



Financing for Homeless Programs to be Secured with Reliable Public Funds

Integrating financing and services for disabled persons in California

SUMMARY

The [Corporation for Supportive Housing](#) (CSH) developed a plan for a nationally replicable model that would offer viable, long-term financing of services linked to permanent housing by integrating funding from a variety of relatively stable sources into a single pool that would be administered by an alliance of local service agencies on behalf of a group of tenants.

Key Results

CSH was able to secure the support of top public health officials and integrate parts of its plan into local planning processes including the City of San Francisco's five-year housing plan for persons with HIV/AIDS and persons with mental illness.

At the conclusion of this grant, the Corporation for Supportive Housing was awarded a three-year grant under the Robert Wood Johnson Foundation's *Building Health Systems for People with Chronic Illness* program, to implement their plan at housing sites in Oakland and San Francisco (see [Program Results Report](#) on ID# 027072).

Funding

The Robert Wood Johnson Foundation (RWJF) provided a \$150,000 grant to support the project from November 1993 to June 1995.

THE PROBLEM

Early in 1993, anticipating the passage of a law that would establish national entitlement to health coverage, the Corporation for Supportive Housing (CSH) met with local and state officials to garner support for the development of a replicable model that would offer viable long-term financing of health care and other services that were to be linked to housing for chronically disabled individuals.

State and local government efforts were moving aggressively toward implementing a Medicaid managed care system where integrated health care systems would be paid a fixed sum in advance to provide all needed health care services. State and local government officials were interested in CSH's project, in part, because it had the capacity to serve persons who were imposing the highest costs on the health care system.

In 1993, the Kaiser Family Foundation provided a grant of \$40,000 to be used for technical consultant services and, in 1994, gave an additional \$31,424 to begin development of data systems for the project.

THE PROJECT

The goal of this project was to develop a plan that would assist agencies that have traditionally served homeless people with chronic disabilities to transition to a funding system that relies on core public funds (i.e. entitlements, primarily Medicaid) that are available on an ongoing basis, rather than short-term special grants from government or foundations.

In addition, it would increase the effectiveness of the service systems linked to supportive housing in preventing the over-use of high cost emergency health services by, and the institutionalization and recurring homelessness of, tenants.

To be based on managed care principles, the plan would achieve savings through reduced use of hospital and other high-cost institutional services. Funding was to be obtained from various relatively stable sources, most likely on a capitated (pre-established dollar amount per individual) basis. The funds were to be integrated into a single pool and administered by an alliance of local service agencies on behalf of a group of tenants in supportive housing.

Eventually, the grantee hoped to see the plan implemented by local government agencies responsible for developing health and housing programs for chronically disabled individuals.

The target population was single, non-elderly adults with multiple chronic illnesses including serious mental illness, HIV/AIDS, and substance abuse disorders who were homeless or at risk of being homeless.

Originally, the plan was to include three northern California counties: San Francisco, Alameda, and Santa Clara. However, plans for Santa Clara were dropped because of inadequate capacity and interest.

The Methodology

To achieve their goals, the Corporation for Supportive Housing established working groups in Alameda County and San Francisco comprised of local housing and service providers.

The working groups focused on four tasks:

1. Developing a core understanding of managed care principles and reforms in the state's Medi-Cal (Medicaid) program. The state's Medi-Cal system was initiating several reforms that had the potential to fundamentally change the way supportive housing sites organized, provided and financed their supportive services. In order to develop a realistic plan, the working groups felt it was critical to have a thorough understanding of the reforms and their potential impact.
2. Planning for establishment, financing, and management of multi-agency, interdisciplinary integrated service teams. To ensure that all services were reimbursable and efficiently organized, the working groups made decisions regarding the kinds of service providers that would be eligible to be part of the integrated service teams and/or serve as the lead agency. The goal was to develop guidelines that were flexible enough to accommodate different communities, and detailed enough to ensure an appropriate array of high quality services.
3. Developing specific program strategies to provide vocational services in conjunction with health care, treatment, and other support services. Specific program strategies would be developed based on the unique attributes of each building and its tenants, as well as an existing knowledge about persons with co-occurring mental illness and substance abuse disorders.
4. Defining the basic parameters of an integrated medical/service record and data system.

RESULTS

Throughout this grant, the Corporation for Supportive Housing worked diligently to increase the awareness of local government leaders and administrators of public health and social services agencies regarding the role of supportive housing in a managed care system.

Specifically, they heralded the project's potential to provide better services to its target population while controlling local government costs. They secured support for their plan from San Francisco's director of public health, the Alameda County Health Services Agency director and the director of public health, and key members of the Board of Supervisors in each county.

In both counties, the Corporation for Supportive Housing worked closely with the local governments to integrate their plan into long-term planning processes already underway.

Results included:

- **The CSH integrated service team model was used by the city of San Francisco as the basis for a larger proposal for federal Housing and Urban Development Supportive Housing grant funds that would provide services linked to housing throughout the city for homeless people with disabilities.**
- **CSH participated in San Francisco's Continuum of Care planning process for homeless services, which will guide the allocation of federal homeless service funds in future years.**
- **In conjunction with other city and county agencies, non-profit agencies, consumers, and community members, CSH facilitated the development of San Francisco's comprehensive five-year housing plan for persons with HIV/AIDS and persons with mental illness.**
- **CSH participated in Alameda County's Task Force on Alcohol/Drug Problems and Mental Illness (Dual Diagnosis).**
- **CSH facilitated an Alameda County HIV/AIDS housing plan.**
- **CSH received funding to implement their plan at supportive housing sites in San Francisco and Oakland (see [Afterward](#).)**

Communications

An article entitled "Building a Model Managed Care System for Homeless Adults with Special Needs: the Health, Housing, and Integrated Services Network" by Carol Wilkins, project director at CSH, appeared in *Current Issues in Public Health* in 1996.

Materials developed by the working groups in Alameda County and San Francisco were used for presentations to state and local government officials, and housing and service providers. In addition, two Blue Cross annual reports have featured the project.

AFTERWARD

In 1995, The Corporation for Supportive Housing received a three-year grant under RWJF's Building Health Systems national program, to implement their plan to link integrated service teams to supportive housing sites in San Francisco and Oakland.

The project also received funding from federal Housing and Urban Development programs, California HealthCare Partnerships, and the Rockefeller Foundation for direct services costs and the development of a data system.

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Grant ID# 21883

Program area: Vulnerable Populations

BIBLIOGRAPHY

(Current as of date of the report; as provided by the grantee organization; not verified by RWJF; items not available from RWJF.)

Publications

Wilkins C. "Building a Model Managed Care System for Homeless Adults with Special Needs: the Health, Housing, and Integrated Services Network." *Current Issues in Public Health*, 2(Spring): 39–46, 1996.

Presentations and Testimony

Wilkins, Carol, and Carla Javits. "Integrated Services Linked to Supportive Housing Managed Care Demonstration Project." (14-page report prepared by the Corporation for Supportive Housing and distributed at meetings).