

# Linking Housing and Health for Sustainable Cross-Disability Service Delivery: Louisiana Post-Katrina and Rita

Louisiana's Permanent Supportive Housing (PSH) program provides permanent, subsidized rental housing with flexible, individualized housing supports for people with disabilities.<sup>1</sup> It is the nation's first example of a statewide cross-disability housing program that includes sustainable funding for both housing and necessary supportive services.

In 2005, hurricanes Katrina and Rita devastated Louisiana, impacting those who were already homeless and those who became homeless or institutionalized as a result of the storms. Many of these individuals had complex physical and behavioral health needs qualifying them for Medicaid disability services. The state was ahead of its time in realizing the importance of providing healthy and safe housing to residents affected by the hurricanes — not only to address their immediate housing needs, but also to improve their health. Back in 2005, before the need to address “social determinants of health” was widely recognized, it was the impetus for developing the Louisiana PSH program — an integrated rental assistance and support services program. The goals of the PSH program are to: (1) provide affordable, stable,

## BETTER HEALTH BEYOND HEALTH CARE

The Center for Health Care Strategies, with support from the Robert Wood Johnson Foundation, led an exploratory effort to identify key enablers of successful cross-sector collaboration to improve population health, beyond health care coverage and access to services. This series of case studies details how diverse state-level, cross-sector collaborations can positively impact population health. For more information and the full report, visit [www.chcs.org/better-health-profiles](http://www.chcs.org/better-health-profiles).

## AT-A-GLANCE



- ENVIRONMENT:** In the wake of hurricanes Katrina and Rita, Louisiana was challenged with providing safe housing to affected residents while also improving the health of vulnerable individuals with disabilities rendered homeless or institutionalized by the storms.
- SOLUTION:** Creation of a Permanent Supportive Housing (PSH) program for individuals with disabilities.
- KEY FEATURES:** Safe and healthy housing as well as support services to ensure that residents succeed in maintaining housing placements and improving health outcomes.
- PARTNERS:** Louisiana Department of Health and Louisiana Housing Authority, in coordination with community service providers, housing providers, and federal funding agencies.
- HIGHLIGHTED IMPACT:** In 2008, PSH housed and provided Medicaid-funded supportive services to its first homeless client; as of 2017, this collaborative interagency program has provided more than 3,500 individuals with housing and services.

decent, safe housing for individuals with disabilities in the most integrated settings possible; (2) reduce and prevent homelessness among individuals with disabilities; (3) reduce and prevent inappropriate institutionalization; and (4) operate the program in the most cost effective and efficient manner possible.<sup>2</sup> The PSH program housed its first resident in 2008 and now has rental subsidies and service funding to support 3,545 individuals.

The program is jointly run by the state Medicaid agency and the Louisiana Housing Authority (LHA). In addition to administering the Medicaid program, the Louisiana Department of Health (LDH) is an umbrella, Governor's cabinet-level agency that includes the Office for Citizens with Developmental Disabilities (OCDD), the Office of Aging and Adult Services (OAAS), the Office of Behavioral Health (OBH), and the Office of Public Health. OCDD, OAAS, and OBH are the operating agencies for the Medicaid programs that target their respective populations, and the PSH program is housed under OAAS. Being connected under one umbrella facilitates collaboration, coordination, and service wrap-around for the cross-disability PSH program. To be eligible for the program, individuals must have a substantial long-term disability (mental, physical, or chronic illness) and generally qualify for and receive relevant support services through one of multiple Medicaid waivers or state plan services.

This profile outlines key factors behind the success of Louisiana's PSH program, details select activities related to the program's development, and explores its outcomes and achievements.

## Key Factors for Program Success

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The establishment of the PSH program enabled Louisiana to address individuals' housing and services needs using a multi-agency approach to funding and sustainability. Contributors to program success include:

- **Executive Support.** After the hurricanes, the state established a PSH program Executive Management Committee consisting of executive-level positions from LDH and the Louisiana Housing Corporation, including: Director of the Housing Authority; Medicaid Director; Office of the Secretary and Assistant Secretaries for OCDD, OAAS, and OBH; and the Director of the Office of Community Development. The committee convenes quarterly to discuss significant programmatic and policy issues and engage in joint decision-making.
- **Braided Funding for Sustainability.** An important tenet of PSH program planning is that Medicaid as a single funding stream cannot fully support the program services. After the hurricanes, the state received \$73 million in Housing and Urban Development (HUD) Community Development Block Grant (CDBG) disaster relief funds. These funds, which have no deadlines, are being used in part to fill in gaps Medicaid cannot cover. For individuals in Medicaid who can receive supportive services through their disability status, services are funded through Medicaid. The benefit of using Medicaid funding is that approximately 60 percent comes from federal funds and only 40 percent from state general funds. When Medicaid funding cannot be used, such as for lapses of coverage or individuals not qualifying for Medicaid, the services are funded by CDBG. Both Medicaid and non-Medicaid funds are administered by LDH. In addition to services, funding is also braided on the housing subsidies side. This would include funds from CDBG, Low Income Housing Tax Credit, Section 811 Project Rental Assistance, Housing Choice Vouchers, and Shelter Plus Care to ensure the seamless availability of PSH housing to tenants.

Further, state-employed Tenancy Services Managers (TSM) are funded by the CDBG funds, allowing them to provide uninterrupted support to individuals regardless of Medicaid enrollment status. Lastly, most of the service providers that are contracted by Medicaid also have contracts to provide services through CDBG. Having an additional source of funding has been critical in bridging Medicaid funds as well as ensuring minimal interruption in services due to Medicaid eligibility gaps or Medicaid prior authorization issues.

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- **Providers Focus on Their Area of Expertise.** Housing providers are generally not prepared for or experienced in providing tenancy support services. The PSH program intentionally does not require housing providers or landlords to provide these services. Instead, the state contracts with service providers who hire Community Support Specialists (CSS) to serve as the tenant’s main point of contact. CSSs provide pre-tenancy, move-in, and tenancy supports that can include: (1) mentorship in completing housing applications; (2) assurance that the tenant and unit are ready for move-in; and (3) assistance with skills to maintain tenancy, such as communicating with neighbors and timely rent payment.

Further, CSSs and landlords have access to state-funded TSMs whom they can contact for assistance with a PSH client. For example, rather than maintaining contact with each tenant’s individual case manager, a property manager can contact the PSH office and a TSM will be dispatched to help resolve a conflict. Housing providers have found this to be a great benefit in working with the program. As mentioned earlier, TSMs are funded exclusively through the CDBG to allow for uninterrupted support to service and housing providers. Once CDBG funds are depleted, TSM activities could be eligible for federal administrative match under Medicaid, continuing support for these positions beyond CDBG funding.

- **Support from stakeholders as well as philanthropic and federal resources.** With financial support from the Robert Wood Johnson Foundation and the Melville Charitable Trust, the Technical Advisory Collaborative helped Louisiana envision the PSH program, including how it could be funded and sustained.

Louisiana had broad stakeholder support from housing and homeless organizations from across the country who took up a significant lobbying effort to get more HUD vouchers for Louisiana after the hurricanes. These vouchers were allocated directly to the state rather than to local housing authorities, which is generally the practice. Louisiana was steadfast that in order to get a population health impact, the vouchers had to be managed by the state, thus intertwining the housing and services management at the state level. As a result of these stakeholder efforts, the state received various subsidy resources for the project, including \$73 million to support 3,000 rental subsidies exclusively for the PSH program.<sup>3</sup>

## Select Activities

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The planning, development, and implementation of the PSH program has required a number of critical actions including identifying Medicaid authorities to provide supportive services and creating a new state agency to administer housing vouchers.

### Identify Medicaid Authorities for Services

As part of the service funding braiding of Medicaid and CDBG funds, Louisiana had to identify all of the possible resources through which Medicaid could cover individuals' services, determined primarily by the definition of disability met by the individual. In 2010, the state applied for and was granted approval from CMS on a 1915(i) Medicaid State Plan waiver. This enabled them to add PSH interventions through Assertive Community Treatment, Intensive Case Management, and Community Psychiatric Support and Treatment services. Authority was later transferred to state plan for behavioral health. For persons qualifying for Developmental Disabilities or Aged/Disabled waivers, PSH housing support services were added to the state's Medicaid 1915(c) Home and Community based Waivers serving those populations. This approach ensures that the provision of services are supported by Medicaid resources whenever possible, and preserves the use of CDBG disaster recovery funds to fill gaps or serve individuals not eligible for Medicaid.

***CMS-approved 1915(c) Medicaid Home and Community Based Waivers for the aged, blind, and disabled population as well as for those with intellectual or developmental disabilities ensures that services are supported by Medicaid resources whenever possible, and preserves the use of CDBG disaster recovery funds to fill gaps or serve individuals not eligible for Medicaid.***

In addition to CDBG and Medicaid, a few smaller programs are used to support services for eligible individuals, including: (1) Ryan White funds; (2) Veteran's Administration funds; and (3) the Substance Abuse and Mental Health Services Administration's Cooperative Agreements to Benefit Homeless Individuals grants.

### Create the Louisiana Housing Authority to Administer Housing Vouchers

As part of PSH program development, the LHA was created by the state legislature to administer housing vouchers for the program. Federal relief funds from the CDBG Disaster Recovery Program were the first to be channeled into this project. This federal relief money was allocated directly to the state. Thus the state needed a mechanism through which to administer these funds as well as the HUD vouchers. Though use of CDBG disaster recovery funds may not be replicable to other states looking to develop a PSH program, there are other funding sources that can be leveraged in building a PSH program such as Low Income Housing Tax Credits,<sup>4</sup> HOME Investment Partnership funds,<sup>5</sup> and CDBG general block grants.<sup>6</sup> It also may be beneficial from a program oversight and management approach to channel program funds through a single agency.

## Outcomes/Achievements

Through the PSH program, Louisiana has made notable strides in addressing housing and supportive services needs for some of its most vulnerable citizens, highlighting the importance of collaboration and sustainability planning for the ongoing success of the program. Health outcomes collected by the Department of Health indicate a successful impact on population health, including a reduction in emergency department usage of nearly 25 percent for PSH participants, as well as a decline in hospital admissions.<sup>7</sup> An independent study from 2011-2012 showed a 24 percent reduction in Medicaid costs for the beneficiaries who were housed.<sup>8</sup> The program has also had lasting impact, with 95 percent of the households served since the inception of the program remaining housed.<sup>9</sup>

Data from the LHA show that the state has seen a 68 percent decline in homelessness since 2010, and during the time period of 2011-2016 there was a 58 percent reduction in veteran homelessness — making New Orleans the first city to be able to report ending veteran homelessness — and an 87 percent reduction in chronic homelessness.<sup>10</sup>

Looking forward, the PSH program may leverage this model for cross-agency collaboration in working to reduce recidivism through criminal justice reform efforts between LHA and the Department of Corrections. Despite the special circumstances that initiated the development of the PSH program, it serves as an excellent programmatic example of cross-agency collaboration that the state intends to grow.

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### About the Robert Wood Johnson Foundation

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### About the Center for Health Care Strategies

The Center for Health Care Strategies (CHCS) is a nonprofit policy center dedicated to improving the health of low-income Americans. It works with state and federal agencies, health plans, providers, and community-based organizations to develop innovative programs that better serve people with complex and high-cost health care needs. For more information, visit [www.chcs.org](http://www.chcs.org).

## ENDNOTES

<sup>1</sup> BHBHC Site Visit Interview with LDH and LHA; New Orleans, Louisiana. December 15, 2018.

<http://new.dhh.louisiana.gov/assets/docs/OAAS/publications/FactSheets/PSH-Fact-Sheet.pdf>.

<sup>2</sup> Louisiana Department of Health and Hospitals, *Permanent Supportive Housing Program Summary, Attachment B of State Management Organization Request for Proposals*,

[http://new.dhh.louisiana.gov/assets/docs/BehavioralHealth/LBHP/2014\\_RFP\\_Procurement\\_Library/PSHProgramSummary\\_SMO\\_08152014.pdf](http://new.dhh.louisiana.gov/assets/docs/BehavioralHealth/LBHP/2014_RFP_Procurement_Library/PSHProgramSummary_SMO_08152014.pdf).

<sup>3</sup> Louisiana Housing Authority, *Louisiana Permanent Supportive Housing Initiative Continuum of Care Policies and Procedures Manual*, May 1, 2016. [http://www.lhc.la.gov/assets/Programs/CoC/COC\\_Manual.pdf](http://www.lhc.la.gov/assets/Programs/CoC/COC_Manual.pdf).

<sup>4</sup> For more information: <https://www.huduser.gov/portal/datasets/lihtc.html>.

<sup>5</sup> For more information: [https://www.hud.gov/program\\_offices/comm\\_planning/affordablehousing/programs/home/](https://www.hud.gov/program_offices/comm_planning/affordablehousing/programs/home/).

<sup>6</sup> For more information: [https://www.hud.gov/program\\_offices/comm\\_planning/communitydevelopment/programs](https://www.hud.gov/program_offices/comm_planning/communitydevelopment/programs).

<sup>7</sup> Louisiana Department of Health, Permanent Supportive Housing Program, presentation to National Governors Association, 2016.

<https://www.nga.org/files/live/sites/NGA/files/pdf/2016/1602HousingHealthCareWagner.pdf>.

<sup>8</sup> Technical Assistance Collaborative, Inc, *Taking Integrated Permanent Supportive Housing (PSH) to Scale: The Louisiana PSH program*; Francine Arienti and Marti Knisley, February 2012. <http://www.tacinc.org/media/10896/Louisiana%20Brief.pdf>.

<sup>9</sup> Ibid.

<sup>10</sup> For more information: <https://www.hudexchange.info/resources/documents/Ending-Veteran-Homelessness-in-New-Orleans.pdf>.