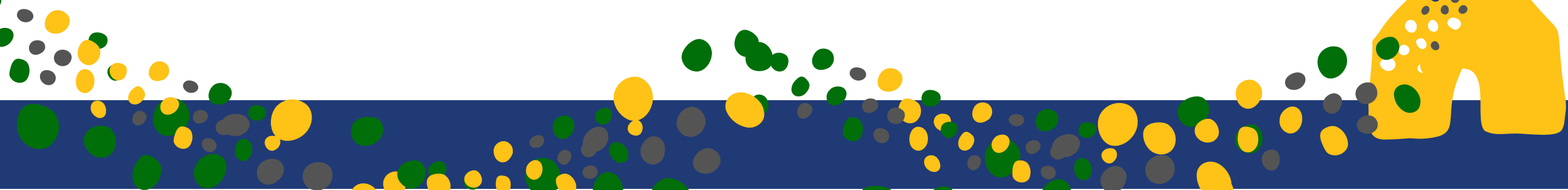
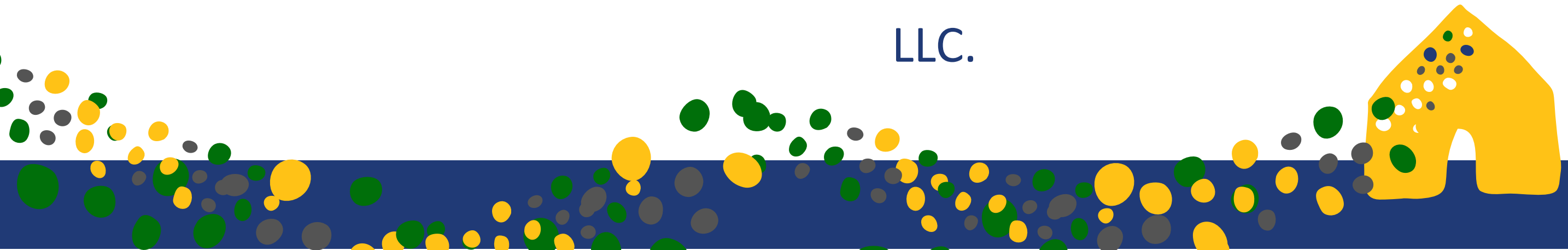


Leveraging Medicaid to Address Homelessness: Trends and Opportunities



Leveraging Medicaid to Address Homelessness: Trends and Opportunities

- Richard Cho, Manatt, Phelps and Phillips LLC.
- Julia Smith, Mannatt, Phelps and Phillips LLC.



Leveraging Medicaid to Address Homelessness: Opportunities and Trends

Presentation at CCEH 2025 ATI

Richard Cho and Julia Smith

- **The Need: Why Medicaid should play a role in addressing homelessness**
- **The Opportunity: Medicaid services that help address homelessness**
- **Trends: State Medicaid initiatives to address homelessness among members**
- **Threats: How proposed federal Medicaid cuts could derail state initiatives**
- **Q&A**

Ronald is a 55+ year old man with diabetes mellitus and lower back pain who has been homeless 2+ years in Orange County, CA. He has unresolved legal challenges and was denied SSDI.

- Ronald has visited emergency departments and has been hospitalized multiple times in the past two years.
- He was referred by the hospital to a homeless services provider organization.
- Through coordination between provider and Medicaid managed care, Ronald was found eligible for and referred to the following **Medicaid-funded services**:
 - **Recuperative care** to provide a short-term setting where his health could be stabilized. While there, the provider connected him to legal aid to resolve his legal issues and enroll in SSDI.
 - He was then transferred to **short-term post-hospitalization housing**.
 - **Housing transition navigation services** to help him apply for and obtain a HUD Mainstream Voucher and find a housing unit.
 - **Day habilitation** to help him obtain independent living skills.
 - Upon entering housing, he was authorized for **housing tenancy sustaining services**.
- He remains housed today with improvements to his health. He has not visited the emergency department since.

Source: Illumination Foundation. (Person's name has been changed to protect his privacy)

Homelessness drives poor health and increases mortality risk

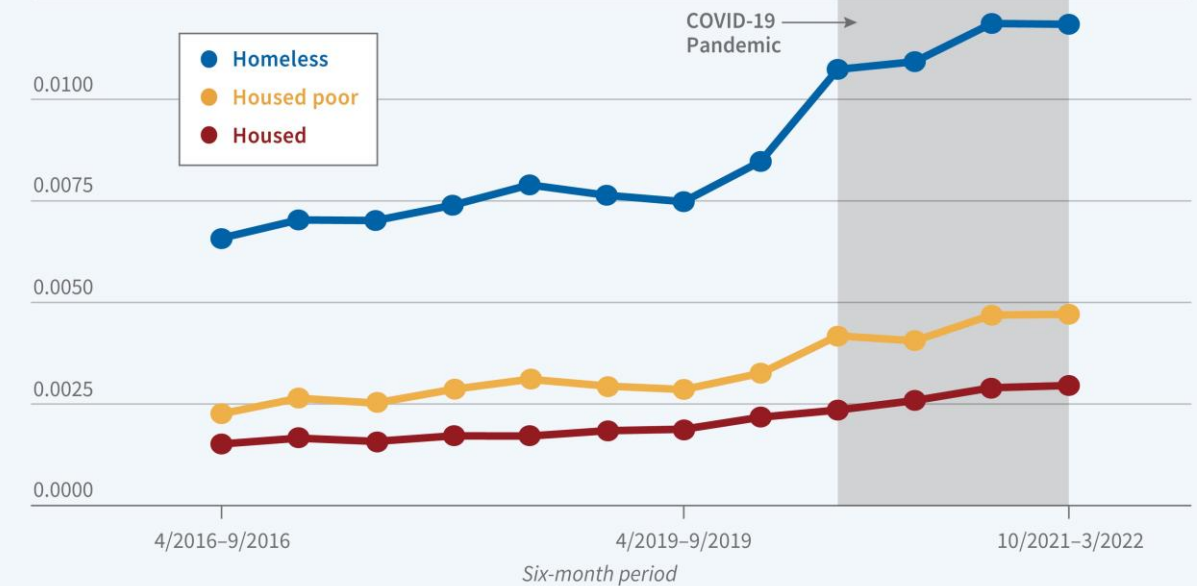
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Nonelderly homeless individuals face 3.5X the mortality risk of people who are housed

- A national study of the health needs of people experiencing homelessness found that 73% of people experiencing homelessness had at least one unmet health need, 46% had 2 or more chronic medical comorbidities, and nearly 48% had a history of mental illness.
- Nonelderly homeless individuals face 3.5X the mortality risk of people who are housed
- Mortality risk relative to the housed population is highest when these individuals are in their 40s and 50s, with a 40-year-old homeless person facing a similar mortality risk as a housed person nearly 20 years older.

Probability of Death among US Homeless, Housed, and Housed Poor Population in a Six-Month Period

Mortality hazard rate of those ages 18-54 in 2010
0.0125



Source: Researchers' calculations using data from the US Census Bureau.

Sources:

Baggett TP, O'Connell JJ, Singer DE, Rigotti NA. The unmet health care needs of homeless adults: a national study. Am J Public Health. 2010 Jul;100(7):1326-33.

Meyer, Bruce D. and colleagues. (2023). "Life and Death at the Margins of Society: The Mortality of the U.S. Homeless Population," National Bureau of Economic Research working paper.

Homelessness Drives Higher Healthcare Costs

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Numerous studies show that this over-reliance on ambulatory and emergency health services among people experiencing homelessness leads to higher health care expenditures

- New Jersey study matched Homelessness Management Information System (HMIS) and Medicaid claims data to find that:
 - Chronically homeless Medicaid beneficiaries had higher rates of behavioral health and medical chronic conditions compared with matched non-homeless beneficiaries.
 - Homelessness and “degree of homelessness” was associated with Medicaid total costs that were 10% to 27% higher than matched housed counterparts.
- Massachusetts study found that people experiencing homelessness had health care expenditures 2.5 times higher than comparable housed populations.

Sources:

Cantor, J.C., and colleagues. (2020). “Medicaid Utilization and Spending among Homeless Adults in New Jersey: Implications for Medicaid-Funded Tenancy Support Services,” *Milbank Quarterly* 98(1): 106-130.

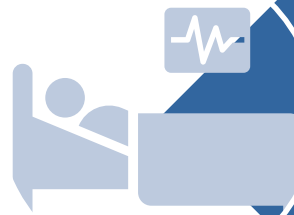
Katherine A. Koh, Melanie Racine, Jessie M. Gaeta, John Goldie, Daniel P. Martin, Barry Bock, Mary Takach, James J. O’Connell, and Zirui Song. (2020.) “Health Care Spending And Use Among People Experiencing Unstable Housing In The Era Of Accountable Care Organizations,” *Health Affairs* 39:2, 214-223

Housing and Homelessness Interventions Improves Health, Lowers Costs

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Numerous studies show that housing and care management (supportive housing) improves health, shifts healthcare utilization from emergency care to primary care, and lowers costs.



Medical respite programs shorten hospital stays, reduce short-term hospital readmissions, reduce subsequent acute care episodes, saving \$2,000-3,000 per hospitalization for a person experiencing homelessness.



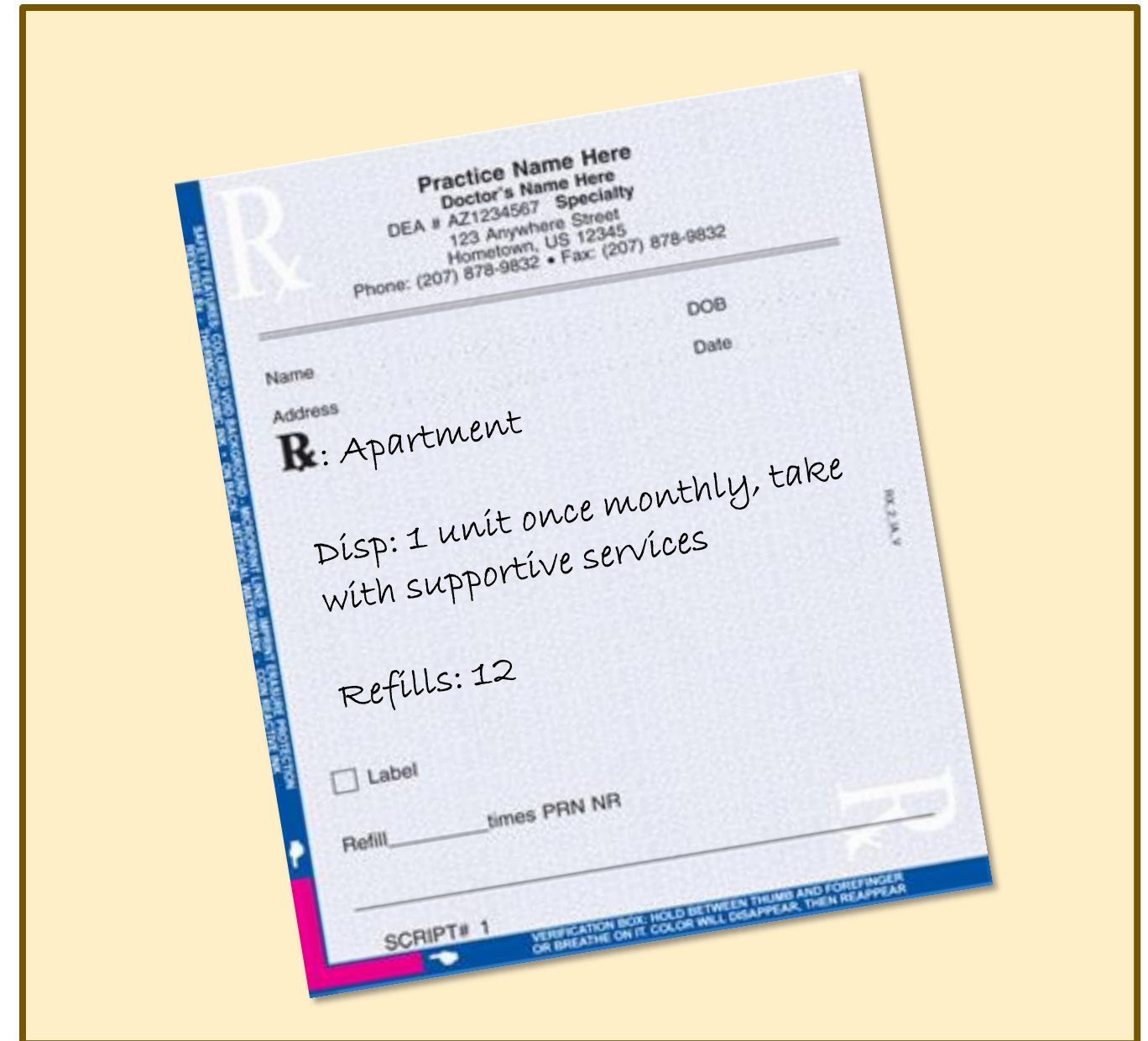
Street medicine programs reduce ED visits and hospitalizations, reduce overdose deaths and increase connections to substance use treatment, and can lead to connections to housing.

Safe and quality housing is often the best medicine

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Dr. Jim O'Connell, Boston Health Care for the Homeless, a pioneer in “street medicine” wishes he could write a script for housing, which would be the best cure for the chronic illnesses among his patients.



Medicaid HRSNs: Housing Supports (1 of 2)

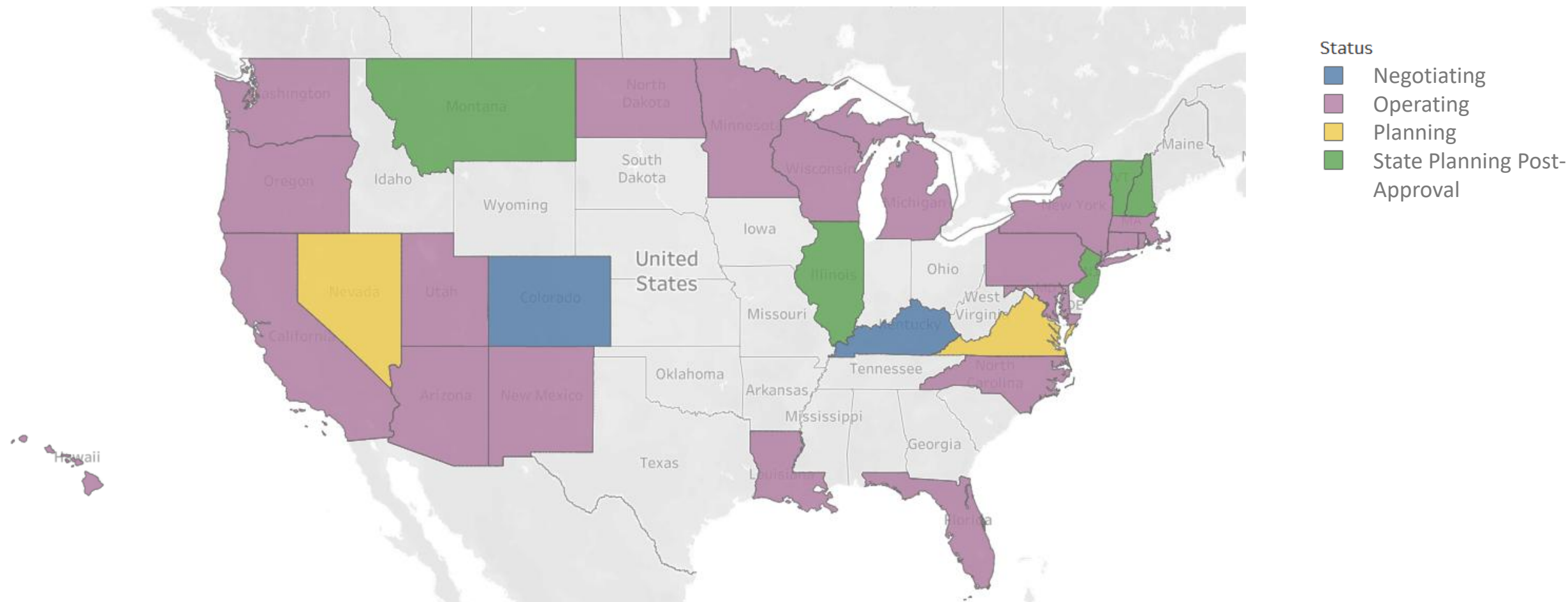
Intervention	Description
Housing supports	Includes pre-tenancy navigation services, one-time transition and moving costs, tenancy and sustaining services, individualized case management (e.g., linkages to housing services). Can be covered through Section 1915 HCBS, Section 1115 demonstrations, Managed care ILOS authorities.
Short-term pre-procedure and/or post-hospitalization housing	Up to six months room and board in housing preceding or following a medical procedure or admission for treatment, where clinically oriented recuperative or rehabilitative supports are offered, but not required. Only coverable through Section 1115 demonstrations.
Recuperative care / medical respite	Up to six months of room and board and services in settings where medical monitoring and/or clinically oriented recuperative or rehabilitative services are provided. Only coverable through Section 1115 demonstrations.

Medicaid HRSNs: Allowable Housing Supports (2 of 2)

Intervention	Description
Short-term rent and utilities	Up to 6 months once per demo. Following allowable transitions, including out of institutional care and congregate residential settings; individuals who are homeless, at risk of homelessness, or transitioning out of an emergency shelter; out of carceral settings; and individuals transitioning out of the child welfare setting. Only coverable through Section 1115 demonstrations.
Home remediations	Must be medically necessary. May include air filtration, air conditioning, or ventilation improvements; refrigeration for medications; carpet replacement; mold and pest removal; housing safety inspections
Home/environmental accessibility modifications	May include wheelchair accessibility ramps, handrails, and grab bars.

States with Approved Medicaid Authorities to Cover Housing-Related Services

A growing number of states have received CMS approval of Medicaid authorities that cover housing-related services for people experiencing or at-risk of homelessness



Source: CSH. Summary of State Actions on Medicaid & Housing Services. <https://www.csh.org/resource/policy-brief-summary-of-state-actions-on-medicaid-housing-services/>

States with Approved Medicaid Section 1115 Waivers Covering Housing-Related Services

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	AZ	AR	CA	CO	MA	MT	NC	NJ	NY	OR	PA	WA
Without Room/Board												
Housing transition navigation services	X	X	+	X	X	X	X	X	X	X	X	X
Tenancy sustaining services	X	X	+	X	X	X	X	X	X	X	X	X
One-time transition and moving costs, housing deposits	X	X	+	X	X	-	X	-	X	X	X	X
Home modifications and remediation services	X	-	+	-	X	-	X	X	X	X	-	X
Room/Board												
Recuperative care and STPHH	-	-	X	-	-	-	X	-	X	-	-	X
Rent/temporary housing (< 6 months)	X	-	-	X	-	-	X	-	X	X	X	X

States Medicaid 1915(i) HCBS State Plan Amendments Addressing Homelessness

Section 1915(i) Home and Community Based Services SPAs Covering Homeless Populations				
	CT	DC	MN	ND
Pre-tenancy/housing navigation services	X	X	X	X
Tenancy sustaining services	X	X	X	X
One-time transition and moving costs, housing deposits	X	-	X	-

California Advancing Innovation in Medi-Cal (CalAIM) Community Supports

California is leading the way in integrating housing supports with Medi-Cal to address homelessness and improve health outcomes, with initiatives like CalAIM aiming to provide housing and related services to vulnerable populations.



Medi-Cal Community Supports

- Housing Transition Navigation Services
- Housing Tenancy and Sustaining Services
- Housing Deposits
- Recuperative Care
- Short-Term Post-Hospitalization Housing
- Day Rehabilitation

Optional for Medi-Cal Managed Care Plans (MCPs) to provide for select populations.



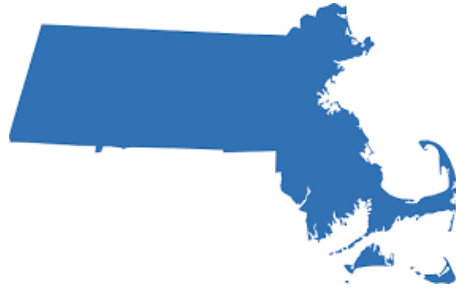
Transitional Rent

- » Includes coverage of up to six months of rent for members who are experiencing or at risk of homelessness and meet certain additional eligibility criteria.
- » **7/1/25** Optional for MCPs to provide.
- » **1/1/26** Mandatory for MCPs to provide for select populations.

The District of Columbia's Medicaid program has a Housing Supportive Services 1915i HCBS benefit for people with disabilities experiencing homelessness.



- Since 2022, DC's Medicaid program has been covering two services to assist people experiencing homelessness who have qualifying disabilities:
 - Housing Navigation Services helps a participant plan for, find, and move to housing of their own in the community; and
 - Housing Stabilization Services helps a participant in their own housing in the community and move toward wellness as the participant defines it.



Massachusetts

- Continues coverage of Community Support Programs (CSP) to homeless and justice-involved individuals.
- CSP-HI covers assistance with daily living, housing search, tenancy supports, services and benefits coordination, crisis intervention.
- Expanded benefits cover one-time transition costs, such as security deposits, first month's rent, utility activation fees, move-in costs, inspection costs.



Arizona

- Arizona has begun implementing its Health and Housing Opportunities (H2O) program that provides housing navigation, tenancy sustaining services, transitional housing, and short-term rent to Medicaid members with serious mental illnesses who are homeless or at-risk of homelessness.
- Arizona is coordinating with its statewide housing administrator, CoCs and PHAs to connect people to long-term housing subsidies.

Congress is working to enact the new Administration's priorities through a bill that would offset the proposed \$5.3 trillion in tax cuts through cuts to Medicaid, SNAP, and other programs

- On May 14, the House Energy and Commerce Committee advanced its proposals to cut federal Medicaid funding by:
 - Adding new work requirements for the ACA Medicaid expansion population
 - Requiring twice per year enrollment verifications and administrative requirements
 - Prohibiting states from covering undocumented people through state-only Medicaid funds
- These proposals would result in a \$715 billion cut to Medicaid over 10 years and result in at least 8.6 million people losing health coverage. Alongside other proposed changes to the health insurance Marketplace, more than 13.7 million people could lose health coverage.
- The House and Senate will be debating this package over the next several weeks.

Medicaid funding cuts could derail state Medicaid initiatives focused on improving health and lowering costs among homeless beneficiaries



Reduction in federal Medicaid funding will impact state budgets overall, forcing the state to consider reducing expenditures for both Medicaid optional services and other state programs.



CMS rescinded its Health Related Social Needs Framework, and are instead evaluating state waiver requests on a case-by-case basis, creating uncertainty for states seeking new waiver authorities.



Work requirements for the ACA Medicaid expansion population will add administrative burdens and result in dis-enrollment for non-disabled individuals experiencing homelessness.



Cuts to HUD programs will reduce availability of rental assistance that could be paired with Medicaid services, ultimately reducing the effectiveness of these services.



Focus on “waste, fraud, and abuse” could lead to greater scrutiny of housing-related initiatives.



For more info about Manatt Health Services' Housing and Health Services

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Thank You!

For any questions email
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