

Medicaid & Supportive Housing



WLHA: Affordable Care Act 101

The Source for Housing Solutions



Medicaid Basics

- Medicaid is health insurance.
- The State Medicaid Plan serves as a contract between the State and the federal Centers for Medicaid and Medicare (CMS).
- The Plan authorizes federal financial assistance.
- Because Medicaid is an entitlement program, the number of people participating and the costs of their services drive spending levels.

Supportive Housing is the Solution

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




Affordable Care Act (ACA)





- Expands health insurance.
- Clears the path for innovation for new service-delivery models and financing mechanisms.



King County CEH



Changing supportive housing environment for the Committee to End Homelessness in King County (CEH).

- Dwindling flexible resources to ensure sustainable supportive housing system and pipeline.
- Questions about Medicaid
- Three Key Questions
 1. What can Medicaid pay for today?
 2. What might Medicaid pay for tomorrow?
 3. Where are there opportunities for change?

ACA Implementation Trends

- Move away from fee-for-service payment mechanisms.
- Create better Coordinated Care.
- Integrate primary and behavioral health care.

What can Medicaid pay for today?

Medicaid Crosswalk

- Compares the services provided in supportive housing with those in the State Medicaid Plan.
- Participating agencies included DESC, Sound Mental Health, Plymouth Housing Group, and Catholic Housing Services.
- Identifies where Medicaid currently aligns with supportive housing and where there are gaps.

Key Finding: Nearly all of the services provided in King County's supportive housing are covered in Washington State's Medicaid State Plan.



Supportive Housing Services Benefit

- CSH applied a supportive housing cost-savings rate of 25 percent.
- Estimated a benefit of \$368/month.
- Determined that this benefit could result in \$1.28 million in annual cost savings to the State.



Gaps Identified

- Medicaid only pays for services in supportive housing that are provided to people with behavioral health diagnoses.
- Only licensed providers can access Medicaid.
- For agencies that are licensed, the outpatient case rate is not enough to cover all of the services needed and provided.



Opportunities for Change

- ✓ Medicaid Enrollment
- ✓ Health Homes
- ✓ Duals Demonstration Project
- ✓ SIM Grant
- ✓ State Bills 5732 and 1519
- ✓ King County's Health and Human Services Transformation Plan
- ❖ More information about the materials in this presentation can be found at csh.org and in these papers available at cehkc.org:
 - Integrating Supportive Housing & Health Care in King County & Washington State
 - The Business Case for a Supportive Housing Services Benefit in Washington State



What might Medicaid pay for tomorrow?

- Research demonstrates that supportive housing improves health outcomes while lowering Medicaid costs among individuals with complex chronic health disorders.
- A data match was conducted by the Washington State Department of Social and Health Services Research and Data Analysis Division.
- When Medicaid beneficiaries who identified as homeless were sorted by cost, the top five percent of those between the ages of 18 and 64 had average monthly Medicaid expenditures of \$3,704.



Thank You

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