Understanding Medicaid’s Role in Creating Housing and Ending Homelessness

ABA Commission on Homelessness and Poverty
ABA Annual Meeting

August 9, 2013
Outline

- Explain Supportive Housing
- Services Financing Challenges
- Connecting with the mainstream health system
- Health Reform – Opportunities
- State Innovation
- Tools to Engage Policy Makers
Supportive Housing

Supportive housing combines affordable housing with services that help people who face the most complex challenges to live with stability, autonomy and dignity.

Housing: Affordable Permanent Independent

Support: Flexible Voluntary Tenant-centered
High Quality Supportive Housing

A variety of housing models exist with common factors including:

Located in within safe neighborhoods with close proximity to:
- Transportation
- Employment opportunities
- Services
- Shopping, recreation and socialization.

Tenants have a lease identical to those of tenants who are not in supportive housing.

Services are voluntary and consumer-driven. They focus on ensuring that tenants can obtain and thrive in stable housing, regardless of barriers they may face.

The housing and its tenants are good neighbors, contributing to meeting community needs and goals whenever possible.
Financing Supportive Housing

Traditional Affordable Housing

- Capital
- Operating

Supportive Housing

- Capital
- Operating
- Services
Often the last piece of the puzzle

Mostly short term grants
- Narrow in scope
- Extensive reporting requirements
- Unpredictable

Limited state general fund and local resources
- Restricted public budgets
- Provider shortages
- Little experience with our population and model
Social Determinants of Health

- Housing
- Race
- Employment Status
- Poverty
- Economic Class

Health
Housing as a Social Determinant

- **Usual means:**
  - Location (no grocery store, lack other neighborhood supports)
  - Age of the house (lead paint, mold, unsafe water pipes, etc)
  - Housing overcrowding, etc

- **For homeless, chronically ill populations - the lack of housing itself dictates health outcomes**
  - This lack of community based housing has impact on health and the health system than a typical social determinant
Recent Outcome Findings

- SF study found 5-year survival rates of 81% for PLWAs in supportive housing compared with 67% who remained homeless

- Chicago study found 55% survival for PLWAs in supportive housing compared with 35% of control group, and lower viral loads among housed group

- Denver study found 50% of tenants improved health status and 43% had improved MH

- Seattle study found 30% reduction in alcohol use among chronic alcohol users in SH
Medicaid Cost Study Findings

- Downtown Emergency Shelter Center in Seattle showed 41 percent in Medicaid savings by reducing ER visits and hospital inpatient stays.

- CSH’s Frequent Users of Health Systems Initiative found that:
  - Prior to housing, residents of supportive housing had ER and hospital inpatient costs over $58,000
  - Two years after housing, residents incurred only $19,000

- Chicago - PSH saved almost $25,000

- Portland, Maine - Medicaid costs were reduced by almost $6,000

- Direct Access to Housing in San Francisco found that supportive housing reduced nursing home costs by $24,000.

* All $$ amounts are per person, per year
Promise of Health Reform

- Grounded in the Triple AIM health concept

Reduced Costs
Improved Quality
Improved Access

High Quality Health System
So how exactly is THAT going to work?

Even Experts Are Uncertain
OPTIONAL = OPPORTUNITY
Expanding Insurance

- **Insurance Exchanges**
  - Those with incomes over 138% FPL
  - Set up by state or federal gov’t
  - Must be ready for enrollment by October

- **Medicaid**
  - Those with incomes under 138% FPL
  - States have option to expand
  - Fill insurance gap for adults and add a few kids
  - Fed gov’t pays 100% of newly eligible for first 3 years and steps down to 90% by 2020
Medicaid Benefits

- **Current Medicaid**
  - Mandatory (primary care, inpatient hospital, ER, EPSDT)
  - Optional (dental, mental health, substance use, HCBS, rehab, case mgmt)
    - Vary by population – kids, mental health, elderly

- **Newly Eligible Medicaid**
  - 10 categories – includes: ambulance, ER, inpatient, behavioral health, maternal and child health, pediatric (includes dental and vision)
  - Specifics OPTIONAL for state
  - Disabled population – can access existing Medicaid optional benefits

## Expanding Benefits

### Home and Community Based Services
- 1915i – Improved under health reform
- 1915c – Long Term Care Services (medical and non-medical)
- 1915b – Managed care
- 1915k – Community First Waiver

### 1115 Waivers
- Not New – Still Great Option
- Allows States to operate pilot and demo projects
- Can expand coverage or add new populations
- Budget Neutral to Federal Government

### Other
- Not new
- Targeted Case Management
- Medicaid Rehabilitation Option
State Innovation

- New York – Medicaid Redesign Team
- Portland, Oregon – Accountable Care Organizations
- Chicago – Health Homes for Vulnerable Populations
- Massachusetts - Managed Care connecting to housing
- Louisiana – Home and Community Based Services
Tools to Make the Case

- State Specific Medicaid Business Case
- Medicaid Crosswalk analysis
  - Identify Supportive Housing Services that are and are not eligible
- Engage supportive housing providers
- Engage managed care networks
- Tenant needs and satisfaction analysis
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