



What is Permanent Supportive Housing? Why Should Health Centers Care?



- 1. What is Permanent Supportive Housing?** Permanent Supportive Housing (PSH) is a cost-effective combination of permanent, affordable housing with services that helps people live more stable, productive lives. This approach to subsidized housing, designed for people with very low incomes and chronic, disabling health conditions, provides voluntary access to a flexible and comprehensive array of supportive services and places no limits on length of tenancy as long as terms and conditions of the lease or agreement are met. A broad array of PSH program models and approaches to service provision are used.
- 2. Why is PSH important to Community Health Centers, other organizations, and states?** Permanent supportive housing has been shown to improve the health status of individuals with complex health needs and to reduce the utilization and cost of: hospital inpatient care and emergency room visits, psychiatric emergency and institutional care, residential mental health and substance abuse treatment (especially detox), jails and prisons, and emergency shelters.
- 3. Who are clients?** adults, youth/young adults, and families with children who:
 - have extremely low-incomes (household income no higher than 30% of Area Median Income); and
 - have chronic health conditions that are at least episodically disabling, such as mental illness, HIV/AIDS, and/or substance use issues, and/or face other substantial barriers to housing stability (such as experiences of domestic violence or other trauma or have histories of out of home placements); and
 - are not able to obtain or retain appropriate stable housing without easy, facilitated access to services focused on providing necessary supports to the tenant household.Target populations include people who may be homeless (for any length of time) or are at risk of homelessness, and includes those who may be leaving other systems of care without a place to live, such as (1) young people aging out of foster care, (2) people with mental illness or other disabilities leaving jail or prison, and (3) some members of the elderly population.
- 4. Who are providers?** Health and social service providers employed by the PSH program or with whom the program contracts, many of whom work in FQHCs
- 5. What is the role of FQHCs?** Federally Qualified Health Centers participate in PSH as service providers, either on site or in clinics near the housing sites. Some FQHCs are also housing providers.
- 6. What services?** Supportive housing services that are thought to be most likely to promote long-term stability, recovery and improved health for persons with a history of long-term homelessness include: outreach and engagement, medical and behavioral health care, case management, and life skills training. The decision to provide services to tenants at the supportive housing site, in an off-site clinic, or through referral to other community services depends on program scale and resources, the severity of residents' health problems, and proximity of off-site services to the housing site.
- 7. What are costs?** A portion of the cost of some services provided by FQHCs to supportive housing residents who have Medicaid coverage can be reimbursed with Medicaid dollars. A growing number of supportive housing providers and their funding partners (e.g. local government and community leaders involved in 10-year plans to end homelessness) are seeking Health Centers as service partners for supportive housing projects. More than half of tenants in some PSH programs are eligible for Medicaid, Medicare, or VA health coverage. PSH programs can maximize the productivity of on-site medical service providers by:
 - selecting a site where medical providers will see a significant number of patients,
 - assuring a strong cooperative arrangement with staff in the supportive housing building to identify and contact residents who need health services,
 - increasing the number of supportive housing residents with Medicaid or Medicare through outreach and SSI/SSDI benefits assistance.

- 8. What are reimbursement issues?** Some of the greatest challenges that Health Centers face in providing supportive housing services are financing case management services and figuring out which services can be reimbursed by Medicaid or HRSA Health Center grants. Reimbursement obstacles include the following:
- Medicaid eligibility issues for PSH tenants: ineligible or eligible but not enrolled
 - Lack of clarity about PSH service costs that may be included in FQHC cost reports or reimbursed through other Medicaid covered services, including optional Medicaid billing mechanisms (e.g., TCM, Rehab, Medicaid Administrative Activity)
 - Inadequacy of Medicaid reimbursement to cover full cost of supportive services provided to PSH tenants
 - Limited HRSA service expansion dollars
 - Meeting targeted versus non-targeted HRSA grant requirements
 - HRSA productivity guidelines and Scope of Project requirements

9. What are revenue options?

- HUD: McKinney-Vento Homeless Assistance programs - largest source of funding for supportive housing operating costs and rent subsidies; Supportive Housing Program (SHP) - largest but diminishing source of funding for supportive services costs.
- HHS: HRSA Health Center grants, Medicaid reimbursements
- Grants/ contracts from state & local governments, community providers, foundations

The following are considered promising practices in financing PSH services: Use of mobile health units, group visits, and case or day rates as an alternative to fee-for-service reimbursement of services provided only by licensed medical providers or licensed clinical social workers.

10. What has already been done by the Corporation for Supportive Housing (CSH) and the National Council (NHCHC)?

- NHCHC formed a working group that meets quarterly by telephone conference call to discuss issues of interest to Health Centers involved in PSH and prepared a report for CSH summarizing this group's recommendations: *Defining and Funding the Support in Permanent Supportive Housing: Recommendations from Health Centers Serving Homeless People* (2008): <http://www.nhchc.org/PSHReport.pdf>
- CSH contracted with the Technical Assistance Collaboration (TAC) to develop a taxonomy of services for PSH tenants and Medicaid reimbursement options, aimed at state-level advocacy. Report forthcoming.
- March 13 workshop at the National Association of Community Health Centers (NACHC) Policy & Issues Forum: "Why CHCs Should Participate in PSH"; presenters are members of the PSH working group
- May 1 PSH Leadership Symposium in Nashville to discuss strategies for assuring the long-term sustainability of integrated service models of health care and housing

11. What are ideas for the future, needs, and how NACHC can partner with NHCHC and CSH?

- Identify opportunities to build capacity of FQHCs to provide services to PSH residents and support the work of Health Centers already doing this by highlighting some "promising practice" service models.
- Identify HRSA and CMS policies and administrative issues affecting Medicaid reimbursement of FQHC services that might translate into a collaborative legislative and/or administrative advocacy agenda.