Debate*, 13(1), 107-163 (Placement in supportive housing resulted in reductions in service use of \$16,282 per housing unit per year).

³ Perlman, J. & Parvensky, J. (2006). *Denver Housing First Collaborative Cost Benefit Analysis and Program Outcomes Report*. Denver, CO: Colorado Coalition for the Homeless.