



Creating Pathways for Housing through Medicaid

The Connection: Health through Housing

In the United States, it's common practice to detect and treat disease in medical settings. Yet the origins of illness can be identified long before someone enters a doctor's office.

An estimated 70 percent of differences in health status are associated with people's social and physical environment, including the quality, affordability, stability and location of a person's home. The result is striking disparities that adversely affect low-income communities.

As a proven and powerful nonprofit that improves communities and people's lives by making well-designed homes affordable, Enterprise Community Partners recognizes its role in laying a foundation for health and well-being nationwide.

We foster community improvement from the ground up, connecting homes to health care and other important resources like schools, economic mobility and transit.

For more than 30 years, we have brought together nationwide know-how, partners, policy leadership and investment to multiply the impact of local development. We also developed the standards to create greener, healthier communities.

We know there's more work to be done and we will continue finding innovative solutions because where you live affects the life – and health – you can have.

Addressing Housing in Medicaid Policy

Medicaid is a publicly funded health insurance program for low-income Americans, jointly managed by the federal and state governments. It is a safety net that provides coverage for the most vulnerable populations, including low-income adults, children, pregnant women, elderly adults and people with disabilities. Medicaid and the Children's Health Insurance Program (CHIP), are the largest source of insurance in the U.S. (based on enrollment) serving nearly [75 million people](#), or one-in-five Americans. Nationwide enrollment has increased by 16 million enrollees since implementation of the Medicaid expansion in fall 2013.

Medicaid waivers are designed to give states flexibility to try new health care delivery approaches or payment methods that improve patient care. Their broad scope can promote [delivery models that include housing](#) related services and are paid for by Medicaid. Housing is part of a comprehensive strategy to improve health for low-income individuals who are often Medicaid enrollees.

Table 1: Authorities for State Medicaid Change

Authority	Description	Approval Period
1115 Research and Demonstration Project	Gives the HHS Secretary broad authority to approve pilot projects that promote the objectives of the Medicaid program. It is designed to give states flexibility to try new health care delivery approaches or payment methods to improve patient care in a cost effective way (budget neutral).	- 5 year approval - 3 year extension - 5 year extension for "dually eligible" enrollees
1915(c) Home- and Community-Based Care Waiver (HCBS)	Gives states flexibility to provide services that are not generally covered by Medicaid if those services will help an individual remain in the community rather than be placed in a nursing home.	- 3 year approval - 5 year extension
1915(i) Home and Community Based Services State Plan Option	The State plan option provides more flexibility than the HCBS waiver. States can target specific services to a particular population (i.e., individuals with income up to 300% of the federal poverty limit (FPL). The state plan option is not required to be budget neutral.	- 5 year renewal or approval period
1932(a) State Plan Amendment	Used to modify how a state administers its state plan. Changes are related to program administration (eligibility, benefits, services, provider payments, etc.), and must be in line with federal Medicaid requirements.	- Indefinite

Source: CMS

Case Study: Oregon’s Medicaid Waiver for Health and Housing

This case study will detail broad steps that can be taken to improve housing stability through Medicaid, while detailing the process Enterprise’s Oregon office participated in to promote the connection between health and housing in Oregon’s Medicaid 1115 Waiver application.

1. Evaluate the political climate, local needs and windows of opportunity for policy change

According to John Kingdon’s Policy Streams Framework, policy change is most likely when three “streams” are aligned: a problem is identified, policy alternatives are available and political will exists.

Oregon’s Housing Crisis

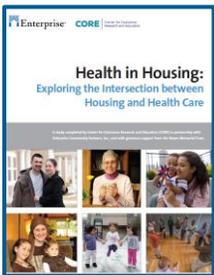
Oregon experienced a complex housing crisis, compounded by a financial deficit and increased health care costs. The state’s homeless population increased by nine percent from 2014 to 2015. Portland, OR faced similar challenges with a significant increase in the number of evictions in response to the high-end development boom and skyrocketing rents, thereby increasing the amount of homeless families and individuals. The state’s housing crisis drew heightened political interest from policymakers and community stakeholders.

2. Identify stakeholders in affordable housing and health sectors and form a workgroup

Cross-sector relationships improve understanding of housing as a social determinant of health among health organizations and understanding of health care reform among housing agencies.

Oregon Health and Housing Learning Collaborative

In 2014, Enterprise established the peer-to-peer Oregon Health and Housing Learning Collaborative (OHHLC) to coordinate efforts of health care organizations and nonprofit affordable housing providers. The collaborative included stakeholders from nine affordable housing organizations and from health insurers, clinic staff, community benefit directors, public health administrators and staff from Coordinated Care Organizations (CCOs).



Enterprise commissioned Providence’s Center for Outcomes Research & Education (CORE) to conduct a study as an outcome of the OHHLC. The study explored the connection between affordable housing and healthcare with a focus on integrated services and variation in outcomes. Its results revealed an average Medicaid savings of 12% for people living in stable, affordable housing. For residents living in affordable housing with integrated health services, savings more than doubled to \$115 per member per month. The results underscore the value of integrated services and their influence on health outcomes and costs.

3. Select the appropriate Medicaid policy lever for the market and develop an action plan

Medicaid waivers are “policy levers” to transform Medicaid. They can be used to establish a payment pathway between Medicaid and housing related services that lead to better health outcomes.

1115 Waiver Demonstration: Oregon’s Strategy

Political factors, including Oregon’s housing crisis, the need to address health through upstream supports, and the positive results of the CORE study led OHA to include **housing related services** in its 1115 Medicaid waiver renewal application. Oregon’s housing finance agency and Enterprise advocated for this approach and helped educate OHA on affordable housing and housing related services. Oregon’s waiver was due for renewal and provided a clear opportunity to introduce the Coordinated Health Partnerships (CHPs) pilot program. The pilot was designed to test a model to increase collaboration and coordination among CCOs, housing organizations and service providers to achieve better health outcomes for homeless individuals and individuals at risk of homelessness. It would also clearly allow Medicaid funds to pay for **homelessness prevention and transition of care services, housing transition services** and **tenancy sustaining services**. Tenancy sustaining services are benefits that support a Medicaid enrollee in being a successful tenant in their housing arrangement. These services help enrollees maintain housing, but do not pay directly for rent.

4. Develop and submit waiver application for CMS review

The waiver submission process is led by the state's Medicaid agency, with input from stakeholders and the public. States submit a detailed application with a description of the demonstration (including a budget neutrality summary), eligibility criteria, benefits and cost sharing requirements, and other significant information about the proposed demonstration to CMS.

Oregon's 1115 Waiver Submission and Last Minute Changes

The Oregon Health Authority (OHA) developed the waiver renewal application with partners. Support from policymakers, such as the governor, was critical, in addition to involvement from champions within the state Medicaid agency, such as the Medicaid Director and Policy Director. Other partners included the Oregon housing finance agency, and Enterprise. Oregon's Enterprise office led the OHHC to share best practices about linking health and housing programs, affordable housing financing and tenancy sustaining services.

5. Waiver application negotiation and approval

Submission of an application does not guarantee approval from CMS. Details of the application are reviewed and negotiated with federal partners. The approval timeline varies and depends on several factors, including application type, complexity, or political climate. Original waivers have a longer average wait time compared to renewals, extensions and amendments.

Pivoting Oregon's Strategies due to Political Changes

Oregon's 1115 waiver was approved; however, without the full supportive housing component. Due to a shift in the federal political climate, an expedited approval timeframe, and lack of time to discuss and negotiate policy questions requiring resolution prior to approval, OHA decided during the negotiation process to forgo the supportive housing component of the renewal application (CHP pilot). Despite these changes, a stakeholder committee, consisting of experts in housing, health care, and behavioral health, will continue exploratory discussions and collaboration with stakeholders to identify a supportive housing strategy. Enterprise remains an engaged technical assistance provider to this committee.

Despite these changes, the renewed 2017 Medicaid waiver continued its commitment to promote the use of health-related services. Health-related services include flexible services, which are cost-effective services offered to supplement covered benefits, and community benefit initiatives, which are community-level interventions focused on improving population health and health care quality. Health-related services may include services such as short-term rental assistance, training for health improvement or management, care coordination, food, assistance items to improve the home environment, housing related services and more. Previously, health-related services (previously known as flexible services) were included in a CCOs administration budget and CCOs were de-incentivized to offer health-related services. Federal regulations and the current waiver allow Oregon to consider health-related services investments separately from administration and provide financial incentives to CCOs. CCOs will be encouraged to provide health related services, such as housing supports, that are cost effective, improve health care quality and enrollee health.

6. Moving Forward

Following submission of an application or renewal, states should explore additional opportunities to advance advocacy priorities. This may include submission of an additional Medicaid waiver, proposed legislation, or other unique state policy vehicles. If a waiver is not approved, the state's Medicaid agency may evaluate whether the three policy streams are aligned to determine if another approach will be considered.

Identifying Additional Policy Levers

Enterprise staff are researching alternative ways to fund upstream approaches to address social determinants of health with emphasis on housing supports. The Oregon Legislature introduced HB 2115 to strengthen criteria of not-for-profit hospitals and health systems related to community benefit. As currently proposed, the bill requires a five percent of gross receipts minimum contribution to community benefits, with social determinants of health added as an eligible use of community benefits funds. HB 2115 is one of many policy levers that could be used to increase resources and services to people living in affordable housing.