# Medicaid-Funded Housing Services

*Opportunities for Alignment and Coordination with Housing Resources within Homeless Coordinated Entry Systems*

Increasingly, states across the U.S. are adding coverage of housing-related services under Medicaid that can be coordinated with housing assistance to provide supportive housing for eligible individuals experiencing homelessness. Several states have benefits for housing-related services in place which are authorized under various Medicaid authorities.[1] Recognizing that housing stability helps individuals stay connected to health care coverage and access necessary care that improves health outcomes, the Centers for Medicare & Medicaid Services (CMS) recently began working with states under a new Medicaid section 1115 demonstration opportunity[2] to cover certain services that address health-related social needs (HRSN),[3] including those that assist individuals to prepare for, move into, and sustain tenancy in affordable and supportive housing.

CMS also recognizes that partnerships with state and local housing agencies are essential to successful implementation of allowable housing-related services and supports under Medicaid programs. Under section 1115 demonstrations, CMS has established a new framework for evaluating state proposals to address HRSN. Key to this framework is a required component that states must have partnerships with state and/or local housing agencies to assist beneficiaries who are receiving Medicaid-covered housing-related services in obtaining community-based housing. State Medicaid programs can partner with Continuums of Care (CoCs), entities that coordinate services and funding from the Department of Housing and Urban Development (HUD) and other sources to address homelessness in the community, including through the provision of short- and long-term rental assistance for Medicaid beneficiaries who are receiving pre-tenancy/housing navigation and tenancy-sustaining services. One of the important goals of those Medicaid and housing partnerships is to better align and coordinate the processes by which people experiencing homelessness are referred to, determined eligible for, and enrolled in both housing programs and supportive services.

Over the past few years, CoCs have created coordinated entry systems (CES)[4] that facilitate the referral and prioritization of people experiencing homelessness to housing interventions like rapid rehousing (RRH) and permanent supportive housing (PSH). As Medicaid-covered housing-related services become an increasingly important part of communities' resources for addressing homelessness, CoCs' CES need to determine how to align the processes of determining eligibility for and enrollment in these Medicaid-covered services and housing assistance on behalf of people experiencing homelessness in their community. This brief offers basic information and strategies to help CoCs and CES align and coordinate Medicaid-funded pre-tenancy and tenancy-sustaining

[1] These authorities may include 1915(i) or other state plan benefits, 1915(c) waivers, managed care in lieu of services (ILOS), and section 1115 demonstrations. States vary in terms of which housing-related services they choose to cover under these authorities, if any, and the extent to which individuals experiencing homelessness are eligible for and prioritized to receive them.

[2] Section 1115 demonstrations are opportunities for states to demonstrate and evaluate state-specific policy approaches to better serving Medicaid populations.

[3] Health-related social needs (HRSN) are an individual's unmet, adverse social conditions that contribute to poor health. These needs – including food insecurity, housing instability, unemployment, and/or lack of reliable transportation – can drive health disparities across demographic groups.

[4] CE systems employ a standardized access and assessment process to connect people at risk of or experiencing homelessness to a streamlined system that prioritizes them for housing and services based on their level of need. Projects that receive CoC funding and/or Emergency Solutions Grant funds must participate in their local CES, but housing and service projects funded by other sources are strongly encouraged to take part. **For details on the basics of CE, please refer to Coordinated Entry Core Elements on the HUD Exchange.**

services with housing assistance in order to create housing with appropriate services for eligible individuals experiencing homelessness in states currently covering or planning to cover such services.[5]

## Medicaid-Funded Housing Services: Eligibility and Enrollment

People experiencing homelessness may generally receive Medicaid-funded housing services if the following conditions are met:

1. An individual must be eligible for and enrolled in Medicaid;
2. The state must be authorized to cover housing-related services under Medicaid, through an approved 1115 demonstration, 1915(i) State Plan Amendment, or other Medicaid authority; and
3. An individual must meet the eligibility criteria for the service.

CMS' new framework for section 1115 demonstrations that cover services to address HRSN requires that housing-related services be determined medically appropriate based on state-defined clinical and social risk factors that must be documented in an individual's medical record (e.g., housing assessment or individual service plan). These risk factors can generally be found in the Medicaid Provider Manual for these services, published online by your state Medicaid agency or enrolled health plans if housing services are delivered via managed care in your state. **Check your state Medicaid agency website for more information.**

In all states, CoC providers should ensure that all individuals experiencing homelessness who come through CES are assessed for Medicaid eligibility and assisted to navigate the enrollment process as needed. These providers should cultivate, either in-house or through local partnerships and referral mechanisms, the "know-how" to do this. They may become a certified enrollment entity or partner with an organization (e.g., a local Health Care for the Homeless provider) with training and funding to provide outreach and enrollment assistance.[6]

**What are clinical and social risk factors?**

***Clinical risk factors*** are defined by states as the specific health needs, like a disability or disabling condition, that an individual must have as one of the criteria for services eligibility. This may include, for example, having a mental illness, substance use disorder, or chronic health condition, and/or being considered a "high need, high service utilizer" as a result of multiple chronic conditions and accounting for a substantial portion of health care system costs.

***Social risk factors*** include criteria that an individual must also meet related to social determinants of health, such as homelessness, risk of homelessness, or housing instability. For example, states may require as a potential risk factor that an individual be experiencing homelessness, chronic homelessness, or risk of homelessness, as defined by HUD. States may expand on HUD's definition or use a different definition of "homeless" or "at risk," and also may target for eligibility individuals who are at risk of entering or who are exiting institutions, congregate care settings, or foster care.

CoC providers should also become knowledgeable about managed care plan enrollment in states where Medicaid housing services are delivered via managed care. They should additionally map out eligibility and enrollment pathways for all available services; braid resources; and develop partnerships to facilitate access and ongoing services coordination for those who are not eligible for or able to receive Medicaid housing services or whose state does not cover those services.

[5] CMS SHO# 21-001 *Opportunities in Medicaid and CHIP to Address Social Determinants of Health (SDOH)* letter provides a description of housing-related services and supports under Medicaid.

[6] Your state's health insurance Marketplace or Medicaid Agency website should provide a list of certified Medicaid enrollment specialists/application counselors.

## Aligning Services Eligibility with CES Prioritization for Housing: Key Considerations

In most states, the coverage of housing-related services under Medicaid is a recent development or has only recently been brought to scale. Given this context, the eligibility and delivery of these Medicaid-funded services has not been fully aligned with CES matching and prioritization processes. Some key considerations when working to coordinate eligibility for Medicaid-funded housing services with CES' prioritization processes include:

- Medicaid services programs may be offered statewide or through local pilots with the intent of statewide expansion over time.
- CES implementation varies by CoC within states, making systemic alignment and coordination a challenge.
- There will likely be a mismatch between the number of individuals experiencing homelessness or housing instability who qualify for Medicaid-funded housing services, and the number who can be matched to housing resources through CES. Thus, CES is one of several different "doors" Medicaid providers must "knock on" to access housing for beneficiaries who are experiencing homelessness.
- While some Medicaid providers are CoC providers, many are not. Medicaid providers and CoCs should closely partner to help ensure collaborative decision-making on how individuals are prioritized for housing through CES.

## Strategies to Support Alignment and Coordination

Highlighted below are effective strategies emerging within states and communities to help CES leverage Medicaid-funded housing services for individuals who are prioritized for housing resources through CES. In general, where efforts to align and coordinate these resources have been effective, individuals experiencing homelessness or chronic homelessness[7] are part of the state's target population for these services, making it easier to align Medicaid services eligibility with CES' assessment and prioritization criteria. As an example, the District of Columbia's Medicaid-covered Housing Supportive Services (HSS) benefit provides housing navigation and stabilization services for individuals who are experiencing chronic homelessness and whose disability or disabling condition interferes with or limits their capacity to function in ways that affect housing stability. All HSS beneficiaries are matched to a locally or federally funded housing voucher through the District's CES —called Coordinated Assessment and Housing Placement (CAHP) — before enrolling in the HSS benefit to ensure alignment of housing subsidies and HSS. If an individual is eligible for HSS but not currently enrolled in Medicaid, a case manager, outreach worker, or shelter provider assisting the person with the CAHP process will help them complete the Medicaid enrollment or re-enrollment process so they can begin receiving Medicaid-covered HSS.

Medicaid housing services and CoC-funded housing resources are easiest to align when one or more CoC providers are also Medicaid housing service providers and/or strong partnerships are in place at the local level between the two. In Louisiana, as individuals are assessed through CE, those identified as having a disability that may align with eligibility for Medicaid-funded housing services are referred to a Medicaid provider who can further assess their need for the services. Individuals may then be referred to the managed care entity to authorize service delivery. One of the largest providers of Medicaid-funded housing supports operates several local CE access points throughout the state and administers CoC rental assistance in several areas as well, allowing for a high level of coordination. Other CES and CoC providers maintain referral relationships with Medicaid housing service providers in order to assess individuals' need for the services and support eligibility determination.

[7] See HUD's definition of chronic homelessness

Additional strategies that can support successful alignment and coordination include:

### *Enhancing or modifying screening processes*

As individuals are screened and assessed through CES, they can also be screened for Medicaid housing services eligibility based on state-defined clinical and social risk factors. This can help determine next steps to get them enrolled in Medicaid so they can access Medicaid-funded housing services, or if they are already on Medicaid, connect them with next steps in the service eligibility and enrollment process, including connection with a service provider. This initial screen for Medicaid housing services eligibility can be facilitated by adding a few questions to the CES' vulnerability assessment or screening tool as Minnesota has done[8], or by rapidly applying a secondary screen to assess for these factors. In some localities that have had Medicaid housing services pilots in which homeless or chronically homeless individuals were part of the state's priority population for services, such as Placer County, CA, the majority of service referrals came through CES. Individuals determined high-need by the CES' screening/ vulnerability assessment were also rapidly screened to determine eligibility for Medicaid-funded housing supports. The county or Medicaid providers then worked with the CoC to use its "by-name list" to verify homeless status and participated in case conferencing and housing match meetings through which service recipients could be prioritized for housing options.

Systems can also align the "front door" to Medicaid-funded services and housing resources by simultaneously screening for both. In Louisiana, individuals applying to the state's PSH program, including people experiencing homelessness, are screened by the Louisiana Department of Health for both Medicaid housing support services eligibility as well as eligibility and referral to various non-CoC voucher resources available through the Louisiana Housing Corporation (LHC) and the statewide Louisiana Housing Authority that operates within the LHC.

### *Including Medicaid providers in CES meetings and processes*

Including Medicaid housing service providers in CES processes can help with rapid determination of which individuals coming through CES are Medicaid-eligible or -enrolled. Medicaid providers can directly verify this via the Eligibility Verification System, and those who participate in case conferencing and housing match meetings where service recipients are prioritized for available housing options are often able to perform this function for CoC providers/CES on the spot. Medicaid-eligible and -enrolled individuals can then be assessed against needs-based criteria and connected to services. Connecting individuals with services at this stage can potentially leverage Medicaid-funded pre-tenancy services to help individuals get housed, or help service providers stay connected with individuals on the by-name list and navigate other housing options as needed. Your state's Medicaid agency website should include a directory of providers enrolled to deliver housing services if they are not already involved in your CES.

In states with Medicaid managed care delivery systems, the health plans that contract with Medicaid housing service providers can also be helpful partners to include within CES. Managed care entities have flexibilities that allow them to engage in unique partnerships to address housing instability and homelessness among their members, and some have dedicated units focused on meeting members' housing needs. Mercy Care, a health plan in Arizona, funds designated staff who serve as points of contact between CES and Mercy Care's members with behavioral health needs who are experiencing homelessness. Through participation in the CoC and CES, these points of contact can assist with verifying Medicaid services eligibility for those coming through CE, complete vulnerability assessments for their members, and participate in case conferencing and housing match meetings. Staff from the managed care entity also enter basic information into Homeless Management Information Systems (HMIS) so the CoC knows there is a point of contact within the behavioral health system.

[8] Minnesota Department of Human Services, Housing Stabilization Services Guide for Coordinated Entry Assessors and Staff.

### *Partnering with state Medicaid agencies*

Many state Medicaid agencies that have or are exploring coverage of housing services have created specialized housing roles within their agencies, and/or may offer capacity building for CoC providers to help them become Medicaid-enrolled providers that can deliver these services. When CoC and Medicaid housing service providers are one and the same, implementation of some of the screening, eligibility verification, and service enrollment/connection strategies noted above can be more seamless; it can also help CoC providers leverage a new funding stream to pay for housing services. State Medicaid agencies and CoCs each have an important role to play in ensuring cross-system education and partnership. Medicaid agencies can offer CoCs guidance and support to understand any current or planned Medicaid housing services benefits as well as related eligibility criteria and enrollment processes, while CoCs can ensure that Medicaid agencies and providers are aware of CES, the screening criteria used, and prioritization and housing match processes in place to facilitate better coordination of housing services with PSH resources. Washington State, for example, offers technical assistance to support the capacity of providers to deliver evidence-based supportive housing services under Medicaid and to provide cross-system education, which has included "CES 101" training for providers of Medicaid-funded housing support services.

> Good collaborative partnerships between state Medicaid agencies and CoCs/CES can lay the groundwork for combining Medicaid-funded housing services with other housing resources. For example, Medicaid housing services can be paired with dedicated non-CoC voucher resources (e.g., state-funded vouchers), and states and CoCs/CES can work together to determine how to prioritize persons in the homeless system who meet the eligibility criteria for housing services to receive those voucher resources. This may present opportunities to house individuals whom Medicaid identifies as high-priority without "jumping the line" ahead of highly vulnerable, service-disconnected individuals waiting to be prioritized through CES, while also leveraging other housing resources for those who are currently unhoused.

### *Engaging in cross-system data strategies*

Partnerships between Medicaid agencies and CoCs have also resulted in several states conducting high-level data matching in which HMIS or by-name-list data is shared with the state Medicaid agency. These data matches can help Medicaid confirm which of its beneficiaries are experiencing homelessness, as Massachusetts has done. Some state Medicaid agencies, like Arizona's, have used these data matches to alert health plans and providers to perform outreach to find homeless Medicaid beneficiaries and address their housing needs.

Medicaid and homeless/CES systems should examine their data and their approaches to prioritizing individuals for assistance to ensure that underserved and racially marginalized individuals have equitable opportunities to be identified, prioritized, and served. People experiencing chronic homelessness who also have behavioral and/or chronic health needs may be eligible for but disconnected from Medicaid and/or the health and behavioral health systems, and therefore either be missing from Medicaid claims data or not among its most costly users. Likewise, Medicaid's highest utilizers may not show up in HMIS or CES if they are not touching the homeless response system while they continually cycle through systems of care such as hospital emergency departments, detoxification centers, and short episodes of unsheltered homelessness that allow little time for them to be engaged and captured in HMIS. Further, if they do come through CES, they may not be among those most highly prioritized if self-report screening tools do not capture the extent of their frequent use of, or need for, health care services.

As coordinated entry systems examine their local assessment tools and approaches for determining prioritization, they may find opportunities to create better prioritization structures that meet the needs of both Medicaid and homeless CES. For instance, they might examine ways to utilize data across both systems to bring prioritization criteria closer together by, for example, devising a risk or vulnerability profile using both homelessness history and health status, or a high utilizer/high need score or profile in HMIS, as a way to better align and coordinate Medicaid pre-tenancy and tenancy-sustaining services with housing assistance through CE systems.

**Resource**
HUD's Homelessness and Health Data Sharing Toolkit provides examples of different types of cross-system data strategies and addresses considerations for data confidentiality and privacy.

## Conclusion

Given that the coverage of housing-related services under Medicaid is fairly new, there is likely to be more progression in the ways that state Medicaid programs, CoCs, and other housing agencies can align their eligibility and enrollment processes. In February 2024, HHS and HUD announced that eight states and the District of Columbia were selected to participate in a new federal initiative, known as the Housing and Services Partnership Accelerator (Accelerator). The Accelerator is providing technical assistance to states implementing Medicaid section 1115 demonstrations or section 1915(i) state plan amendments that address HRSN as discussed in this document. For more information on the Accelerator visit https://acl.gov/HousingAndServices/Accelerator.

**Additional Resources**
Outreach & Enrollment into Health Coverage: A Frontline Guide for Engaging People Experiencing Homelessness
Housing and Services Resource Center

**CMS Guidance to States**
State Health Official Letter: RE: Opportunities in Medicaid & CHIP to Address Social Determinants of Health
Addressing Health-Related Social Needs in Section 1115 Demonstrations

**HUD Notices/Guidance to CoCs**
Notice CPD-16-11: Prioritizing Persons Experiencing Chronic Homelessness & Other Vulnerable Homeless Persons in PSH