



## From Disaster to Housing

### Implementing permanent supportive housing for people with disabilities in Louisiana

#### SUMMARY

From 2006 to 2011, the [Technical Assistance Collaborative](#) provided capacity building, technical assistance, and policy support to social service organizations in Louisiana that were working with vulnerable individuals in need of permanent supportive housing following Hurricanes Katrina and Rita in August and September 2005.

Permanent supportive housing is the provision of decent, safe, and affordable rental housing combined with essential supportive services for vulnerable people with disabilities who are homeless or most at risk of homelessness.

Officials of the Boston-based nonprofit describe their work—termed the Permanent Supportive Housing Initiative—as the nation’s first large scale effort of its kind.

#### Key Results

In reports to the Robert Wood Johnson Foundation (RWJF), a 2012 issue brief, and a 2012 interview for this report, project staff stated that:

- The initiative placed 3,250 persons with disabilities in 2,196 housing units.
- Average monthly Medicaid costs were reduced by 24 percent for persons served in these units.
- Louisiana amended its Medicaid plan to specifically include service activities for people in permanent supportive housing.

#### Funding

RWJF supported this project from mid-November 2006 to mid-November 2011 with a grant of \$2,353,248.

## CONTEXT

Hurricane Katrina in August 2005 and Hurricane Rita the following month damaged some 70 percent of New Orleans' housing stock, destroying some 51,000 rental units and leaving 455,000 persons displaced, according to a report from the Institute for Children, Poverty, and Homelessness.<sup>1</sup>

Although no figures are available on the number of persons with disabilities displaced, families with vulnerabilities were more affected, according to Project Director Stephen L. Day, MSW, and Project Coordinator Francine Arienti, MA. In some cases, they said, housing had to be found for multigenerational families who had cared for family members with disabilities.

Louisiana's social services structure was also seriously damaged by the hurricanes, with nursing home beds lost, and most community mental health providers struggling to repair damaged property and replace staff.

At the same time, the state had "little experience or expertise in permanent supportive housing," before the hurricanes, according to the Technical Assistance Collaborative's 2007 funding proposal to RWJF. The state's mental health and substance abuse system "was overly reliant on institutional or inpatient care—64 percent of its total budget, the highest proportion [of any state] in the United States—[and] the Medicaid plan for mental health services was very limited."

### The Permanent Supportive Housing Model

According to the Corporation for Supportive Housing, "People living in supportive housing usually have a long history of homelessness and often face persistent obstacles to maintaining housing, such as a serious mental illness, a substance use disorder, or a chronic medical problem."<sup>2</sup>

Research has shown that:

- Supportive housing has positive effects on housing stability, employment, mental and physical health, and school attendance. People in supportive housing live more stable and productive lives.
- Supportive housing results in tenants' decreased use of homeless shelters, hospitals, emergency rooms, jails and prisons.

---

<sup>1</sup>*National Survey of Programs and Services for Homeless Families: The Red, White and Blue Book*. New York: Institute for Children, Poverty, and Homelessness, 2011. Available [online](#).

<sup>2</sup> *Supportive Housing Research FAQs: Who Lives in Supportive Housing?* Available [online](#).

- Supportive housing benefits communities by improving the safety of neighborhoods, beautifying city blocks with new or rehabilitated properties, and increasing or stabilizing property values over time.<sup>3</sup>

### **RWJF's Interest in This Area**

RWJF has been investing in supportive housing through the Corporation for Supportive Housing since 1991.<sup>4</sup> See *More Than a Place to Live: A Special Report about Supportive Housing and its Impact on Chronically Homeless Populations*.

RWJF has continued its engagement in supportive housing for chronically homeless people through:

- Taking Health Care Home,<sup>5</sup> a national initiative to reduce chronic homelessness through the creation of supportive housing, refining and implementing a strategic plan to prevent homelessness, and developing a business and funding model for the Corporation for Supportive Housing— including a National Housing Fund Loan (See [Program Results Report](#).)
- Keeping Families Together,<sup>6</sup> which focuses on chronically homeless families with children at risk for abuse and neglect
- Reintegrating former inmates into the community through supportive housing<sup>7</sup>

In 2004, RWJF was among nine national foundations, nonprofit organizations, and financial institutions that formed the Partnership to End Long-Term Homelessness “to galvanize leadership and dollars to bring an end to long-term homelessness over the next decade.” Partnership members<sup>8</sup> dedicated more than \$37 million in grants and loans to the effort. See [news release](#).

RWJF supported the creation of the Technical Assistance Collaborative (TAC), a Boston-based nonprofit, with a grant in 1992 to give technical assistance to states and community agencies in providing services for people with serious mental illness and other disabilities. TAC has since received other grants from RWJF and is the national program office for *Resources for Recovery*, see [Program Results Report](#).

---

<sup>3</sup> See the Corporation for Supportive Housing’s [website](#) for research on supportive housing.

<sup>4</sup> Grant ID #s 18047 and 19309. See [Program Results Report](#).

<sup>5</sup> Grant ID #s 43050, 51162, 59348, 66288, 53649, 65868, 69254

<sup>6</sup> Grant ID #s 58836 and 68847 and a replication program (KTF)

<sup>7</sup> Grant ID #s 65899 and 68747

<sup>8</sup> RWJF, Conrad N. Hilton Foundation, Rockefeller Foundation, Fannie Mae, Melville Charitable Trust, Fannie Mae Foundation, Deutsche Bank, Corporation for Supportive Housing, National Alliance to End Homelessness

Following the 2005 hurricanes, TAC worked with partnership members to see that sufficient federal funds would be available to develop 3,000 units of permanent supportive housing for people with disabilities in Louisiana most affected by the devastation there.

For an overall account of RWJF's response to Katrina and Rita, see *In the Eye of the Storm*.

## THE PROJECT

From late 2006 through 2011, the Technical Assistance Collaborative provided capacity building, technical assistance, and policy support for human service organizations in Louisiana serving vulnerable individuals in need of permanent supportive housing following Hurricanes Katrina and Rita in August and September 2005.

The state's \$600 million Permanent Supportive Housing Initiative, designed to supply 3,000 housing units integrated into affordable rental properties, was part of the Louisiana Recovery Authority's 2006 federally approved *The Road Home* plan. The plan included \$72.7 million in federal Community Development Block Grant funds for supportive services for residents of the housing units. Project Director Day termed the initiative the nation's first large scale effort to combine safe and affordable rental housing with social services for a vulnerable cross-disability population that included people who were either homeless or at risk of homelessness, inappropriately institutionalized or at risk of institutionalization.

Louisiana took a housing first approach to supportive housing, placing people with disabilities in scattered-site housing first, and then providing them with the social services needed to keep them there. Services are not attached to the housing as a condition. The consumer chooses when and how to take part. The project emphasized mobile community services, offered on what Day called "a flexible, 24/7 basis." Rather than having tenants served at an agency office or clinic, teams of caseworkers and other support personnel trained to deal with a range of disabilities visit tenants in their homes.

### Activities

Project staff worked with Louisiana state agencies such as the Department of Health and Hospitals and the Office of Community Development and with six existing local human service organizations designated by the state to work with housing developers and service providers as lead agencies during this project. This management structure was intended to allow a "seamless transition to mainstream resources" such as Medicaid once *The Road Home* funding was exhausted.

The local lead agencies also were charged with administering the \$72.7 million in federal Community Development Block Grant dollars designed to fund the social services portion of the initiative pending the future transition to mainstream funding.

Project staff:

- Helped state officials and housing advocates design policies to identify, prioritize, and offer the most vulnerable individuals housing units as they became available. These policies were incorporated in a Department of Health and Hospitals tenant selection manual.

Setting tenant priorities was important because the 3,000 units of housing weren't nearly enough to meet the demand. The state had originally considered requesting 10,000 units.

- Assisted the state in designing bridge assistance programs for homeless and at-risk individuals before permanent rent subsidies were available. Many of the homeless were living in tents in a small park across the street from New Orleans City Hall.

(In 2008, the U.S. Congress provided permanent rental subsidies under two federal programs: 2,000 vouchers under the Section 8 Housing Choice Voucher program and 1,000 under the Shelter Plus Care program, specifically for the homeless—the first ever congressional appropriation of permanent rental subsidies dedicated to a state-sponsored public supportive housing initiative.)

- Developed guidelines for a fund to provide move-in resources for tenants.
- Entered into capacity-building subcontract agreements for program management and start-up activities with four of the six local lead agencies<sup>9</sup> and a homeless services organization, [UNITY of Greater New Orleans](#).
- Trained direct service personnel contracted by the local lead agencies. These included members of housing support teams recruited to teach basic housing competencies to tenants with a wide range of disabilities. Twenty-five six- to eight-person household service teams are active.

TAC also subcontracted with national experts from [Pathways to Housing](#) and the [Center for Urban Community Services](#) to train housing support teams, using individual coaching and training plans specific to each local lead agency. A typical household support team included:

- A team leader
- A tenant services liaison to work directly with landlords

---

<sup>9</sup>Metropolitan Human Services District, Jefferson Parish Human Services Authority, Florida Parishes Human Services Authority, and the Department of Health and Hospitals Region V Behavioral Health Services

- One or more case managers
- One or more peer support workers
- Worked with mental health advocates to increase access to primary health care and behavioral health care in the Greater New Orleans area.
- Subcontracted with the [Human Services Research Institute](#) in Cambridge, Mass., for a formative evaluation of the project as it unfolded. “We created a mechanism for tracking participant characteristics and service utilization,” Day said. The evaluation data was regularly fed back and helped staff better target their ongoing technical assistance.
- Convened a sustainability workgroup in 2010. It was comprised of representatives from Louisiana Medicaid and other program offices in the state’s Department of Health and Hospitals. The workgroup fielded ideas on transitioning from the permanent supportive housing initiative to Medicaid and other mainstream resources such as state mental health funding.

## Other Funding

The project was also supported by the [Melville Charitable Trust](#) (\$1,150,000), which supported advocacy in Congress as well as housing policy development; the Louisiana Department of Health and Hospitals (\$456,459); and the Louisiana Office of Community Development (\$282,894).

## RESULTS

In reports to RWJF, a 2012 issue brief and a 2012 interview for this report, project staff stated that during the term of the grant:

- **The permanent supportive housing initiative placed 3,250 persons with disabilities in 2,196 housing units.** The program is serving individuals and families with complex and multiple conditions including physical health conditions, mental illness, substance use disorders, and developmental disabilities.

All households served have at least one member with a significant and long-term disability. Program data indicated that some 58 percent of those served were also either homeless or at risk of homelessness and another 10 percent were either inappropriately institutionalized or at risk of institutionalization.

- **Average monthly Medicaid costs were reduced by 24 percent for persons receiving Medicaid in these housing units.** The reductions were largely due to placing people in the community rather than institutions.
- **Louisiana amended its Medicaid plan to specifically include service activities for people in permanent supportive housing.** The state will also use remaining federal

disaster recovery funds for tenants not eligible for Medicaid. These arrangements will become effective in the state's 2013 fiscal year.

- **Elements of the initiative were incorporated into federal policy.** According to Project Director Day, the Frank Melville Supportive Housing Investment Act,<sup>10</sup> passed by Congress in 2010 with bipartisan support and signed by President Obama in January 2011, was based largely on the Louisiana model. The act increases funding and the range of mechanisms for creating permanent supportive housing in the United States.

Staff at the Technical Assistance Collaborative also contributed to the permanent supportive housing evidence-based practice [toolkit](#) issued by the federal Substance Abuse and Mental Health Services Administration in 2010, the project director said.

## LESSONS LEARNED

1. **Make permanent supportive housing initiatives part of an overall, long-term strategy to help vulnerable people.** “We couldn't come in and create an entirely separate initiative,” Project Coordinator Arienti said. Instead, permanent supportive housing was incorporated into Louisiana's *Road Home* recovery plan, and staff worked to integrate its service provisions into future state Medicaid plans.
2. **Remain sufficiently flexible in fast-moving recovery efforts to respond to changes in governmental policy.** During the grant period, “We had to be incredibly nimble to take advantage of the state’s movement (in Medicaid) to a statewide managed care approach from a fee-for-service approach,” Day said.

## AFTERWARD

As of March 2012, the number of scattered-site supportive housing units created and occupied under the project was approaching 2,500.

TAC and Louisiana state officials led a webinar, “Sustaining Supportive Housing: Medicaid's Role” on February 16, 2012. The Corporation for Supportive Housing hosted the webinar, which the project directors said attracted more than 120 participants, mostly government officials and social service providers.

Under RWJF [Grant ID # 68140](#), (\$156,464) TAC has worked to develop federal policy and strategies to take supportive housing to scale nationally. It closes in June 2012.

---

<sup>10</sup>This act substantially revised HUD’s Section 811 program, which helps low-income people with significant, long-term disabilities to live independently in the community via permanent supportive housing. The revised Section 811: (1) provides incentives to leverage more sources of capital for 811 units, including bond financing; (2) authorizes a stand alone approach to help state and local governments systematically create integrated supportive housing units. The Act may be viewed [online](#).

---

**Prepared by: Paul Jablow**

Reviewed by: James Wood and Molly McKaughan

Program Officer: Nancy Barrand

Grant ID # 59160

Program area: Vulnerable Populations

---

## **BIBLIOGRAPHY**

### **Reports**

#### ***Issue Briefs***

*Taking Integrated Permanent Supportive Housing (PSH) to Scale: The Louisiana PSH Program.* Boston: Technical Assistance Collaborative, Inc., February 2012. Available [online](#).