



## SUMMARY OF STATE ACTION: MEDICAID AND HOUSING SERVICES JANUARY 2015

### INTRODUCTION

States recognize that supportive housing directed at the right population can reduce Medicaid spending. They also recognize that supportive housing services need to be financed in a way that is more sustainable than short term government and philanthropic grants. Therefore, states, localities and health services payers such as managed care organizations are experimenting with ways to finance outreach and engagement, tenancy supports and intensive case management services.

The table below highlights actions states, local jurisdictions, and health plans have taken to improve supportive housing service delivery and financing.

### SUMMARY OF STATE ACTIVITY

State/City	Medicaid Mechanism	Proposal	Result	Next Steps
Illinois	Accountable Care Organizations (ACO) or "ACO-like" systems	<ul style="list-style-type: none"> <li>State created Care Coordination Entities (CCEs) to experiment with ACO and ACO-like models.</li> <li>CCEs were originally intended to be provider-organized networks and transition to becoming risk-bearing managed care organizations within a few years.</li> </ul>	<ul style="list-style-type: none"> <li>Housing case managers and Together4Health care coordinators coordinate delivery of services to supportive housing tenants.</li> <li>To date, ACO funding for care coordination does not include housing-based case management.</li> </ul>	<ul style="list-style-type: none"> <li>As the state shifts to a Medicaid managed care system, the Care Coordination Entities will be evaluating the impact of managed care on their operations. (Some may become or partner with other managed care organizations)</li> <li>Together4Health has</li> </ul>

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		<ul style="list-style-type: none"> <li>• Together4Health was created in Chicago/Cook County to target care coordination for high need patients.</li> <li>• Together4Health ownership / leadership includes supportive housing organizations in the network of providers, and the ACO refers members to the housing providers.</li> </ul>		<p>begun to enroll and coordinate care for members</p> <ul style="list-style-type: none"> <li>• Together4Health is also evaluating successes and challenges</li> </ul>
Illinois	1115 Waiver	<ul style="list-style-type: none"> <li>• Allow Managed Care Organizations to re-invest incentive payments into housing services, rental assistance and other housing-related costs.</li> </ul>	<ul style="list-style-type: none"> <li>• The 1115 was submitted in 2014 and is still in negotiation.</li> </ul>	<ul style="list-style-type: none"> <li>• Next steps are unclear, as new Governor (Gov. Rauner) takes office in IL and will need to evaluate the 1115 proposal as part of new priorities.</li> </ul>
Louisiana	1915i – Home and Community Based Services State Plan Amendment (and other 1915 waivers)	<ul style="list-style-type: none"> <li>• Improve services delivery and financing for beneficiaries who are homeless <u>or</u> leaving institutional care.</li> <li>• Coordinate housing and services.</li> <li>• Operated through a contract with a managed care organization.</li> </ul>	<ul style="list-style-type: none"> <li>• Beneficiaries are eligible if they have a significant, long-term disability, are in need of housing and support services, and are currently receiving services from the Department of Health and Hospitals.</li> <li>• The managed care organization Magellan manages the supportive</li> </ul>	<ul style="list-style-type: none"> <li>• The State is working to find ways to sustain funding for housing, after housing opportunities funded through emergency Katrina money has dried up.</li> <li>• 1915 waivers will soon be up for renewal and the MCO contract must be rebid.</li> </ul>

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			<p>housing providers, tracks availability of units, and reimburses supportive housing services providers for housing-based services.</p>	<ul style="list-style-type: none"> <li>Find more info about the Magellan program at <a href="#">Louisiana PSH program.</a></li> </ul>
<p>Massachusetts (Massachusetts Behavioral Health Partnership)</p>	<p>1115 Medicaid Waiver (community benefit support service, referred to as Community Support Program for People Experiencing Homelessness, or CSPECH)</p>	<ul style="list-style-type: none"> <li>Proposal to achieve state determined outcomes and control costs for high-cost behavioral health patients.</li> </ul>	<ul style="list-style-type: none"> <li>MBHP created a community support benefit specifically designed for chronically homeless members.</li> <li>MBHP targets members who are also chronically homeless and provides services to move beneficiaries into supportive housing, and keep them stably housed.</li> <li>Pays supportive housing providers to deliver housing-based case management (\$17 per day, per person).</li> <li>Provider must house the member within 60 days in supportive housing. Funding from other sources pays for housing costs (e.g. rental assistance).</li> </ul>	<ul style="list-style-type: none"> <li>This initiative is being expanded as a part of the service delivery model for Massachusetts' Pay for Success program, announced in December 2014.</li> <li>This Social Impact Investment initiative is an attempt to use cost effective strategies and leverage the savings and reinvest them into the community. This will allow Massachusetts to create supportive housing at the scale needed to end chronic homelessness.</li> </ul>
<p>Minnesota (Medica Health Plan)</p>	<p>Managed Care</p>	<ul style="list-style-type: none"> <li>Test potential managed care return on investment achieved through</li> </ul>	<ul style="list-style-type: none"> <li>Medica, working through community-based Hearth Connection, Inc, is</li> </ul>	<ul style="list-style-type: none"> <li>Foundations and other funders, including CSH, are funding the</li> </ul>

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		supportive housing.	<p>operating a demonstration project targeting Medica’s 88 highest cost users of Medicaid.</p> <ul style="list-style-type: none"> <li>• These users are experiencing long-term homelessness and chronic health conditions.</li> <li>• Medica staff identifies potential enrollees for the demonstration, then provide the names of these enrollees to Hearth Connection. Hearth Connection locates the enrollees and determines eligibility, based partly on whether the member experiences homelessness.</li> <li>• Hearth Connection uses funding from other sources to pay for housing costs (e.g. rental assistance).</li> <li>• Medica pays for services in supportive housing, delivers care coordination, and conducts the evaluation of the project.</li> </ul>	<p>evaluation, assisted Hearth Connection in covering their administrative costs.</p>
New York	Health Home State Plan Amendment	<ul style="list-style-type: none"> <li>• Health homes must include supportive</li> </ul>	<ul style="list-style-type: none"> <li>• The State is working to improve integration of</li> </ul>	<ul style="list-style-type: none"> <li>• Continue evaluation of emerging practices and</li> </ul>

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		<p>housing as a mandatory partner.</p> <ul style="list-style-type: none"> <li>The health home option targets care coordination to those with mental illnesses, HIV/AIDS and other chronic medical conditions.</li> </ul>	<p>housing case management (which State already funds through General Funds) and health home care coordination.</p> <ul style="list-style-type: none"> <li>Several emerging practices are finding ways to pay for case management services essential to stabilizing health.</li> </ul>	<p>overcoming challenges.</p>
New York	1115 Waiver and State Resources	<ul style="list-style-type: none"> <li>Use supportive housing to achieve state cost savings goals outlined by the state's Medicaid Redesign.</li> <li>Reinvest savings into cost-effective best practices, including supportive housing.</li> </ul>	<ul style="list-style-type: none"> <li>The State created seven supportive housing pilot projects through State-only Medicaid dollars.</li> <li>Health Homes Pilot Project (DOH): supports 500 rent and service subsidies for supportive housing providers.</li> <li>Step Down/Crisis Resident Pilot (OMH): supports capital and operating funding to allow for a specified number of existing community residential service providers to convert a certain number of beds into crisis or step-down service units.</li> </ul>	<ul style="list-style-type: none"> <li>The State is tracking all supportive housing/Medicaid Redesign funding to assess program effectiveness and Medicaid savings attributed to each initiative.</li> <li>Agencies administering supportive housing initiatives are responsible for working with providers to collect data and submit into the Medicaid Data Warehouse. The state's portion of savings generated from these initiatives will be reinvested into this supportive housing</li> </ul>

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			<ul style="list-style-type: none"> <li>• Nursing Home to Independent Living (DOH): supports rent and service subsidies to individuals moving into independent housing.</li> <li>• OMH Supported Housing Supplement (OMH): supports rent and service subsidies to supportive housing providers for high-cost Medicaid recipients with serious mental illness enrolled in Health Homes and living in scattered-site apartments.</li> <li>• Homeless Senior Placement (Office for Temporary Disability Assistance - OTDA): Provides rent supplement to older individuals residing in homeless shelters for long periods who receive SSI, but are not eligible for existing supportive housing programs.</li> <li>• Health Home HIV Rental Assistance Pilot (DOH): supports rental assistance for homeless and unstably</li> </ul>	<p>initiative.</p>

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			<p>housed Health Home participants diagnosed with HIV, but medically ineligible for the existing HIV-specific enhanced rental assistance program.</p> <ul style="list-style-type: none"> <li>Senior Supportive Housing Pilot: supports capital and supportive services to enable low-income seniors to remain in the community, including seniors aging in place in supportive housing.</li> </ul>	
Philadelphia (Community Behavioral Health Plan)	Managed Care (behavioral health)	CBH partners with the city's housing agency and uses Medicaid and city-designated funding to finance services and housing for supportive housing residents.	<ul style="list-style-type: none"> <li>If the participant is chronically homeless, CBH pays for housing-based case management and rental assistance coordinated through city resources.</li> </ul>	<ul style="list-style-type: none"> <li>CBH cost savings become city revenue largely re-invested back into supportive housing in the form of rental assistance and other funds for supportive housing.</li> </ul>
Texas	1115 Waiver	<ul style="list-style-type: none"> <li>Texas implemented an \$11.4 billion Delivery System Reform Incentive Pool/Payment (DSRIP) program.</li> <li>DSRIP funds created 20 Regional Health Plan networks (provider networks akin to ACO model) to spur innovation</li> </ul>	<ul style="list-style-type: none"> <li>The Austin/Travis County Regional Health Plan is using DSRIP payments to fund comprehensive services for at least 75 beneficiaries experiencing homelessness and mental illness.</li> <li>The Houston/Harris County Regional Health Plan is</li> </ul>	The State's 1115 waiver will be discussed this year because it is coming to the end of the first five years and must be either renewed or revised per federal rules

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		<p>around health delivery to Medicaid beneficiaries and indigent adults.</p> <ul style="list-style-type: none"> <li>Two regions (Travis/surrounding counties and Harris Counties) are working to integrate housing into the Regional Health Plan networks.</li> </ul>	<p>providing services for at least 200 beneficiaries who receive services through partnerships between federally-qualified health clinics and local homeless providers.</p> <ul style="list-style-type: none"> <li>In both cases, these services will be coupled with housing subsidies provided via local sources.</li> </ul>	
Washington	Health Home State Plan Amendment	<ul style="list-style-type: none"> <li>Health home proposals to the State receive extra points if they include housing partners as part of the health home team.</li> </ul>	<ul style="list-style-type: none"> <li>Health Homes have been implemented throughout the State except in King and Snohomish Counties (implementing a Medicaid-Medicare Dual-Eligible Demonstration).</li> <li>Some health homes have been successful connecting patients to housing, where housing providers are part of the health home.</li> </ul>	<ul style="list-style-type: none"> <li>The State is continuing to evaluate successes and challenges of health home implementation</li> <li>Latest status report at <a href="#">WA Health Homes Progress</a> (Dec. 2014).</li> </ul>