



The District's Dime

Going Beyond the Budget Book

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DC Has Big Opportunities to Cover Housing-Related Services with Medicaid

By Wes Rivers

Last week, DC government officials gathered to strategize on how to use Medicaid -- a health program that comes with federal funding -- to help more homeless residents get stable housing. There is evidence that stable housing leads to better health, and both DC and the [federal government](#) are exploring how housing-related services could be paid for with Medicaid dollars. The meetings, which included researchers, agency officials, and health and housing providers, uncovered several new opportunities that DC should consider to coordinate Medicaid and housing to help combat homelessness.

The District's Interagency Council on Homelessness and Medicaid agency, the Department of Health Care Finance, have been researching and identifying overlaps in the Medicaid benefits chronically homeless residents use and the supportive services Medicaid covers. They found that certain Medicaid benefits -- especially for people with mental health issues in community-based treatment -- cover up to 80 percent of the housing support services delivered in Permanent Supportive Housing (PSH) programs. DC's PSH program places homeless residents with chronic health conditions and other barriers into housing and then provides services to address those issues.

The federal government also issued [guidance](#) which could help states leverage Medicaid dollars for housing-related services similar to those delivered in PSH. There is lots of [evidence](#) that PSH participants are better able to get to the doctor and keep up with prescriptions, are more likely to stay healthy and housed, and are less likely to go to the emergency room.

The District's health and housing leaders who met last week identified a number of promising opportunities.

- **Medicaid now covers or will soon cover many of the services that chronically homeless residents and residents in PSH need.** There may be opportunities to link residents in PSH with a Medicaid case manager. Still, there are gaps and implementation barriers that need to be explored further.
- **Medicaid Managed Care Organizations can play a part in linking Medicaid and PSH.** The District's Medicaid managed care program paid for [millions](#) in unnecessary health costs last year, related to uncoordinated care, avoidable hospital visits, and emergency room use for non-emergencies. These companies will soon be paid based on how they improve these measures and will have an incentive to partner with PSH providers to provide case management.

- **Medicaid services for people with severe mental illness look a lot like PSH services.** Medicaid's intensive treatment and case management for mental health (known as Assertive Community Treatment) closely mirrors what the services delivered in PSH. Pairing residents who receive these Medicaid services with rental assistance could expand supportive housing.

These developments are exciting and could lead to more stable and affordable housing for our homeless residents. All of the options explored will need further refinement, cross-walking, and study to see if they can realistically be implemented. And the District will have to do more to create partnerships and information sharing among providers. But last week's meeting was a great start.