



WASHINGTON LOW INCOME  
**Housing Alliance**

## Help End Chronic Homelessness by Creating a Medicaid Supportive Housing Services Benefit

Ensure that services for people living in supportive housing can be paid for with Medicaid

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### Supportive housing improves health & saves community resources.

#### Improved Health Outcomes

- A Denver study<sup>1</sup> found 50% of tenants in supportive housing experienced an improved health status and 43% had better mental health outcomes.
- Both a San Francisco<sup>2</sup> & a Chicago<sup>3</sup> supportive housing project had significantly higher survival rates compared to a control group.

#### Cost-savings to the Public

- A three-year study<sup>4</sup> of a DESC supportive housing development in Seattle showed that the program saved taxpayers more than \$4 million for just the first year. The study also reported an average cost-savings of nearly \$2,500/month per person, compared to the costs of a wait-list control group.



DESC's Canaday House is a national leader in supportive housing.

#### Reductions in Emergency Services

- That same Chicago program mentioned above found that an intervention group of about 200 homeless individuals who were provided housing & case management services used 24% less emergency services than a randomized control group over an 18-month period.

#### Decreases in Inpatient Admissions & Hospital Stays

- Another Chicago study<sup>5</sup> saw 29% fewer hospital admissions & hospital days for the intervention group compared to the control.

Updated 1/2/2015

Special thanks to CSH: [www.csh.org](http://www.csh.org)

More information: [www.wliha.org](http://www.wliha.org) or Director of Policy & Advocacy Michele Thomas at 206.442.9455 x205 or at [michele@wliha.org](mailto:michele@wliha.org)

### Homelessness & housing instability is harmful to people's health.

Housing instability and homelessness exacerbate health problems and too often prevent individuals from accessing the health services they need to recover. At the same time, ill health can lead to homelessness and housing instability. Providing housing and services to people living with complex and chronic health problems will allow them to stay off the street and in a healthy home. **Supportive housing is an evidence-based solution that helps people experiencing homelessness attain both housing stability and improved health outcomes.**

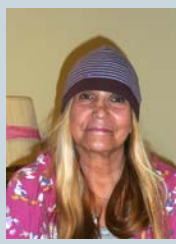
#### What is Supportive Housing?

Supportive housing is an affordable home combined with comprehensive primary and behavioral health services. This research-proven model reduces utilization of costly emergency, inpatient, and crisis services, while improving health outcomes. **Affordable housing with resident services is not supportive housing. Supportive housing provides a more specialized level of care.** People living in supportive housing usually have a long history of homelessness and often face persistent obstacles to keeping their home, such as a serious mental health illness, chemical dependency, physical disability, or chronic medical condition.

#### Medicaid expansion can help end homelessness.

Prior to the Affordable Care Act, many chronically homeless adults, including those residing in supportive housing, were not eligible for Medicaid or had barriers in applying. **Nearly all homeless persons are, by virtue of their incomes, eligible for Medicaid, including ones already living in supportive housing.**

If a Medicaid Supportive Housing Services Benefit was created, then supportive housing providers could bill Medicaid for supportive services provided to eligible residents. This would allow more chronically homeless people to access services, improve the integration of behavioral & health care, and would help individuals with severe and chronic health issues stay off the street and live in a healthy home.



Diagnosed with paranoid schizophrenia & bipolar disorder, Margaret lived a "very rough life of homelessness" for 20 years. In December 2014, Margaret celebrated one year of living safely off the streets and in DESC's permanent supportive housing development Cottage Grove Commons. Margaret's story is also a success for taxpayers. Instead of frequently utilizing expensive emergency services living on the streets, she can access lower-cost regular services at Cottage Grove Commons.

#### What is the legislative solution?

**Medicaid can and should pay for supportive housing services. The state needs to take action to request this amendment to the state's Medicaid plan and make a modest investment of state Medicaid dollars.**

<sup>1</sup> J. Perlman & J. Parvensky. Denver Housing First Collaborative Cost Benefit Analysis & Program Outcomes Report. Colorado Coalition for the Homeless, December 2006.

<sup>2</sup> T. Martinez & M. Burt. "Impact of Permanent Supportive Housing on the Use of Acute Care Health Services by Homeless Adults." Psychiatric Services, July 2006, Vol. 57, No.7.

<sup>3</sup> L. Sadowski, R. Kee, T. VanderWeele, & D. Buchanan. "Effect of a Housing & Case Management Program on Emergency Department Visits & Hospitalizations among Chronically Ill Homeless Adults." Journal of the American Medical Association, May 6, 2009, pp. 1771-1778.

<sup>4</sup> S. Collins, D. Malone, & S. Clifasefi. "Housing Retention in Single-Site Housing First for Chronically Homeless Individuals With Severe Alcohol Problems." American Journal of Public Health, December 2013, Vol. 103, No. S2.

<sup>5</sup> K. Linkins, J. Brya, & D. Chandler. Frequent Users of Health Services Initiative: Final Evaluation Report. Lewin Group, August 2008.