HOUSING AND HEALTH SERVICES
COORDINATION COUNCIL
2016-2017 BIENNIAL PLAN
Disclaimer
This Housing and Health Services Coordination Council Biennial Plan was approved in a public meeting by a majority of the Council’s current membership. The views and opinions expressed should not be imputed to any state agency represented on the Council.
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In memory of Felix Briones, Jr.
(November 03, 1953 - June 29, 2015)

Governor Rick Perry appointed Felix to the Council on December 11, 2009. He was very proud to have served in this capacity as he kept his appointment letter framed in his home. He generously agreed to be interviewed for the Council's Service-Enriched Housing videos and was so great in them. He loved to be called the "Aggie Man" and certainly loved his maroon! He enjoyed living independently in his condominium in south Austin and visiting with neighbors. He will be sorely missed.
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1.0 INTRODUCTION

The Housing and Health Services Coordination Council ("HHSCC") is codified in Tex. Gov't Code §2306.1091 et seq., and its duties and membership are as specified in that statute. The purpose of the HHSCC is to increase state efforts to offer Service-Enriched Housing ("SEH") through increased coordination of housing and health services. The Council seeks to improve interagency understanding and increase the number of staff in state housing and health services agencies that are conversant in both housing and services.

The Texas Department of Housing and Community Affairs’ (“TDHCA”) staff supports Council activities. Council members meet quarterly, and the meetings are open to the public. Notice is given to the public in the Texas Register, on TDHCA’s website, through a listserv, and on Twitter. HHSCC members also provide direction to the Council to prepare a Biennial Plan that is submitted to the Office of the Governor and the Legislative Budget Board on August 1 each even-numbered year. Since Council’s inception in 2009 with its first Biennial Plan due in August 2010, Tex. Gov’t Code §2306.1096(b) and (c) were included in a single Biennial Plan. This year, Mr. Irvine, Council chair, recommended that parts (b) and (c) be separated into two different documents: (b) The Housing and Health Services Coordination Council 2016-2017 Biennial Plan (“Plan”); and (c) The Report of Findings and Recommendations of the Housing and Health Services Coordination Council (“Report”).

This Plan will be used by Council members to direct the activities of the Council as specified in (a). The Report will be submitted to the Governor and LBB.

The 2014-2015 Biennial Plan focused largely on defining SEH, as required by statute, identifying how it impacts the quality of life for individuals with disabilities and older Texans. It also reported on HHSCC activities to date. In addition, that Plan included recommendations from the “State of Texas Comprehensive Analysis of Service-Enriched Housing Finance Practices Final Report” completed by the Technical Assistance Collaborative.

This Biennial Plan will build on the 2014-2015 Plan by addressing in more detail the cost effectiveness of SEH, promising practices in other states, as well as recommended activities the Council will undertake to support its required duties.

1.1 Reading this Plan

This Plan is organized as outlined below.

1.0 Introduction
2.0 Housing Needs for Aging Adults and Persons with Disabilities
3.0 Evidence-Based/Promising Practices
4.0 SEH Cost Savings
5.0 Recommended Council Activities
6.0 State Activities to Increase SEH
7.0 Summary
1.2 List of Terms and Acronyms Used in this Plan

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2.0 HOUSING NEEDS FOR AGING ADULTS AND PERSONS WITH DISABILITIES

The United States is facing a housing crisis (HUD, 2015). The housing stock is aging (JCHS, 2015) and the cost for housing continues to increase (Pew Charitable Trusts, 2016). While this is a problem for individuals with moderate incomes, the most vulnerable in this country are particularly hard hit. Persons with disabilities, many of whom survive on Supplemental Security Income (“SSI”), which is $733 a month in 2016 for an individual, frequently pay more than one half of their income on rent. This leaves precious little for medications, food, and other living necessities. In fact, the number of people who are cost burdened (pay more than one half of their income on rent) continues to rise. Safe, decent, and affordable housing is often out of reach for many (JCHS, 2015).

In the U.S. Department of Housing and Urban Development’s (“HUD”) most recent report on worst case housing needs, the unmet need for decent, safe, and affordable rental housing continues to outpace the ability of federal, state, and local governments to supply housing assistance (HUD, 2015, pg. vii).

In the Fall 2014 issue of Evidence Matters, the HUD’s Office of Policy Development and Research points out that minorities, the poor, children, and those with ongoing medical conditions are disproportionately affected by living in inadequate housing and neighborhoods (HUD, pg. 1).

According to the Joint Center for Housing Studies of Harvard University (2015), the rental stock in the U.S. is in fairly good condition but 3% are characterized as severely inadequate and an additional 6% are moderately inadequate. The report goes on to state that lower-cost rentals, that many people with low incomes can afford, are more likely to be inadequate (12% of units costing less than $400 a month have maintenance issues and structural concerns). The report also notes that the public housing stock is in worse shape than other rental housing with heating and water leaks being the most common problems.

While new housing stock has been built over the past ten years, most have been buildings with 20 or more units. This growth in new, large housing stock comes with median monthly rents at $950 and out of reach for many, including persons receiving SSI and aging adults living on fixed incomes. Worth noting, however, rent in small units of 2-4 apartments are lower at $765. Of the new housing units built in 2013, only about 33% had rents under $800. While there are more units of rental units being built, most are only affordable to higher income renters. (JCHS, 2015).

The Joint Center for Housing Studies illustrates that this trend is likely to worsen. In their report released in 2015, they state that over one in four renters, or 11.2 million renter households, were severely burdened by rents that took up over half their incomes (JCHS, pg.4). While this number reflects a slight decrease it is much higher than the number at the beginning of the decade. The white paper concludes that the future for severely cost burdened households looks less than promising. They go on to point out
that under the test scenarios they ran the rental affordability problems will not get better unless significant changes are made (JCHS, 2015).

A subsidy to help individuals with low incomes is an important resource to help address the affordability problem, but it is very limited. The cost of construction and the complexity of layered funding which enable developers to keep rents lower is limited by the amounts of funding and other assistance available. The Low Income Housing Tax Credit (“LIHTC”) and HOME Investment Partnerships (“HOME”) programs are primary funding sources, but developers must frequently supplement the LIHTC with other sources of funding. However, HOME funds have been dramatically reduced from a $1.8 billion appropriation in fiscal year 2010 to only $900 million in fiscal year 2015 (NLIHC, 2015).

The bottom line according to JCHS is that more small, low cost housing units need to be created to begin to try to meet the ever increasing demands for affordable, integrated, and accessible housing. Some states are looking into the use of housing stock such as “micro” units and Accessory Dwelling Units (“ADUs”). Micro units include a space of only a few hundred square feet such as the Mobile Loaves and Fishes Community First! Village in Austin. ADUs are rental apartments on single family properties. Both micro units and ADUs often come with zoning and land use challenges that communities are trying to overcome.

As states continue to comply with the 1999 Olmstead Decision, affordable, accessible, and integrated housing is a major barrier for persons wishing to exit institutions. A number of states have entered into settlement agreements due to lawsuits. States such as Illinois have been required to allocate state dollars to increase access to affordable, accessible, and integrated housing as part of consent decrees (Illinois Department of Human Services, n.d.).

The following sections further illustrate housing needs by specific populations.

2.1 Aging Adults
The housing crisis is exacerbated by the ever increasing numbers of persons moving into the aging category. According to the National Association of States United for Aging and Disabilities (“NASUAD”), by the year 2030 one in five adults in the U.S. will be 65 years of age or older compared to one in eight in 2010 (2015). Older adults face challenges of remaining in their homes as the price of housing and other expenses continue to rise. In fact, by 2050 the number of people over age 85 will have doubled twice since 2000 and is expected to reach 18 million. These individuals will need additional long-term services and supports and the majority prefer that services be delivered in their homes (Medicaring Communities, 2015).

While the overwhelming majority of seniors report they want to stay in their own homes as they age, nationally, an estimated 18 million people 60 years of age and older need assistance with activities of daily living (“ADLs”), which include bathing, eating, dressing, or getting around the home, or with instrumental activities of daily living (“IADLs”), such
as household chores, shopping, or doing necessary business. Of this population, it is estimated that between 3.5 and 10 million are in need of assistance with certain ADLs in order to remain living safely in their homes (CSH, 2016).

Aging and disability are not synonymous. However, advancing age is a risk factor for developing a chronic medical condition that results in disability. So while they are not synonymous, they are correlated. Thus, in order to remain living independently in the community, many older adults require the same services as persons with disabilities (CDC, 2013).

Most persons age 65 and older have at least one chronic medical condition and many have multiple conditions. The most frequent conditions are hypertension (41%), diagnosed arthritis (49%), and heart disease (31%). Therefore, older adults incur higher healthcare costs; such expenditures can be burdensome. In fact, older individuals’ out-of-pocket health care expenditures increased 57% from 1998 to 2008 and constituted 12.5% of their total expenditures, as compared to 5.9% spent by all consumers (CDC, 2014). This may be a factor, in addition to housing cost burden, that results in one in six adults over 65 being threatened by hunger (NASUAD, 2015).

The prevalence of these needs is only going to increase with the aging of the Baby Boomer generation. There is clear and indisputable data that the number of people over age 65 with ADL and IADL limitations is growing and will double by 2030 (CDC, 2013).

Seniors and their families are largely expected to pay for long-term care needs, with Medicaid as a safety net for those who are poor. Medicaid was not built to become the default system for long-term care, yet today more than 40% of long-term care expenses are borne by Medicaid, with 21% paid by Medicare and 9% from other public sources. Long-term care private insurance is held by only about 10% of Americans ages 65 and older, due largely to its cost (Scan Foundation, 2013).

In addition to the lack of small affordable housing units, the lack of units with accessible features greatly impacts aging adults and persons with disabilities. Only about 1% of rental housing in the U.S. includes features using universal design (JCHS, 2015). Universal design includes five basic features:

- No-step entry
- Single-floor living
- Lever-style door handles
- Accessible electrical controls
- Extra-wide door and hallways

In the April 2015 issue of “Insights from Housing Policy Research”, the National Housing Conference concurs with JCHS in that the current inventory of housing is not prepared to accommodate the increasing number of households who will require modifications to their homes due to disability or age.
2.2. Persons with Disabilities and Homeless

According to the U.S. Census Bureau (2012), about 56.7 million (or 18.7% of the total non-institutionalized population) people in the U.S. have some kind of disability. Earnings are less and poverty rates are higher for persons with disabilities than those without disabilities. In fact, about 28.6% of people with disabilities between 15 and 64 years of age lived in poverty compared to 14.3% of people in the same age group without a disability (Americans with Disabilities: 2010 Household Economic Studies, 2012).

The lack of affordable housing is also a growing concern for persons with Autism Spectrum Disorder (“ASD”). Today, one in 68 children are identified as having ASD according to the Centers for Disease Control and Prevention (“CDC”) Autism and Developmental Disabilities Monitoring (“ADDM”) Network (CDC, 2016).

Right now, 80,000 autistic adults are on waiting lists for residential placements that can be up to 10 years long, and the nonprofit advocacy organization Autism Speaks estimates that half a million autistic children will transition to the adult state-by-state funding system over the next decade (The Atlantic, 2015).

Nancy Thaler with the National Association of State Directors of Developmental Disabilities Services (“NASDDDS”) points out that while both the Baby Boom and Autism populations are growing there is only one pool of money and the aging population is growing faster. About 500,000 children on the spectrum will become adults over the next ten years and transition to state adult programs, whereas, 10,000 baby boomers are entering Medicare and Social Security every day. Competition for scarce housing and services resources will be ever increasing.

2.3 Chronically Homeless

Individuals who are chronically homeless are another population of persons who are in need of accessible and affordable housing. The U.S. Department of Housing and Urban Development defines a chronically homeless person as:

an unaccompanied homeless individual with a disabling condition who has either been continuously homeless for a year or more OR has had at least four (4) episodes of homelessness in the past three (3) years (HUD, 2014).

Chronically homeless individuals often have mental health problems or substance use disorders or both. These issues are often barriers to accessing affordable housing and other housing resources. The Housing First model utilizes a different approach to serving this population and will be discussed later in Section 3.

2.4 Veterans

Veterans come from all walks of life. Just as there is not one “typical” Veteran, there is not one “typical” Veteran experiencing homelessness. Veterans experiencing homelessness span many subpopulations of homelessness, including, but not limited
to, chronic homelessness, persons who have severe mental illness or who have substance use disorders resulting in homelessness.

However, other issues contributing to homelessness are specific to Veterans. A research brief released by the Veterans Affairs' National Center on Homelessness among Veterans and the U.S. Department of Veteran Affairs (VA), found that a sample of Veterans who separated from the military from 2005-2006 had a 3.8% incident rate of homelessness over a five-year period. The research brief’s key findings show that:

- 72% of homeless Veterans came from the 44% of Veterans with the lowest pay grades;
- Veterans who were deployed had a 34% higher hazard of becoming homeless; and
- 44% of homeless Veterans were also among 18% of Veterans diagnosed with behavioral health disorders -- especially psychotic disorders and substance abuse -- before discharge (Metraux, 2013).

The research brief also indicated that other factors impacted Veterans’ abilities to secure or maintain housing. Veterans in the lowest pay grades may have limited earning potential once exiting the military. This limited earning potential may demonstrate a possible need for affordable housing.

Nationwide, approximately one half of Veterans experiencing homelessness have serious mental illness and 70% have substance use problems. This combination can lead to Veterans involvement in the criminal justice system, evidenced by the fact that approximately one half of Veterans experiencing homelessness have a criminal record after being discharged from the military (USICH, 2015). According to the National Alliance to End Homelessness, criminal records are a barrier to obtaining housing and serious mental illness or chemical dependence may affect housing retention (USICH, 2015).

Even as more Veterans experience homelessness than the general population, one study published in 2012 found that there was no difference in treatment outcomes for chronically homeless Veterans and non-Veterans. The study compared 162 chronically homeless Veterans and 388 non-Veterans enrolled in a supportive housing program. During the year of the study, there were no differences between the Veterans and non-Veterans on housing or clinical status, though both groups improved. Even though Veterans face greater risk of becoming homeless, this study suggests that they do not have less successful treatment outcomes (Military Medicine, 2012).

Identified housing needs for Veterans include the following:

- Lack of affordable housing, which may address Veterans that earned lower pay grades pre-discharge;
- Greater access to VA benefits such as housing, including recognition of mental health care needs which may have led to an other-than-honorable or dishonorable discharge, and possible reversal of the discharge status;
- Emergency shelters that accept children;
- Housing units compatible with family size;
- Entry to housing for persons with criminal records; and
- Low-barrier housing with access to services such as mental health care associated with deployment, PTSD, traumatic brain injury, substance abuse, and sexual trauma (DRAFT Report on Homelessness Among Veterans).

### 2.5 Housing Needs in Texas

The State of Texas is experiencing the same large scale trends that are driving nationally an increasing need for supportive housing. Specifically, the aging of the “baby boom” generation is resulting in an increasing need for health care and supportive services. In addition, a large number of veterans who have served our country honorably and faithfully are often struggling to cope with the physical and psychological damage they experienced in service. As mentioned earlier, Texas also has a rapidly growing sector of individuals with Intellectual and Developmental Disabilities, including Autism Spectrum Disorder, many of whom are aging out of traditional home care and school-based assistance and in need of longer term housing and other assistance.

In the 2010 Census, there were 1,564,501 Veterans (326,358 of whom have a service connected disability) and 3,776,653 persons over 60 living in Texas (U.S. Census)\(^1\). In addition, in 2014 the Centers for Disease Control reported in its surveillance study that 1 in 68 children have Autism Spectrum Disorder (CDC, 2016). Furthermore, there were 6,975,413 children under 18 years of age\(^2\). There are no data sources for the actual number of children in Texas with Autism Spectrum Disorder but using the CDC prevalence estimate, it is about 102,579 children.

Older Texans face unique housing challenges that will become more prevalent as the population ages. The incidences of disability increase with age. According to 2010-2014 ACS, 9.9% of persons between 18-64 years old have a disability, while 39.9% of persons 65 and older have a disability\(^3\). In addition, older households tend to live in older homes: according to 2010-2014 ACS, 38.5% of households aged 65 years and older lived in housing stock built before 1970\(^4\). These factors may increase the need for housing modifications for accessibility and home repair.

A significant number of persons with disabilities face extreme housing needs. 2010-2014 ACS data shows that 17.7% of individuals that live below the poverty level in Texas have a disability, while 8.8% of individuals that live at or above the poverty level have a disability\(^5\).

The 2010-2014 data also shows that of the 24,723,454 non-institutionalized civilian population, 2,845,868 of them were persons with a disability, or about 11.5% of the population\(^6\). Of those, 1,532,659 persons with disabilities were between 18-64 years

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1 2010-2014 American Community Survey, Table B21100
2 2010-2014 American Community Survey, Table B09001
3 2010-2014 American Community Survey, Table S1810
4 2010-2014 American Community Survey, Table B25126
5 2010-2014 American Community Survey, Table S1701
6 2010-2014 American Community Survey, Table C18130
old. However, the age range of 65 years and older had the highest percent of persons with a disability, at 40.5%. The most common type of disability was an ambulatory disability. Approximately 1,525,821 persons had an ambulatory difficulty, which was about 6% of the total population. The second most common type of disability was cognitive difficulty, which accounted for 4% of the total population. A cognitive difficulty is defined by the question asked in 2008: "Because of a physical, mental, or emotional condition, does this person have serious difficulty concentrating, remembering, or making decisions?"\(^7\)

Persons with disabilities face challenges finding housing that is affordable, accessible, and located near transit and supportive services. A 2009 survey cited in the Phase 2 Analysis of Impediments\(^8\) found that 14% of Texans age 60 and older reported needing substantial modifications to their living units, with 38% unsure of how to access help to make these necessary improvements.

As illustrated in this section, the need for more affordable and accessible housing is great in this country and in Texas. The next section will discuss some emerging promising and best practices that are being initiated across the country and in Texas to try to address this huge need.

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\(^7\) 2010-2014 American Community Survey, Table S1810
\(^8\) [https://www.tdhca.state.tx.us/fair-housing/docs/DRAFT-FairHousingChoice-AI-Phase2.pdf](https://www.tdhca.state.tx.us/fair-housing/docs/DRAFT-FairHousingChoice-AI-Phase2.pdf)
3.0 EVIDENCE-BASED/PROMISING PRACTICES
Substance Abuse and Mental Health Services Administration ("SAMHSA") defines evidence-based practices as:

*Services that have consistently demonstrated their effectiveness in helping people with mental illnesses achieve their desired goals. Effectiveness was established by different people who conducted rigorous studies and obtained similar outcomes* (SAMHSA, n.d.).

On the other hand, SAMHSA defines promising practices as:

*Services that have demonstrated some results and show promise of an evolving evidence base. Implementing promising practices in a standardized way can help build the evidence base* (SAMHSA, n.d.).

In accordance with the Council statute, TDHCA staff are charged with, among other duties, conducting a biennial evaluation and include in the Council's report to the governor and the Legislative Budget Board under Section 2306.1096 information regarding:

*best practices with respect to service-enriched housing projects subsidized by other states.*

TDHCA staff conducted a literature review and this section will discuss evidence-based and promising practices, as defined by SAMHSA, regarding SEH.

3.1 Housing First
Dr. Sam Tsemberis developed the Housing First ("The Pathways Model to End Homelessness for People with Mental Illness and Addiction") model while working with individuals who were homeless. He realized that until someone has a safe, decent, and affordable home they could not focus on the treatment of the condition that resulted in homelessness. The majority of individuals who are homeless have a mental illness, substance use disorder, or other condition and many have more than one of these issues. Dr. Tsemberis, through his work, coordinated housing and services to support the individuals he served with success as well as saving money. Key principles of Housing First are that housing comes first, is separate and apart from services, is consumer driven, and integrated in the community. More about the cost savings of his program will be discussed in the cost savings section of this Plan.

A number of states have implemented Housing First. In Washington D.C., the project houses individuals who are homeless first then provides wrap around services to address their mental health, disability, employment, etc. needs9.

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9 Pathways to Housing DC [https://www.pathwaystohousingdc.org/](https://www.pathwaystohousingdc.org/)
Another state that has embraced the Housing First model is Utah. Recently, NPR produced a segment on Housing First in Utah. The segment explains that Utah reduced the number of people who were chronically homeless in their state by 91%. They accomplished this by also implementing the Housing First model inspired by Dr. Sam Tsemberis. They utilized outreach workers to reach out to individuals who were homeless and provided housing first then worked to provide the services each person needed in order to remain housed. Lloyd Pendleton, a conservative who initially was skeptical, helped get a pilot project going in Salt Lake City and later became the director of the Homeless Task Force (NPR, 2015).

CMS is also recognizing the benefits of housing as a determinant of healthcare and are providing technical assistance to states on opportunities that can leverage in their Medicaid program to support pre-tenancy and tenancy sustaining services.

"CMS is making the clear statement that the way to improve the health of homeless people is to ensure that people have stable housing, said Richard Cho, deputy director of the U.S. Interagency Council on Homelessness, an independent federal agency that coordinates the government’s approach to homelessness.

Technically, the CMS bulletin only clarified existing policy, but just a few states, including Louisiana, Massachusetts and Texas, had been using Medicaid money to pay for supportive housing services. More often, Cho said, state Medicaid programs were paying for supportive housing services for the severely mentally ill and the elderly. The bulletin made it clear that the chronically homeless qualify for the same services (Pew Charitable Trusts, 2015).

3.2 Aging in Place
Aging in Place is another promising practice being implemented across the country. Aging in Place is defined by the CDC as:

the ability to live in one’s own home and community safely, independently, and comfortably, regardless of age, income, or ability level.

Long term services and supports such as home delivered meals, home modifications, and other in home services help individuals stay in their homes rather than moving to more costly institutional settings. For example, TDHCA’s Amy Young Barrier Removal Program provides one-time grants of up to $20,000 for Persons with Disabilities (many of whom are seniors) to modify their home to make it more accessible for them to remain in their home. A $20,000 investment could ultimately be more cost effective as the net nursing facility cost per Medicaid resident per month is $3,390.84 which totals $40,690.08 annually.\(^\text{10}\)

\(^\text{10}\)http://www.dads.state.tx.us/news_info/budget/docs/fy16referenceguide.pdf
3.3 Onsite Housing Case Management and Health Services

Another practice that is being utilized across the country and in Texas is onsite case management and health services. LeadingAge and the Lewin Group conducted a study of the association between health care utilization and costs and onsite services (LeadingAge). The study used Medicare and Medicaid cost data in addition to HUD data for aging adults in 12 geographic areas across the country. The study found that properties who had service coordinators onsite resulted in fewer hospitalizations for tenants than properties who did not have an onsite service coordinator (LeadingAge, 2015).

Foundation Communities, based in Austin applied for and was awarded a SAMSHA grant for $2 million to add social work staff at each of their supportive housing properties in Austin. (Foundation Communities, 2014) The goals of the five-year project included:
1. Increasing access to mental health and substance use disorder treatment for individuals who experience chronic homelessness;
2. Improving mental health treatment availability;
3. Stabilizing and improving quality of life for individuals who were chronically homeless;
4. Expanding social networks for chronically homeless; and
5. Connecting individuals to local resources.

Some of the results of the project were that 93% of the participants were able to maintain their supportive housing during their enrollment in the study; 91% were able to remain housed after they were discharged; and 85% transitioned successfully to subsequent housing. In addition, participants were asked to respond to a quality of life questionnaire before entering the program and upon discharge. Participants reported that they were very satisfied with the case managers who helped them access services. (Kelly, 2014).

3.4 Housing as a Social Determinant of Health

Access to safe, integrated, accessible, and affordable housing has impacts on other aspects of individuals’ lives. The Healthy People 2020 initiative focuses on social determinants of health stating that health starts in our communities, schools, workplaces, neighborhoods, and homes. In other words our health is affected by the environment in which we live, work, and play. According to the U.S. Department of Health and Human Services Office of Disease Prevention and Health Promotion, affordable and stable housing is integral to an overarching strategy to improve health outcomes for people with low incomes.

Policymakers must realize that investing in safe, adequate, and affordable housing is not just shelter but an investment in good health for persons with low incomes (Center for Housing Policy, 2015, pg. 8). In an article published by the Center for Housing Policy with the National Housing Conference (2015), more states are looking to leverage Medicaid through Accountable Care Organizations (“ACOs”) to contain costs and provide quality services including care coordination and social services for those with complex needs. Minnesota is one state whose ACO, Hennepin Health, recognized that
it was more challenging to address individuals’ health needs who are homeless or living in unstable housing. They realized that to better meet the individuals’ health needs they needed to address their housing needs. Hennepin Health hired two housing navigators to help their members' secure suitable housing. At the conclusion of the first year of the project, Hennepin Health was able to use the resulting member Medicaid savings to pay for the navigators.

3.5 SEH/Permanent Supportive Housing/Supportive Housing
These terms tend to be used interchangeably. This section will briefly define and clarify the definitions and how they are used.

The Council was charged with defining SEH and public forums were one of the first activities undertaken by the Council. The forums were held across the state and they discussed the definition. SEH is defined in TDHCA Texas Administrative Code (“TAC”) Title 10 §1.11 as:

integrated, affordable, and accessible housing that provides residents with the opportunity to receive on-site or off-site health-related and other services and supports that foster independence in living and decision-making for individuals with disabilities and persons who are elderly.

Permanent Supportive Housing is a term most commonly used as an evidence-based best practice for serving individuals with Mental Health issues. The Substance Abuse and Mental Health Services Administration (SAMHSA, n.d.) defines PSH as:

Decent, safe, and affordable community-based housing that provides tenants with the rights of tenancy under state and local landlord tenant laws and is linked to voluntary and flexible support and services designed to meet tenants’ needs and preferences.

SAMHSA points out that evidence supports that PSH is a very important intervention, has more of an impact than other options, and results in cost benefits (SAMHSA, 2015). Between 2007 and 2013, the number of PSH units nationwide grew by about 50% from 189,000 to 284,000 (HUD, 2013).

CSH is a national non-profit with over two decades of experience working in communities around some of the most complex issues communities face, including affordable housing.

CSH states on their website and in their toolkit that the term "permanent" used in PSH:

typically refers to affordable rental housing in which the tenants have the legal right to remain in the unit as long as they wish, as defined by the terms of a renewable lease agreement. Tenants enjoy all of the rights and responsibilities of typical rental housing, so long as they abide by the (reasonable) conditions of their lease. - See more at: [http://www.csh.org/toolkit/public-housing-agencies-](http://www.csh.org/toolkit/public-housing-agencies-)

Supportive Housing, however, is another term that is used and is similar to SEH and PSH. CSH defines it as:

Supportive Housing combines and links permanent, affordable housing with flexible, voluntary support services designed to help the tenants stay housed and build the necessary skills to live as independently as possible. - See more at: http://www.csh.org/toolkit/public-housing-agencies-toolkit/primer-on-homelessness-and-supportive-housing/supportive-housing-key-terms/#sthash.X2srSL9v.dpuf

The Supportive Housing Resource Center uses the term Supportive Housing and asserts that, Supportive Housing is gaining momentum across the country, with innovations and successes emerging from different states in every region (SHRC, n.d.).

In the January 2016 report, “Housing Credit Policies in 2015 that Promote Supportive Housing”, CSH identifies policies that states may implement in its Qualified Allocation Plan (“QAP”) that supports the development of more Supportive Housing. They include:

A. minimum requirements or “threshold” requirements: 1) dedicating a certain number of units specifically for PSH, 2) units designated for people who have incomes at 30% or below of Area Median Income (“AMI”);

B. Set-aside funding specifically designated for PSH developments;

C. Developer incentives which give developers more points for serving vulnerable populations; and

D. Greater or earlier access to funding for PSH developments.

PSH may also be one solution to the approximately 9% of homeless adults who have an intellectual disability (“ID”). As many as 73,000 persons with ID are waiting for home and community-based supports. Those who do not have supports may become homeless such as Betty C. who was the focus of a story in the Texas Observer. In the article, Dennis Borel is interviewed and states that it costs taxpayers more money when they are admitted to hospitals or jails versus serving them in the community (Texas Observer, 2015).

In Texas, it has long been recognized that the lack of integrated, affordable, and accessible housing is a concern housing recommendations have been included in the Promoting Independence Plan for over three years. State agencies have collaborated on a number of initiatives to begin addressing the housing need. Project Access and the Section 811 Project Rental Assistance programs are two examples to be discussed later in this Plan.

The major initiative in Texas to increase community-based long-term services and supports is the Money Follows the Person Demonstration. Texas was one of 30 states and the District of Columbia awarded the initial grant funding in 2007 while other states
followed in subsequent years. States had to demonstrate that they were spending more than one half of their long-term services and supports dollars on institutional care such as nursing home and Intermediate Care Facilities for Individuals with Intellectual Disabilities (“ICF/IID”). The goal of the program was to rebalance state systems so that more funding was going to support individuals in home and community-based settings versus institutional settings. In 2009, Texas was spending 46.9% of funding on community-based long-term services and supports but by 2014 that increased to 58.3% towards community-based services (Mathematica, 2015).

Texas has a large and growing network of affordable housing solutions, many of which can be utilized to provide supportive housing, but need outpaces supply. On the housing side key components include:

- **Affordable rental housing** – TDHCA has financed the development of approximately 225,000 units of affordable rental housing across the state, chiefly by utilizing the LIHTC program, private activity bonds, and the HOME program. Because each property must cash flow based on the rent it collects, only a portion of these units are able to serve households at extremely low income (under 30% of AMFI) rents. Additionally, many larger local jurisdictions have financed the development of such housing. Currently, there are about 435,972 units of affordable housing throughout the state.

- **Public housing authorities in Texas administer approximately 145,966 housing choice vouchers.**

- **TDHCA and local participation jurisdictions provide tenant-based rental assistance under the HOME program.**

Additional efforts are underway to increase this supply of assistance including:

- **TDHCA has applied for and been awarded $24 million in a HUD demonstration program for Section 811 which will assist 658 households.**

- **Created under Housing and Economic Recovery Act of 2008, the National Housing Trust Fund will provide $4.7 million in assistance to TDHCA to serve extremely low income households, chiefly through additional assistance to develop affordable rental housing.**

Texas has been a leader in requiring the development of all new affordable housing by TDHCA to meet “visitability” standards (Tex. Gov’t Code §2306.514).

Many of TDHCA development partners are mission driven providers, focusing heavily on elderly housing or supportive housing, but most do not have this particular focus and must rely heavily on others to coordinate services which are a critical part of supportive housing.

A rather new model that began in 2004 is The Mission Project. It is a local Mission, KS nonprofit enabling adults with developmental disabilities like Down syndrome and Autism to live and work on their own with minimal support. Participants have their own apartments in Mission (some roomed together initially but eventually wanted their own apartment). In August 2015 there were 18 participants (40% have Down Syndrome, 40% have Autism, and 20% have other disabilities such as Cerebral Palsy, are hard of hearing or visually impaired). Like others their age, they hold jobs (Veterinary clinic,
hospital, hardware store, etc.), pay bills, cook meals, and socialize with friends. They exercise, travel together and serve their community. In short, they live fully.

The project was started by a few parents of adult children with disabilities living at home. The parents began meeting regularly and touring the city for a community to start the project and begin relationship building. The parents wanted to identify and partner with existing resources, wanted a “community” that was safe, near amenities, and walkable. They approached the City of Mission and talked to staff and council members about the project emphasizing the ways in which this population would enrich the community e.g. walking in groups, social, out-going, hard-working, happy.

The parent group worked with a market rate property that was willing to give the parents priority for units when vacancies became available. The parent group does not request reduced rent. Parents pay a monthly fee to participate in the Mission Project and are responsible for housing cost and other expenses for their loved one. Volunteers answer a 24-hour Help Line to provide support and respond to emergencies. All participants have smart phones and IPads (increase independence, connect with others, develop new interests, further their education, and manage their health).

When the participants, parents and board began to grow beyond what was viewed as a manageable size, Mission Project I developed a second non-profit called “Mission Project II”, a property owned by the same company and near the complex of the original project. This model is being replicated in Austin, Dallas, and Cincinnati.

The Adults Independent and Motivated or AIM project is replicating the Mission Project in Austin. Ashley Sanchez is the organizer of the group and coordinates with other parents who participate in the project. Parents of participants continue to be involved with their family member and assist with planning, fundraising, and other support logistics. As with the Mission Project, the goal of AIM is independence for the family member while ensuring their safety. The first collaborative was with a market rent apartment in a small community by Lake Travis. The community is walkable and has numerous amenities within walking distance of the property. Two participants in the AIM project live together in a two-bedroom apartment in the community where they enjoy their independence and activities of their choosing in the community, including employment. What is exceptional about these projects is that it does not require development of new properties but are collaboratives between family members and existing market rent properties, although it does not exclude collaboration with Housing Tax Credit properties.

### 3.6 Separation of Housing and Services

Some housing and services have been combined, such as group homes in some Medicaid waiver programs. If an individual refuses services, they also lose their housing. For persons who experience chronic homelessness, Dr. Sam Tsemberis believes this model has not been successful.
As mentioned earlier, individuals who are chronically homeless are persons with disabilities.

Dr. Sam Tsemberis, the CEO and founder of Pathways to Housing, Inc. and Housing First believes:

Some people think when you offer housing right away that you’re actually enabling people as opposed to helping them get better. Our experience has been that providing housing first, and then treatment, actually has more effective results in reducing addiction and mental health symptoms than trying to do it the other way. The other way works for some people, but it hasn’t worked for the people who are chronically homeless (Housing First, 2010).

As discussed above, as states look for ways to leverage existing resources and increase capacity to serve an ever increasing number of older adults and persons with disabilities, many are looking to implement these best and promising practices.

The next section of the Plan focuses on SEH as a best practice and its cost effectiveness in other states and Texas.
4.0 SEH COST SAVINGS
As the supportive housing movement continues to sweep the nation, more research is being conducted that supports the hypothesis that SEH is cost effective and improves outcomes for aging adults and persons with disabilities.

This section cites many, but certainly not a comprehensive list, of studies that conclude housing and service agencies partnering to provide services and supports in community settings not only improves quality of life but is also cost effective. The list includes research on projects from other states and as well as Texas.

4.1 Other States
In a recently released study (February 2016) by the Center of Outcomes Research and Education in partnership with Enterprise Community Partners, Inc.,

…housing is a critical vaccine that can pave the way to long-term health and well-being (CORE, pg.5).

The report by Megan T. Sandel, with the Boston University School of Medicine, concludes that decent, safe, and affordable housing in addition to good schools, jobs, etc. provide the foundation for a productive and healthy life. Ms. Sandel recommends investments in housing by states and other entities such as managed care organizations. This is particularly important for improving health outcomes and reducing health costs for individuals who are vulnerable.

The study was conducted in Oregon with 145 different affordable housing properties, and utilized Medicaid claims data to study the change in health care expenditures before and after their moves. They found that during the year after the move, Medicaid costs decreased by 12% on average and more (16%) for specific populations such as seniors and persons with disabilities. In addition, the study found that visits to primary care providers increased (20%) while Emergency Room visits went down by 18%. More importantly, they found that having health services available on the property was essential to reducing emergency room visits.

NASUAD reports that providing supports and services to older adults in the community is not only something they report they want to be able to do but can also save taxpayer dollars. They support aging in place and are convinced that SEH is cost effective. Evidence of the cost effectiveness is that the average nursing home that accepts Medicaid costs about $53,593 and a private pay nursing home costs approximately $91,250 compared to home and community-based services that cost about $24,675 annually (2015).

As mentioned in the previous section, Dr. Sam Tsemberis determined that Housing First reduces Emergency Department visits for individuals with Mental Health issues. A study of full-service partnerships between housers and service providers looked at use and costs as well as quality of life for chronically homeless adults with severe mental illness.
and found that these partnerships decreased the number of days homeless and decreased emergency department visits by 32%. In addition, outpatient costs declined.

CSH is also looking at the cost effectiveness of supportive housing.

*Based on a review of the research, there is much evidence that providing affordable housing with supportive services for populations with complex challenges can save states money and result in better health outcomes* (CSH, 2014).

In addition, after review of six studies in different states, CSH concluded that supportive housing reduces the use of more expensive healthcare such as emergency departments and hospitals as well as prisons and jails (CSH, 2016).

To add to the evidence, CSH has launched an initiative called Frequent Users Systems Engagement or FUSE. Staff are working with communities (over 20) across the country to identify “super utilizers” or persons who access more costly public services such as emergency departments, shelters, etc. The initiative’s focus is to move these super utilizers into supportive housing to reduce costs and improve quality of life. The initiative has now been designated as a “promising practice” by the U.S. Interagency Council on Homelessness (CSH, 2016).

As evaluations are being conducted on the projects, early results are encouraging. In Hennepin County, Minnesota the project staff at Hennepin Health realized that in order to meet the health needs of its members, they must address their housing needs. Hennepin Health hired two housing navigators who assist members in securing supportive housing, tenant-based rental voucher and other housing supports. In the first year of the project, Hennepin Health found the members emergency department visits were significantly reduced (50%). In addition, inpatient hospital admissions went down by 30% and resulted in a 70% reduction in average per member per month cost.

In New York, the FUSE project identified about 200 people who were frequent users of jails and homeless shelters and included a comparison group. The project moved the study group into supportive housing and followed them for two years post move. They found that utilizing supportive housing there was a 50% reduction in the number of days in jail and a 92% decrease in shelter days. In addition:

*For intervention group members for the 24 months prior to and following study enrollment, the total per person average cost of shelter and jail days decreased from $38,351 in the 24 months prior to study participation to $9,143 in the 24 months following housing — a $29,208 or 76% reduction. This same cost also went down for the comparison group, but from $38,598 in the two years prior to the study to $25,955 during the 24 follow-up period, about 33% reduction* (CSH, n.d.)
New York has also undertaken a complete overhaul of their Medicaid system recognizing that housing is a key component to their new system. In 2011, Governor Cuomo established the Medicaid Redesign Team (“MRT”). The goal of the team was to reduce Medicaid costs, improve care and better health. The MRT recommended 79 strategies and today 78 of them are being implemented. In the state’s “Plan to Transform the Empire State’s Medicaid Program” it includes a section on Supportive Housing noting:

*The Medicaid Redesign Team identified early on in its deliberations that increasing the availability of affordable and supportive housing for high-need Medicaid beneficiaries who are homeless, precariously housed or living in institutional settings is a significant opportunity for reducing Medicaid cost growth* (New York State Dept. of Health, n.d.).

With savings generated from the redesigned Medicaid system, New York’s Housing and Community funding has helped to renovate or create supportive housing all over the state.

The 10th Decile Project (Economic Roundtable) is another FUSE project that worked with the top 10% of individuals who were high utilizers of emergency health care in Los Angeles County. The project was a collaboration of 25 organizations working to move those individuals into supportive housing with rent subsidized by either Section 8 or Shelter Plus Care vouchers in addition to intensive case management and intensive health care management. The outcome was a reduction in emergency department costs and inpatient expenditures of $54,106 per person per year (CSH, 2015).

Seven years ago, The Heartland Alliance in Illinois determined that Supportive Housing was:

*A wise investment* (2009).

In the report, they analyzed 177 residents in supportive housing and looked at the outcomes and impact of supportive housing on their expenditures. The study was a pre-post two years of entering supportive housing. The results included:

- **Cost savings in every system studied from pre- to post-supportive housing;**
- **There was a 39% reduction in the total cost of services from pre- to post-supportive housing with an overall savings of $854,477. This was an average savings of $4,828 per resident for the 2-year time period or $2,414 per resident, per year;**
- **Once in supportive housing, residents who had previously lived in more restrictive settings (i.e., nursing homes, mental health hospitals, and prisons) were unlikely to return;**
- **Residents shifted the type and volume of services they used—from a high reliance on expensive Inpatient/Acute services before supportive housing to less expensive Outpatient/Preventive services after supportive housing; and**
Residents reported an increased quality of life after the supportive housing intervention. Not only did their housing stabilize, but their health improved, and they experienced less stress (The Heartland Alliance, pg.3).

As long ago as 10 years, Colorado was exploring the cost benefits of Housing First and PSH. In their “Denver Housing First Collaborative (“DHFC”) Cost Benefit Analysis and Program Outcomes Report” they report:

The Cost Benefit Analysis focused on examining the actual health and emergency service records of a sample of participants of the DHFC for the 24 month period prior to entering the program and the 24 month period after entering the program. Cost data from the clinical records were analyzed to determine the emergency room, inpatient medical or psychiatric, outpatient medical, Detox services, incarceration, and shelter costs and utilization.

The findings document an overall reduction in emergency services costs for the sample group. The total emergency related costs for the sample group declined by 72.95%, or nearly $600,000 in the 24 months of participation in the DHFC program compared with the 24 months prior to entry in the program. The total emergency cost savings averaged $31,545 per participant (Colorado Coalition for the Homeless, 2006, pg. 1).

As mentioned in the previous section, Utah also implemented a Housing First model and as of 2015, their homeless population has been reduced by 91%. In the Mother Jones article, “Room for Improvement” (2015), Utah’s Lloyd Pendleton, director of Utah’s Homeless Task Force, states:

Pendleton estimates that Utah’s Housing First program cost between $10,000 and $12,000 per person, about half of the $20,000 it cost to treat and care for homeless people on the street (Mother Jones, 2015).

Last, CSH has over 30 web pages with research and evaluation materials from states across the nation that support the positive outcomes and cost savings of supportive housing. Some efforts are also underway in Texas.

4.2 Texas
Council members particularly requested information about cost savings initiatives in Texas. There are several initiatives here in Texas which include studying the impact of housing and services partnerships to address the high cost of frequent users of emergency departments.

Austin Travis County Integral Care (“ATCIC”) is one such organization who is working diligently to try and solve the problem of chronic homeless with mental illness in the Austin community. They identified the need for supportive housing and since 2013 has been providing supportive housing in the Austin community using a scattered site model. They boast that 88% of the tenants are still housed 12 months after they began
the program and they saw a 75% decrease in emergency department visits. They estimate that the program, using a Housing First approach, saved the community $20,000 per participant per year (ATCIC, n.d.).

Another initiative underway between Austin Travis County Integral Care, Austin-based Ending Community Homelessness Coalition (“ECHO”), CSH, City of Austin, and Central Health is Pay for Success. Pay for Success utilizes private investments to fund interventions that focus on reducing public resources. Private investors front the cost of the intervention and are repaid with public dollars if specific metrics are achieved, e.g. reduced hospitalizations. The project targeted 200 individuals who were the most costly due to cycling in and out of homelessness and provided supportive housing for them.

ATCIC is in the process of analyzing the pre- and post-costs for shelters, emergency department visits, EMS, hospital inpatient, and jail. Their initial analysis projects a $12,286 per person per year cost avoidance (which includes the cost of the intervention). For 200 individuals this amounts to approximately $2.5 million in savings per year.

Another study is being conducted by CSH, ECHO in Austin, and United Healthcare (Housing First Presentation, 2016). It is clear to the partners that chronically homeless individuals utilize high-cost services by moving in and out of emergency departments, psychiatric hospitals, jail, and shelters. They studied the impact of housing stability on a group of individuals. Through data matching between United Healthcare’s Medicaid member data and the Housing Management Information System (“HMIS”) through ECHO, they matched 281 records of individuals. ECHO assessed them using a “Coordinated Assessment” tool. Of the 281, 49 of the individuals were identified as needing Permanent Supportive Housing and another 67 for rapid re-housing. They anticipate cost avoidance/savings but the final evaluation of the project will not be complete until 2017.

In a 2014 paper “Texas Improving Medicaid Financing of Supportive Housing Services”, CSH with support from the Hogg Foundation and Enterprise Community Partners, reviewed current Medicaid reimbursement practices in Texas. One supportive housing initiative is being conducted in Fort Worth. The “Directions Home” initiative is to end homelessness by 2018. They are using a Housing First approach which allows individuals to access supportive housing rather than temporary placements and includes case management services. They report:

*To date, more than 1,200 Fort Worth residents have found the “shortest way home” a result. A recent independent evaluation of Directions Home monitored the results for 66 formerly homeless adults who received permanent housing for six months. The participants reduced their number of visits to psychiatric emergency rooms (“ER”) by 50%, medical ER by 55%, and urgent care by 64%. This produced net expenditure diversion of $274,179 over six months. The evaluators noted that evidence shows it takes at least 6 months to begin to see cost savings in supportive housing because it takes that long for residents to*
stabilize. They expect that these cost savings would accrue even more rapidly in subsequent months (CSH, 2014).

Another initiative in Texas is the Project Access Program. It is a partnership between Department of Aging and Disability Services (“DADS”), TDHCA. The Department of State Health Services (“DSHS”) was included beginning in 2010. The program utilizes Section 8 Housing Choice Vouchers administered by TDHCA to assist low-income persons with disabilities in transitioning from institutions into the community by providing access to affordable housing and services provided by the Health and Human Services (“HHS”) applicable agency. The program has been in existence since 2002 and accessed by over 1000 individuals. The vast majority of individuals moved from more costly institutional services into the community. There has been no robust analysis of cost savings for this program but the hypothesis is that there have been cost savings. One recommendation included in this Plan is to use Council funds to conduct a robust analysis on the program to quantify cost savings.

Last, initiatives are underway in Austin to coordinate housing and healthcare at Foundation Communities properties. Foundation Communities is partnering with CommUnity Care Health Centers to provide tenants access to a mobile health team that visits the properties and offers services such as flu shots, immunizations, and diagnosis and treatment of chronic health conditions.

The conclusion of these initiatives is that there is compelling and growing evidence that supportive housing is cost effective. Policymakers in Texas might benefit from reviewing the results of these studies; particularly those studies conducted here in Texas, and consider the long term cost effectiveness that may be achieved.

The following section includes recommended Council activities for the 2016-2017 biennium.
5.0 RECOMMENDED COUNCIL ACTIVITIES FOR 2016-2017

A. Utilize Council funds to contract with a third party to coordinate annual Housing and Services Partnership Academies.

B. Utilize Council funds to contract with an external entity to analyze the cost effectiveness of the Project Access Program coordinated between TDHCA/DADS/DSHS.

C. Revise the Council Web page to include more resources for developers and service providers interested in expanding SEH.

D. Encourage Council state agency representatives to consider incorporating a Housing First policy in the design and implementation of their activities.

E. Encourage Council state agency representatives to partner with TDHCA to provide services training for developers similar to TDHCA’s “First Thursday” trainings.
6.0 STATE ACTIVITIES TO INCREASE SEH
In the 2014-2015 Biennial Plan, Council members put forward a number of recommendations as did the Technical Assistance Collaborative in their “State of Texas Comprehensive Analysis of Service-Enriched Housing Finance Practices”. This section includes updates on activities that addressed specific recommendations as well as some activities not directly related to a specific recommendation.

6.1 Adopt incentives for developers
A recommendation was to consider changes to Texas’ QAP that would incentivize developers to offer more SEH. In the 2015 QAP, TDHCA added incentives for developers willing to participate in the Section 811 PRA. The incentive was also included in the 2016 QAP and anticipated to be included in the 2017 QAP.

6.2 Continue to cross-educate through workgroups, committees, training, presentations, etc.
TDHCA staff worked in collaboration with multiple agencies and workgroups such as participating in training for the Aging and Disability Resource Centers’ (“ADRCs”) Housing Navigators, DADS Relocation Specialists, etc.

6.3 Expand Housing Navigators to all ADRCs
DADS expanded the number of ADRCs across the state in 2014 and 2015 as well as provided funding for all 22 ADRC’s to hire or contract for housing navigator services.

6.4 Replicate the Housing and Services Partnership (“HSP”) Academy
At the TDHCA governing board meeting of June 16, 2015, staff sought board approval to submit a Request for Proposal, negotiate, and approve a contract to coordinate a second Academy with follow-up training and technical assistance. On behalf of the Council, TDHCA awarded the CSH the contract.

In November 2015, CSH released a Request for Applications from teams throughout Texas who wanted to participate in the Academy and post-Academy technical assistance. Eleven applications were received and after a review team process, nine teams were approved to participate. The names of the teams selected are listed below:

1. Alamo Affordable Accessible Housing Co-Operative
2. Coastal Bend Housing Solutions Services Committee
3. Dallas County Housing Alliance
4. East Texas Housing Coalition
5. Greater Houston Area Housing & Services Partnership Team
6. Heart and Home Communities
7. Housing and Services Roundtable of Tarrant County
8. Lubbock Housing Team
9. San Benito Housing & Services Group

As part of the technical assistance, CSH and TDHCA staff conducted two pre-Academy webinars. On December 9, 2015, the first webinar included an overview of federal,
state, and local housing and services resources. The second webinar, held December 18, provided information to prepare the teams for the onsite Academy which was held in Austin on February 9-10, 2016.

The recently held Academy included, but was not limited to topics teams expressed an interest in learning more about. The topics included a tenant/consumer panel; an overview of new construction and rehabilitation development processes; identifying and securing existing units for SEH; round table sessions on housing and services programs; peer presentations; and team planning sessions.

Seven Council members attended some or all of the two-day Academy, including three governor appointees. The initial feedback was very positive. One governor appointee shared with TDHCA staff that she thoroughly enjoyed it and believes it is an extremely worthwhile activity in furthering the goals and objectives of the Council. This member also commented that as a contractor for relocation services, she was gratified to hear that several public housing authorities are planning on establishing preferences for persons leaving institutions which are a direct benefit to individuals as they work to transition back into the community.

CSH staff will conduct an evaluation of the Academy and continue onsite and teleconference technical assistance with each team scheduled throughout the spring of 2016.

Some of the outcomes of the Academy included but are not limited to, a housing summit held in San Antonio, housing summit held in Corpus Christi, and additional vouchers set-aside at PHAs.

6.5 Request funding to continue DSHS’ rental assistance program
During the 84th Texas Legislature, DSHS requested and was approved to include funding for their rental assistance program in their base budget.

6.6 Implementation of the Delivery System Redesign Incentive Payment (“DSRIP”) behavioral health projects
The Health and Human Services Commission and the Centers for Medicare and Medicaid Services have agreed to extend a state and federal partnership that finds innovative ways to deliver healthcare.

The 1115 Waiver, which funds Uncompensated Care and the DSRIP, was extended 15 months under an agreement between the health agency and CMS. The agreement will continue the program through December 2017 and maintain its current funding.

There are 1,451 DSRIP projects across 20 regions in the state. In each region a coalition of governments, hospitals and other providers are charged with coming up with novel solutions to containing health care costs while preserving access and quality. Most projects focus on increasing primary and preventative care, which not only
improves outcomes, but saves money by reducing the need for expensive emergency room visits. The waiver program also helps hospitals with uncompensated care costs.

6.7 Implementation of the Balancing Incentives Payment (“BIP”) initiative
Federal law established the BIP initiative which increases the Federal Medical Assistance Percentage to participating states through September 2015 in exchange for states making certain structural reforms to increase access to Medicaid community based long-term services and supports (“LTSS”).

The required structural reforms include:
- implementing a "no wrong door” eligibility and enrollment system;
- developing core standardized assessment instruments; and
- ensuring case management activities are conflict free.

The Texas Health and Human Services Commission (“HHSC”) and DADS submitted an application to the federal Centers for Medicare and Medicaid Services (CMS) to participate in the BIP (PDF format). On September 4, 2012, CMS approved the state's BIP application.

The state has used program funds to conduct Aging and Disability Resource Center ADRC expansion, build No Wrong Door Information Technology systems, improve the Long Term Services and Supports LTSS Intellectual and Developmental Disability (“IDD”) system, increase community LTSS services by implementing Community First Choice, and expand community LTSS capacity through provider rate increases and additional staffing.

6.8 DSHS’ expansion of Oxford Houses for people with Substance Use Disorders
Oxford House living allows residents to gain the time, peer support and discipline they need to change behavior sufficiently to avoid returning to addiction. The federal government recognizes Oxford House as a best practice on the National Registry of Evidence-based Programs and Practices (NREPP).11

DSHS was allocated funding during the 84th Legislature to increase the number of Oxford houses in Texas. As of July 2015, 33 new houses were started and there are plans to open 31 additional homes in 2016 and another 31 in 2017.

6.9 Increase in HUD/VASH vouchers in Texas
TDHCA applied for the agency’s first ever Veterans Assistance Supportive Housing project-based program on August 28, 2015. The project is located in Kerrville, TX on the VA campus. The name of the property is Freedom’s Path at Kerrville. It is a 49-unit residential complex.

On December 2015, the department’s Housing Choice Voucher program (Section 8) was awarded 20 units for veterans with disabilities due to a combat injury. The initiative is a collaboration between TDHCA, the U.S. Department of Veterans Affairs and the

property (Freedom’s Path). Services include providing disabled veterans safe, permanent housing, medical treatment, education, and employment services. The veterans have to be able to live independently while benefiting from various VA services.

TDHCA Section 8 staff work closely with the VA case-manager and property staff for waiting list management, eligibility, and lease-up activities. As of April 4, 2016, there is not a waiting list and 12 out of the 20-units are expected to be leased.

6.10 Multifamily direct loan NOFA (increase units 30% and below),
In 2016, TDHCA announced the availability of up to $23,109,096 in Multifamily Direct Loan funding for the development of affordable multifamily rental housing for low-income Texans. Included in this opportunity was a Deferred Forgivable Loan Set-Aside, up to $3,000,000. Funds under this set-aside were intended to increase the number of 30% rent-restricted units and occupy them with households with an annual income of 30% Area Median Income ("AMI") or less who are not currently receiving any type of rental assistance. The funds could be used for Supportive Housing or create units for households earning 30% AMI or less and cap rents no higher than 30% rent limits published by TDHCA.  

6.11 Implement Section 811 PRA
TDHCA has been awarded over $24 million to provide project-based rental assistance to extremely low-income persons with disabilities as they receive long term services under the Section 811 PRA Program. The department has executed Section 811 Owner Participation Agreements with 18 properties that are committing an average of 10 units each to the Section 811 Project Rental Assistance Program ("Section 811 PRA"). As units become available in these properties, they are offered to qualified Section 811 households. The Owner Participation Agreement has a term of 30 years and ensures that participating properties and TDHCA work together to complete program requirements. TDHCA, together with the Texas Health and Human Services Commission (HHSC) has trained over 120 Section 811 Referral Agents on Fair Housing, identifying qualified individuals and connecting households to the program. TDHCA and HHSC are providing ongoing technical assistance to Referral Agents and owners of participating properties to ensure that service providers and property managers understand this new program. TDHCA is implementing multiple strategies to

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12 i. The definition of Supportive Housing in 10 TAC §10.3(a) in the 2016 Uniform Multifamily Rules including the other underwriting consideration for Supportive Housing developments Section 10.302(g)(3) of the Underwriting and Loan Policy, or

ii. The requirements below in A-D:
A) All units assisted with HOME/TCAP RF must be leased to households earning 30% AMI or less as defined in 10 TAC §10.1005 and have rents no higher than the 30% rent limits published by the Department.
B) No units assisted with HOME/TCAP RF may also be receiving project-based rental assistance.
C) All floating units assisted with HOME/TCAP RF may not have tenants with tenant-based voucher or rental assistance except if there are no available units within the development that the voucher-holder may occupy. This criteria does not apply for fixed HOME/TCAP units.
D) All units assisted with HOME/TCAP RF may not have any other income or rent restrictions as a result of another income or rent restricting source of funds to the 30% level or below (e.g., 9% HTC units restricted to households earning and with rents not exceeding 30% of the AMI).
bring more properties into the program to increase the availability of affordable, accessible and integrated housing.

More information can be found on the TDHCA Section 811 PRA webpage: http://www.tdhca.state.tx.us/section-811-ra/index.htm

6.12 TDHCA was named as the state agency that will implement the National Housing Trust Fund.
Texas anticipates receiving a minimum $3 million from the National Housing Trust Fund. The program will be operated similar to the HOME Investment Partnerships Program which TDHCA administers. The funds will be used for development of additional units for households whose incomes are at 30% Area Median Income or below. TDHCA began meeting internally in March 2016 and held informal (round tables) in late April and May as well as formal opportunities for public comment prior to receiving funding and implementing the program.

7.0 SUMMARY
Texas is primed to take the next steps to expand SEH. The foundation has been laid with improved housing and healthcare agency coordination, accessing grant funding and technical assistance, as well as council, committees, and workgroups that focus on housing and healthcare coordination.

In an environment of greater need and more limited resources, Texas must consider the cost effectiveness of SEH and the Housing and Health Services Coordination Council is an established Council that is well positioned to coordinate with the HHS agencies and other councils and workgroups, to develop a strategic approach to expanding SEH in Texas.
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