Behavioral Health Transformation Public Listening Session

Housing Interventions under the Behavioral Health Services Act

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Department of Health Care Services

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MENTAL HEALTH FOR ALL

DHCS
CALIFORNIA DEPARTMENT OF
HEALTH CARE SERVICES

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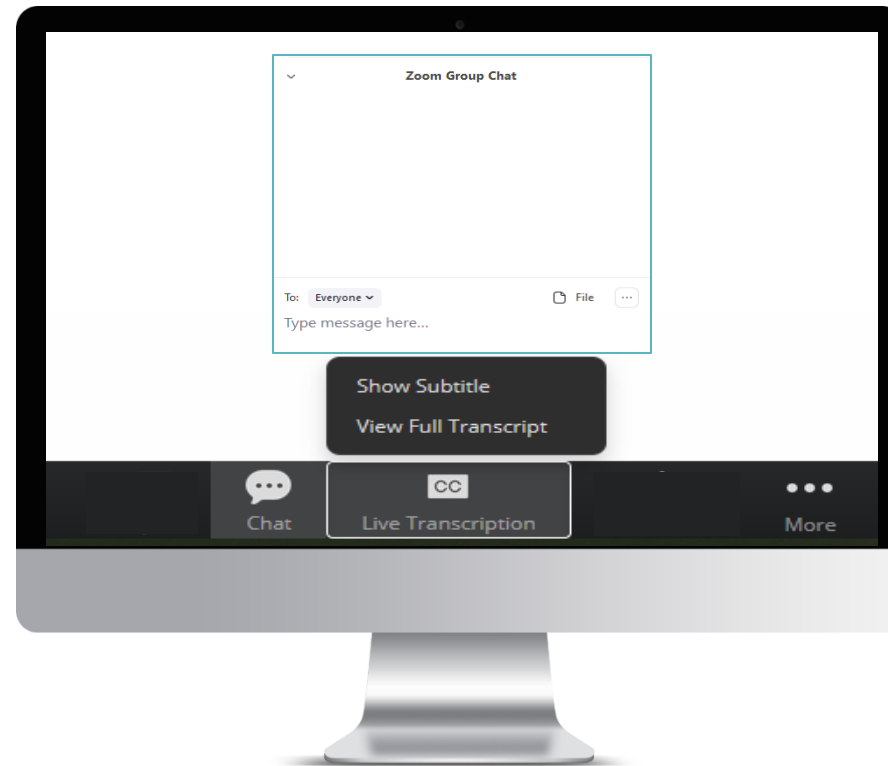
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Webinar Policies

PARTICIPATION

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Q&A

Participant comments in the Q&A do not reflect the views or policies of the presenters, the California Department of Health Care Services (DHCS), or their affiliates or contractors. By using the Q&A, you agree to keep your comments relevant to the topic of today's event. While a variety of diverse perspectives and opinions is welcome, disruptive comments are not aligned with the purpose of this meeting, and users creating disruption may be removed without warning.

Public Listening Session Format

For each topic, DHCS will:

1. Present the information specified for housing interventions Behavioral Health Services Act.

2. Solicit stakeholder feedback via the prompt(s).

*Please note: DHCS is **gathering information** and will not be responding to questions during the public listening session. We will only offer points of clarification.*

How to Provide Feedback

1. Type your feedback/comments in the Q&A box (click the icon located on your control panel).

2. Send an email to BHTinfo@dhcs.ca.gov with the subject line "Public Listening Session." Feedback will be accepted through **September 19, 2024**. Feedback received after this date will still be considered, but not included in the summary document.

# California's Investments in the Behavioral Health Housing

California is currently making unprecedented investments, both one-time and ongoing, to dramatically expand community-based behavioral health housing and social supports for individuals living with mental illness and/or a substance use disorder.

DHCS Key Housing Related Investments:

» Behavioral Health Bridge Housing Program

» New behavioral health initiatives under CalAIM, including Community Supports and Transitional Rent
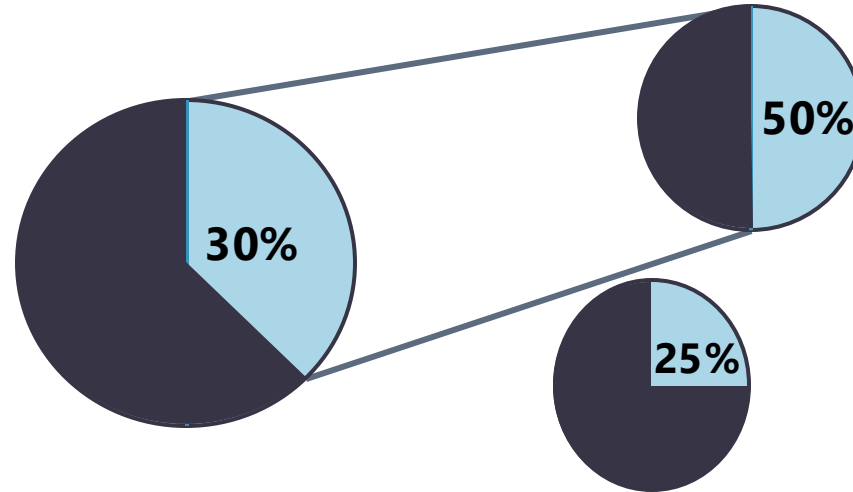
» *Behavioral Health Services Act, Housing Interventions*
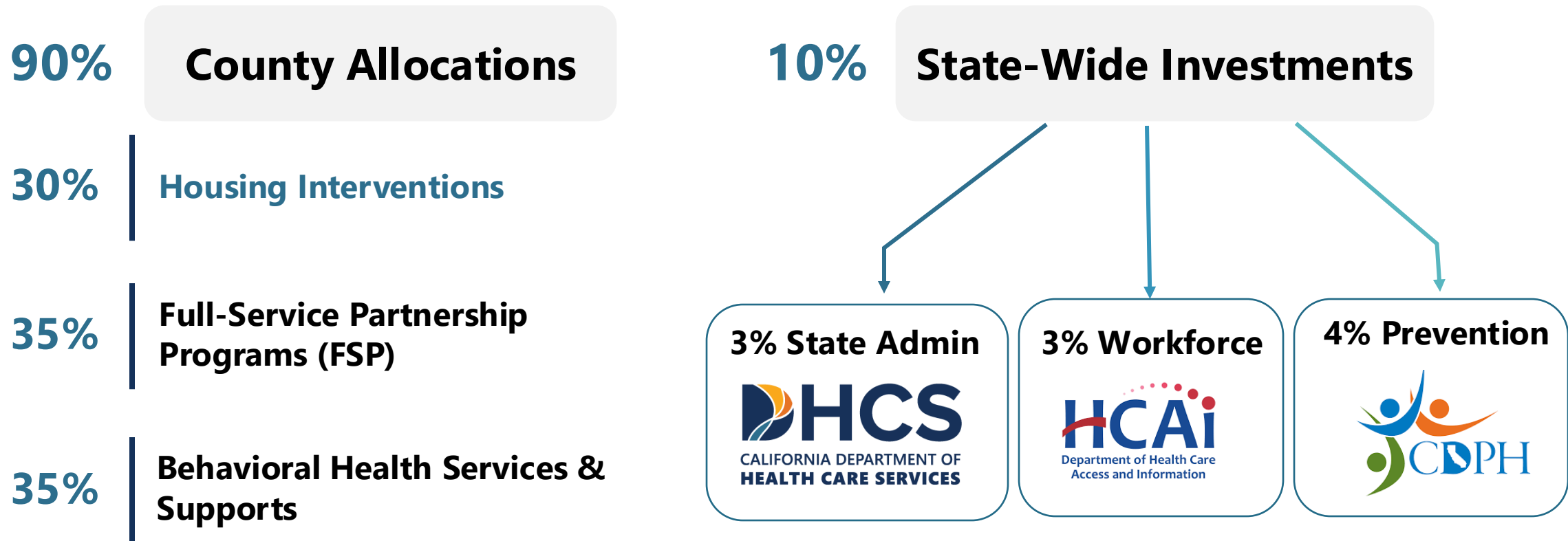
BHSA Legislative Funding Requirements

30% of the funds distributed to counties must be used for Housing Interventions

50% of the Housing Intervention funds must be used for persons who are **chronically homeless**, with a **focus on individuals living in encampments**

Up to 25% of the Housing Intervention funds may be used for **Capital Development projects**

» Counties with a population of less than 200,000 may request an exemption from the required 30% allocation of BHSA funds for Housing Interventions* (*Note: exemption process under development*)

» Counties have the flexibility to move 7% of funds to/from Housing Interventions into another category (FSP or Behavioral Health Services Supports)

*(Section 95(1)(B)) of SB 326, Section 5892 of the WIC

30% Housing Interventions

Per Welfare and Institutions Code Section 5830, county programs for housing interventions may include:

Per WIC § 5830, Housing Interventions may include:

» Rental subsidies

» Operating subsidies

» Shared housing (*including recovery housing*)

» Family housing

» Nonfederal share for Transitional Rent

» Other housing supports, as defined by DHCS, including the community supports

» Capital development projects

» Project-based housing assistance, including master leasing

Target Populations for Housing Interventions

Each county shall establish and administer a program for housing interventions **to serve persons who are chronically homeless or experiencing homelessness or are at risk of homelessness**, and meet **one of the following two** conditions[1]:

» **1 of 2** Eligible children and youth who meet one of the following

- (A) Are chronically homeless or experiencing homelessness or are at risk of homelessness.
- (B) Are in, or at risk of being in, the juvenile justice system.
- (C) Are reentering the community from a youth correctional facility.
- (D) Are in the child welfare system pursuant to Section 300, 601, or 602.
- (E) Are at risk of institutionalization.

[1] WIC Section 5892(d)

Target Populations for Housing Interventions

» **2 of 2** Eligible adults and older adults who meet one of the following:

- (A) Are chronically homeless or experiencing homelessness or are at risk of homelessness.
- (B) Are in, or are at risk of being in, the justice system.
- (C) Are reentering the community from prison or jail.
- (D) Are at risk of conservatorship pursuant to Chapter 3 (commencing with Section 5350) of Part 1 of Division 5.
- (E) Are at risk of institutionalization.

Policy Design Principles

Reduce homelessness among individuals **experiencing homelessness with a behavioral health condition**, focusing efforts on the chronically homeless – particularly those in encampments.

Housing Interventions must **include access to clinical and supportive behavioral health services,** be **low-barrier,** use **harm reduction** strategies and **Housing First** principles, and may include **recovery residences**.

Increase the number of available housing settings that meet quality standards across continuum of housing supports, from temporary through permanent housing options.

Policy Design Principles

Provide **flexibility** for counties to respond to local conditions and needs and to innovate.

Build from the base established under the **Mental Health Services Act Housing Program, Behavioral Health Bridge Housing,** and **Homekey**; support the continuity, advancement, and expansion of these programs.

Efficiently use housing intervention and BHSA funding by **maximizing other available resources, including Medi-Cal and HUD housing vouchers.**

Housing First

» Housing Interventions settings should be low barrier and use harm reduction strategies and Housing First principles.

» Housing Interventions shall comply with the core components of Housing First, as defined in subdivision (b) of Section 8255, and may include recovery housing, as defined by the federal Department of Housing and Urban Development.

» Consistent with <u>HUD</u> and Cal ICH guidance, compliance with Housing First **will be assessed through a wholistic approach, ensuring that each county's Housing Interventions program in total represents the core components,** while also ensuring each participant is assessed for their most appropriate placement.

Housing Interventions Allowable Settings

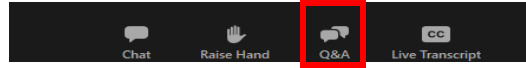**Housing Intervention funding will be allowable, without time-limits, in the following permanent settings:**

» Apartments
» Supportive housing
» Master-lease apartments
» Single room occupancy
» Shared housing (i.e., living with roommates)
» Recovery Housing
» Assisted Living (Adult Residential Care Facilities, Residential Care Facilities for the Elderly, Unlicensed Board and Care Patches)

Transitional Rent: Interim Settings

» According to WIC Section 5830(c)(2), "funds cannot be used for housing interventions covered by a Medi-Cal managed care plan."

» For **Medi-Cal members who have exhausted the Transitional Rent** benefit, Housing Interventions funding can provide **an additional 6 months** of coverage in settings determined as "interim," as defined under the Transitional Rent benefit. On August 30, 2024, DHCS released draft **guidance** for Transitional Rent for a three-week comment period.

» For **individuals who do not qualify for the Transitional Rent benefit**, Housing Interventions funding can provide **12 months** of coverage for the same interim settings as covered under the Medi-Cal Transitional Rent benefit. An example is an individual who doesn't meet income requirements for Medi-Cal but meets the definition for homeless.

Feedback
(Please Use Q&A Feature)

1. What feedback do you have on the proposed allowable BHSA housing settings?

Operating Subsidies

» **Operating Subsidies:**

- Modified from the Capitalized Operating Subsidies Reserve and based on HUD Guidance.

- According to HUD Guidance: Operating costs are those costs associated with the day-to-day physical operation of housing projects.

- Operating costs may include: utilities, maintenance and repairs, marketing and leasing costs, taxes and insurance, property management, office supplies and expenses, legal and accounting services, security and/or site monitors, cleaning fees, and housing incidentals (refrigerators/appliances, water heater, transportation, furnishings, etc.).

- Costs not covered by Managed Care Plans

BHSA Specifications

» Rental subsidies

» **Operating subsidies**

» Shared housing (*including recovery housing*)

» Family housing

» Nonfederal share for Transitional Rent

» Other housing supports, as defined by DHCS, including the community supports

» Capital development projects

» Project-based housing assistance, including master leasing

Allowable Uses –
Proposed Housing Interventions

» **Rental Subsidies Programs:**

- Can be established through **master-leasing**, as scattered-site, or **project-based housing**.

- Based on the BHBH Program, with the addition of long-term rental assistance (allowable under BHSA).

- The duration of rental assistance is at the discretion of the county. The county should work to identify long-term housing sustainability solutions for the tenant.

BHSA Specifications

» **Rental subsidies**

» Operating subsidies

» Shared housing (*including recovery housing*)

» Family housing

» Nonfederal share for Transitional Rent

» Other housing supports, as defined by DHCS, including the CalAIM Community Supports

» Capital development projects

» **Project-based housing assistance, including master leasing**
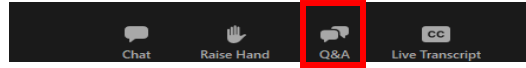
Allowable Uses –
Proposed Housing Interventions

» **Community Supports (Housing Related):** Housing Interventions can be used for other housing supports, including Community Supports – when not available through a Medi-Cal managed care plan, for individuals whose lifetime limit has been reached, or for individuals not eligible for Medi-Cal.

- **Housing Transition Navigation Services** (available as an "other housing support")
- **Housing Deposits** (available under participant assistance funds)
- **Housing Tenancy and Sustaining Services** (available under participant assistance funds)
- **Short-term Post Hospitalization Housing** (available under operating subsidies)
- **Recuperative Care (Medical Respite)** (available under operating subsidies)

BHSA Specifications

» Rental subsidies

» Operating subsidies

» Shared housing (*including recovery housing*)

» Family housing

» Nonfederal share for Transitional Rent

» Other housing supports, as defined by DHCS, including the **CalAIM Community Supports**

» Capital development projects

» Project-based housing assistance, including master leasing

Feedback
(Please Use Q&A Feature)

2. Do you have feedback on the proposed guidance around operating subsidies, rental subsidies or community supports?

Allowable Uses – Proposed Housing Interventions

» **Other Housing Supports (if not available as Community Supports), e.g.:**

- **Participant Assistance Funds:** Used to remove barriers and address obstacles to immediate housing needs (e.g., utilities, assistance getting IDs and other vital documents, transportation, food, and hygiene products).

- **Landlord Mitigation Funds:** May be used by counties to encourage property owners to consider participating. Used to offset damages and support repairs to ensure housing quality standards are met.

BHSA Specifications

» Rental subsidies

» Operating subsidies

» Shared housing (*including recovery housing*)

» Family housing

» Nonfederal share for Transitional Rent

» **Other housing supports**, as defined by DHCS, including the CalAIM Community Supports

» Capital development projects

» Project-based housing assistance, including master leasing

Allowable Uses –
Proposed Housing Interventions

» **Other Housing Supports**

- **Addressing the "3 Ps":**

Partners: Shared Housing/Family Housing

- All housing interventions will be allowable for shared and family housing. This will include recovery housing.

Pets:

- Reasonable Accommodations and Assistance Animals
- Models of Co-Sheltering Facilities
- Addressing Animal Behavior Concerns
- Recommended Supplies
- Identifying Animal Welfare Partners

Possessions: Storage accommodations, deposits/fees

BHSA Specifications

» Rental subsidies

» Operating subsidies

» **Shared housing** (*including recovery housing*)

» **Family housing**

» Nonfederal share for Transitional Rent

» **Other housing supports**, as defined by DHCS, including the CalAIM Community Supports

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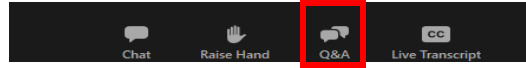
Permanent Supportive Housing

» Permanent Supportive Housing should be implemented in-line with **HUD Guidance.**

» Permanent Supportive Housing settings may be funded through rental subsidies, and operating subsidies:

- **Rental subsidies** can be established either as scattered-site (multiple locations) or project-based assistance (one location), including master leasing.
- **Operating subsidies** may cover housing related supports such as unit repairs, housing retention focused participant assistance funds, and resources to avoid evictions such as mediation.

» All settings **must identify access** to behavioral health services and accommodate for Medication Assisted Treatment.

BHSA Specifications

✓ **Rental subsidies**

✓ **Operating subsidies**

✓ **Shared housing (*including recovery housing*)**

✓ **Family housing**

✓ Nonfederal share for Transitional Rent

✓ **Other housing supports, as defined by DHCS, including the community supports**

✓ **Capital development projects**

✓ **Project-based housing assistance, including master leasing**

Feedback
(Please Use Q&A Feature)

3. What feedback do you have on the proposed other housing supports or permanent supportive housing?

Overview of DHCS Recommended Definition

» **WIC Section 5892(k)(2)** identifies the federal definition for Chronically Homeless, while additionally giving **DHCS discretion** to modify the definition to better serve the population.

» DHCS identified **areas** that would benefit from **minor modifications:**

1. **Eliminate the requirement of at least four occasions of homelessness** for individuals who qualify based on 12 discontinuous months of homelessness over the past three years.

2. Consistent with the definition of "homeless" under Medi-Cal Community Supports, BH-CONNECT, and Behavioral Health Bridge Housing, **modify the requirement** that a person who otherwise meets the requirements for chronic homelessness and is **transitioning out of institutional or carceral settings has resided there for fewer than 90 days**.

DHCS Recommended Definition

Chronically homeless means:
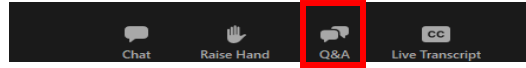
A homeless individual with a disability, who—

- Lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; and
- Has been homeless and living as described in paragraph (1)(i) **on any number of occasions in the last 3 years**, **as long as the combined occasions equal at least 12 months**;

1. An individual who has been residing in an institutional care facility, ***regardless of the length of stay***, and met all of the criteria in paragraph (1) before entering that facility; or
2. A family with an adult head of household (or, if there is no adult in the family, a minor head of household) who meets all of the criteria in paragraph (1) or (2), including a family whose composition has fluctuated while the head of household has been homeless.

Chronically Homeless: Policy Clarifications

» Chronically homeless individuals **must meet the BHSA eligibility requirements** in WIC 5892(k).

» **If a county transfers funding into, or out of, the housing interventions funding,** the percentage requirements for the chronically homeless population and capital development projects apply to the balance of the fund.

» For the purposes of **assessing the 50% of program funding** required to be directed to the chronically homeless population:

- The **determination of someone meeting the definition of chronically homeless** will be made at enrollment and will not be reassessed for the duration of their participation.

- **If a Capital Development project is identified to be inclusive of the chronically homeless population,** project funding will contribute toward the 50% requirement.

» As a component of the local planning process, among the chronically homeless population, **individuals in encampments** are expected to be prioritized. The identification of encampments should be in alignment with HUD guidance, CoC approach in using Encampment Resolution Funding, and other methods to ensure collaborative approach with local jurisdictions.

Feedback
(Please Use Q&A Feature)

4. What feedback do you have on the proposed definitions and policy clarifications of experiencing homelessness or at-risk and chronically homeless?

Capital Development Requirements

Capital Development projects are designed to either construct and/or rehabilitate housing units for the housing intervention target population.* (WIC § 5830(b)(2))

| BHSA Requirements	DHCS Recommended Specifications
Units funded shall be available in a reasonable timeframe, *as specified by DHCS*	All projects must be **determined through the local planning process and completed in the timeline specified in the Integrated Plan, subject to DHCS approval. Reversion timelines will continue to apply.**
Units shall meet a cost-per-unit threshold, *as specified by DHCS*	**Recommend setting a maximum cost-per-unit for BHSA funding at $115k, with an annual increase for inflation.** • MHSA cost-per-unit was set at $104k per unit in 2010. • BHBH cost-per-unit is set at $75k (found to be too low). • Counties can add funding from additional sources.

*Certain capital projects funded by BHSA are exempted from Article 34..

Additional Funding Guidance

» Allow counties to let their capital development funding **accrue over multiple years.**

- Funds will be subject to reversion if not spent by county for an authorized purpose within 3 years (or 5 years for counties under 200,000 population).

- Clarification will be provided in the policy manual as to when capital development funding is considered "spent" for purposes of reversion.

Feedback
(Please Use Q&A Feature)
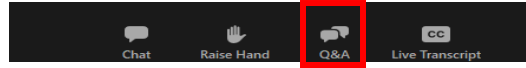
5. Do you have any feedback on the proposed guidance on the capital infrastructure portion of Housing Interventions?

Flexible Housing Subsidy Pools (Pt. 1)

With as much as $1 billion in on-going BHSA Housing Intervention funding and the new CalAIM Transitional Rent service, local communities have more ongoing resources to support rental subsidies than ever before.

» Flexible Housing Subsidy Pool ("flex pools") provides a model for administering and coordinating multiple streams of funding for rental subsidies and housing supports.

» This model for housing payments ensures centralized deployment of housing location, navigation, and rental subsidy payments and allows for the braiding of complementary resources to house clients and support administrative billing functions.

- Absent flex pools, a complex implementation environment across programs with heavy administrative requirements exists that often result in fragmented efforts in successfully housing members.

- Members may experience delays in accessing housing, continued homelessness, and gaps in overall care coordination due to cross-system inefficiencies.

- Flex pools provide a solution to reduce the administrative burden and braid together resources seamlessly so that members are accessing housing quicker, efficiently, and ensure individuals who become housed, remain housed.

Flexible Housing Subsidy Pools (Pt. 2)

With as much as $1 billion in on-going BHSA Housing Intervention funding and the new CalAIM Transitional Rent service, local communities have more ongoing resources to support rental subsidies than ever before.

» With the addition of Transitional Rent under CalAIM and the Housing Interventions bucket under BHSA, flex pools provide an ideal model for the efficient and effective administration of both funding streams to meet needs of BH members. Other local, state, and federal resources may also be utilized.

- A flex pool can be designed to seamlessly connect individuals who are exiting Transitional Rent to other long term housing resources through BHSA housing interventions or other local, state, or federal resources.

Flexible Housing Subsidy Pools

What is a flexible housing subsidy pool?

» Flex pools are also CA home-grown and exist in various counties and regions currently. Flex pools may offer and are not limited to:

- Rental unit identification and securing/holding units.

- Streamlined access for members to enter into housing.

- Provision of tenancy supports, housing navigation, and other available services and supports.

- Centralized and back-end braiding of funding to relieve administrative burdens amongst Medi-Cal Managed Care Plans (MCP), County Behavioral Health, and other involved entities.

- Strategically leverage resources such as HUD vouchers, local subsidies, and other available resources in community to fully maximize what's available to support housing needs of members.

- For more information, please visit: **www.changewellproject.com**

Flexible Housing Subsidy Pools

DHCS recommends that Managed Care Plans (MCPs), county BH agencies, and other key implementation partners consider implementing flexible housing subsidy pool models.

» **Unprecedented levels of coordination between MCPs, county behavioral health delivery systems, and existing housing systems are necessary more than ever to fully maximize available resources, provide care coordination, and optimally meet housing needs of members.**

» DHCS is exploring innovative ways to provide technical assistance and develop resources to promote standing up flex pool models in counties. This may include:

- Developing guidance and toolkits for management of BHSA funds and leveraging Transitional Rent service

- Developing tools to assist counties, MCPs, providers, and other local partners to identify roles and contractual/agreement relationships between entities

- Providing webinars, learning communities, and 1:1 TA

- Hosting convenings between MCPs, counties, and providers (including support for regional models)

County Behavioral Health Plan

Utilizes the Flex Pool Operator to administer resources such as BHBH/MHSA/BHSA 30% Housing Interventions.

Managed Care Plan

Utilizes the Flex Pool Operator to administer CalAIM transitional rent as well a housing related community supports including housing deposits, tenancy supports, housing navigation.

County/City Government

Utilizes the Flex Pool Operator to administer other local, state, and federal resources including federal vouchers (to support unit location, etc.).

Local Flexible Housing Pool
(Partners with local property owners)

+

Supportive Services Providers

=

Supportive Housing For the Client

Flexible Housing Subsidy Pools

» Creates the necessary infrastructure to administer a rental subsidy program at scale that ensures a **centralized deployment** of housing location, navigation, and rental subsidy payments.

» Enables the necessary relationships within the county, or across the region, to **leverage resources strategically** and across silos of funding including BHSA Housing Interventions and CalAIM Community Supports, including Transitional Rent.

» Creates mechanism to further leverage other funds such as philanthropic funds or other local, state, or federal funds quickly.

Feedback
(Please Use Q&A Feature)
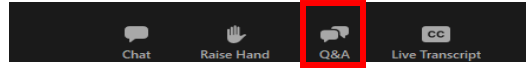
6. Do you have any feedback on the proposed guidance around Flex Pools?

Thank You

For More Information
BHTinfo@dhcs.ca.gov