Senator Osten, Senator Formica, Representative Walker, Representative Lavielle, and distinguished members of the Committee, thank you for hearing my testimony today in support of the Medicaid Supportive Housing Benefit through the Department of Social Services to assist high need, high cost Medicaid beneficiaries who are experiencing homelessness in accessing and retaining stable housing and meaningfully engaging with their health goals. My name is Christi Staples and I am the New England Regional Director for The Corporation for Supportive Housing (CSH).

CSH is a nationally recognized expert on supportive housing (SH), offering unmatched knowledge and providing unparalleled technical assistance and training on housing, services, and programs for homeless and vulnerable individuals and families. We broker strong collaborations between agencies and guides partners in program design, client targeting approaches, and best practices in creating housing, designing services, and undertaking large-scale systems change. CSH works across 4 lines of business: Training and Education, Lending, Consulting and Assistance and Policy Reform. We are also key partners in the statewide Reaching Home and Home CT campaigns to create affordable housing and prevent and end homelessness.

Supportive housing pairs permanent, affordable housing with tenancy support services and care coordination to help people who face the most complex challenges to live with stability, autonomy, and dignity. Research demonstrates that supportive housing reduces system costs
and improves health outcomes for people who have complex healthcare needs and housing instability, including people experiencing chronic homelessness, people living in institutions, and people who are at risk of institutionalization. By providing stable affordable housing, tenancy supports, and care coordination to connect tenants to primary and behavioral health services, supportive housing can help improve physical health, foster mental health recovery, and reduce alcohol and drug use among formerly homeless individuals.

In Connecticut, supportive housing has proven to be an important tool in reducing homelessness among individuals that are diagnosed with mental illness and/or substance use disorders. As an early adopter of the permanent supportive housing model, Connecticut has had great success in creating an effective and coordinated housing system that includes the development of new supportive housing units, funding for rental and service subsidies for scattered site supportive housing, and the creation of a statewide Coordinated Access Network (CAN) that provides standardized access to housing and homeless services and the development of universal protocols and assessment tools.

Connecticut memorialized its commitment to the supportive housing model by requiring in statute (Section 17a-485c) that the Commissioner of Mental Health and Addiction Services, in collaboration with other state agencies, establish permanent supportive housing initiatives for individuals and families with special needs who are homeless or at risk of homelessness. The Interagency Committee on Supportive Housing (ICSH), the administrative body that implements this requirement, is a collaboration of public and private organizations that includes the Office of Policy and Management, the Connecticut Housing Finance Authority, the Department of Housing, the Department of Mental Health and Addiction Services, the Department of Social Services, the Department of Children and Families, the Department of Developmental Services, the Department of Veterans' Affairs, the Department of Correction, the Court Support Services Division of the Judicial Branch, and the Corporation for Supportive Housing. This group meets quarterly to not only administer these statutory requirements, but to collectively support, coordinate, and implement new and existing supportive housing initiatives across the state.

Through this collaborative, Connecticut adopted supportive housing models to address some of our more complex issues like individuals who cycle through shelters and prisons/jails. We also have designed a model for adults on the autism spectrum and one to address the specialized needs of adults with intellectual disability.

Further evidence of Connecticut’s commitment to integrating home and community-based services (HCBS) with housing supports is its Money Follows the Person (MFP) Demonstration “housing plus supports” model, which is housed within the Department of Social Services’ Division of Health Services. Connecticut MFP has enabled over 3,000 individuals to engage in independent living in the community by pairing MFP grant-funded support for transition
assistance and HCBS with state-funded housing subsidies administered by the Department of Housing. Longstanding review of multiple data points under MFP has illustrated the degree to which accessible, affordable housing is a critical element of successful transition and integration efforts for people with disabilities and older adults.

In October 2018, a data match was conducted between the CT Homeless Management Information System (HMIS) and the CT Medicaid Claims data. The data match conducted between the Connecticut Department of Social Services and HMIS has helped provide the evidence to support the business case for the cost-effectiveness of supportive housing services package proposed in the Governor’s Budget.

Employing systems data to identify this cohort of beneficiaries and their utilization costs in Connecticut provides the empirical basis from which to build a discussion of justification based on potential cost avoidance (savings). The high utilization of inpatient medical and behavioral health hospitalizations in this cohort point towards an opportunity to significantly reduce associated costs through the provision of a package of coordinated home and community-based services (HCBS) coupled with affordable housing that have been demonstrated to be an effective recovery oriented approach to stabilizing and improving health outcomes. This initiative meaningfully addresses the key social determinant of housing for individuals whose behavioral health and medical conditions have otherwise left them subject to cycle through ED, inpatient hospital, and, inappropriately, nursing facility care, resulting in high costs and poor health care outcomes. By instituting a supportive housing benefit for this population, the net savings to the state would be $4,022,500. This savings could then be reinvested to fund the housing assistance at the Department of Housing and still retain $127,603 in savings to the state.

We strongly urge this committee to support the Medicaid Supportive Housing Benefit through the Department of Social Services to assist high need high cost Medicaid beneficiaries who are experiencing homelessness in accessing and retaining stable housing and meaningfully engaging with their health goals.

**Supportive Housing’s Impact on Health Care Outcomes and Utilization**

National research, including the Social Innovation Fund piloted here in Connecticut, demonstrates that supportive housing is a cost-effective intervention to improve health outcomes among individuals with complex chronic health disorders while lowering Medicaid costs among homeless high-cost beneficiaries.

Research and evidence related to supportive housing’s impact of Medicaid utilization document the potential impact of supportive housing on Medicaid utilization for populations similar to the one identified through the CT data match process ranging from 24% up to 67%.
For example, a study of DESC’s 1811 Eastlake apartments in Seattle (n=75) found a cost reduction of 41% along with 30% reduction in alcohol use among chronic alcohol users in supportive housing (Larimer et. al., 2009). The NYNY III Supportive Housing Evaluation for a 44% reduction for people who were homeless and had a substance use disorder and we placed in supportive housing.[1] In Denver, a study found 50% of tenants placed into supportive housing experienced improved health status, 43% had improved mental health outcomes, and 15% reduced substance use (Perlman and Parvensky, 2006). A Massachusetts pilot saw a 67% reduction in costs (N=96) and in CT, the Social Innovation Fund Pilot saw a 24% reduction in Medicaid costs for those in the treatment group.[2] In addition to an improvement in health outcomes, research on supportive housing in nine states consistently demonstrates that stable housing combined with case management can significantly reduce unnecessary system use and costs associated with emergency rooms, inpatient hospitalizations, detox and psychiatric admissions, use of publicly funded crisis services in hospitals, addiction, corrections, shelter, and emergency Medical Services as well as Medicaid.

Sincerely,

Christi Staples, MSW
Director, New England

CSH


[2] 2018 SIF Evaluation: Difference in program effect between the treatment and control group for the top 10% of Medicaid beneficiaries