APPENDIX B

Louisiana's Permanent Supportive Housing Program
A Partnership between the Department of Health and Hospitals and the Louisiana Housing Corporation

July 2014

Background

The Louisiana Permanent Supportive Housing (PSH) Program is an affordable housing program with services for individuals with disabilities so they may be able to live successfully in their own home in the most integrated setting possible. The Louisiana PSH Program is a partnership between the Louisiana Housing Corporation (LHC) and its subsidiary the Louisiana Housing Authority (LHA) with support from the Disaster Recovery Unit of the Office of Community Development (OCD) and the Department of Health and Hospitals (DHH) and its sub recipients. An Interagency Partnership Agreement (IPA) between the LHC and DHH sets for requirements for this partnership. Four DHH Program Offices (Office of Behavioral Health (OBH), Office of Citizens with Developmental Disabilities (OCDD), Office of Adult and Aging Services (OAAS) and Office of Public Health (OPH)) and the Bureau of Health Services Financing (Medicaid) have DHH responsibilities for this program under the direction of the DHH Deputy Secretary.

The PSH Program has four overarching goals: (1) provide affordable, stable, decent, safe housing for individuals with disabilities in the most integrated settings possible; (2) reduce and prevent homelessness of individuals with disabilities; (3) reduction and prevention of inappropriate institutionalization of individuals with disabilities; and (4) operate the program in the most cost effective and efficient manner possible.

The housing resources available through this program include three types of federal housing subsidies: 1) 2,000 Section 8 Project Based Vouchers (PBV); 2) 1,000 Shelter Plus Care (S+C) subsidies, which is tenant and project based rental assistance for persons who are homeless; and 3) 811 PRA rental assistance for 199 units, the majority of which are Low Income Housing Tax Credit (LIHTC). In addition, there are over 200 units with other operating assistance and there will be 125 Housing Choices Vouchers made available by local Housing Authorities that were pledged (as leverage) to be part of the 811 Project Rental Assistance (PRA) rental assistance. Local S+C Subsidy Administrators, an agency that leads or is part of a Continuum of Care (CoC), plays a vital role in the S+C program through agreements with the LHA to manage the S+C subsidies. Most of the housing assistance is available in the southern part of the state in the area known as the Gulf Opportunity Zone or GO ZONE, which includes over 30 parishes most affected by Hurricanes Katrina, Rita, Ike and Gustav. Approximately two thirds of the program is leased and it is the goal of the PSH partners to complete the leasing of over 3,300 units as soon as possible. Based on current experience, the program will likely experience a turnover of 300-400 units per year. The DHH, the LHC and their local partners are continuously seeking additional housing resources for the program so the above numbers may change. Over 60% of the PSH participants were homeless at the time of referral. Approximately 70% of the participants have a behavioral health disability as their primary disability and 85-90% of those individuals are eligible for 1915(i) services, although not all have been enrolled.

Rental assistance is used in private multi-family rental housing and with Low Income Housing Tax Credit

(LIHTC) projects to bring down the cost of rent. The program follows HUD requirements for access, rental assistance, Housing Quality Standards (HQS) and other requirements. DHH is responsible for outreach, services arrangements, services funding, housing referrals and monitoring the delivery of services. DHH and LHC jointly set program policies regarding eligibility for PSH monitoring performance.

The PSH program began in the aftermath of Hurricanes Katrina and Rita as part of Louisiana's *Road Home Plan.* HUD provided an infusion of funds for operating assistance, bridge rental resources, technical assistance and one time supportive services grants. A requirement of the services funding was that DHH secure sustainable resources for services management and services. HUD provided approximately $72 million for this start up funding over seven years ago. It is projected these funds will be exhausted in early calendar year 2016. Initially, services were grant funded but are gradually shifting to individualized funding based on each individual's eligibility for services. Most funding is now reimbursed by Medicaid or CDBG through contracts that are either using a fee-for-service or case rate methodology. DHH has committed to services being PSH "best practice" and to that end has modified, created and/or adjusted Home and Community Based Services (HCBS) Waivers, 1915(i) state plan services, Ryan White, Access to Recovery (ATR), and Cooperative Agreements to Benefit Homeless Individuals (CABHI) grant service interventions to incorporate PSH "best practices" in service arrangements, credentialing, care management, transition service and care coordination requirements. To the extent possible these arrangements are the same or similar regardless of a person's disability or medical needs and further integrate by not dividing management arrangements or housing based on someone's disability.

Populations of Focus

The populations of focus and eligibility criteria for PSH are proposed by DHH and approved by the LHC. Households must be Extremely Low Income Households (ELI) at or below 30% of area median income and must have a disabled member "in need of PSH" and eligible for DHH funded or arranged services. The program operates with specific DHH priorities but tie in part to the type of funding source and includes individuals living in the homeless shelter system or otherwise in temporary housing, individuals who are homeless or at risk of homelessness, and individuals institutionalized or at risk of institutionalization. The individual/household member has a substantial, long-term disability as determined by the DHH including individuals with any of the following:

- Serious Mental Illness;
- Addictive Disorder, i.e., individuals in treatment/recovery from substance use disorder;
- Developmental Disability, i.e., mental retardation, autism, or other disability acquired before the age of 22;
- Physical, sensory, or cognitive disability occurring after the age of 22; and
- Disability caused by chronic illness (e.g., individuals with HIV/AIDS who are no longer able to work).

Interagency Partnership Agreement, Management Structure and Governance

DHH and the LHC will enter into a new Interagency Partnership Agreement (IPA) effective March 1, 2015. This IPA will outline the DHH obligations for: outreach and referral, pre-tenancy, move-in and post tenancy services availability consistent with best practice standards and demonstrated through provider credentialing and certification, responding to LHA tenant services management requests and meeting reporting requirements. This agreement combines the 811 PRA requirements and the "sustainable" services obligations.

The DHH PSH Executive Management Council (EMC), chaired by the DHH Deputy Secretary has management and governance responsibility for the program including setting DHH PSH policies. The LHC (OCD) will continue to provide CDBG funds under the existing DHH-OCD agreement until those funds are exhausted. These funds will cover services costs for individuals whose services are not covered by another funding source until a source can be secured or the funds expire. The DHH will allocate and monitor the use of these funds, continue technical assistance, certify providers and provide quality management until the CDBG funds expire. DHH will assure services management and services availability, provide quality management and work closely with the LHC after the CDBG funds expire. The LHC will continue its current responsibilities and work closely with the DHH to revise LHC and DHH responsibilities for the remaining CDBG funds that will be available after March 1, 2015. The LHA will establish a PSH operations team that meets regularly and reviews outreach, leasing, tenant services and other operations issues.

Prior to the DHH shift to a sustainable services program, DHH contracted with eight service providers and the Office of Behavioral Health (OBH) contracted with two Assertive Community Treatment (ACT) providers to provide housing support services. Following this shift, seven of these providers entered into contracts with the Statewide Management Organization (SMO) to provide 1915(i) services and with DHH to provide HCBS Waiver services. DHH certified providers under a new certification arrangement as PSH providers.

DHH will be responsible for contracting for CDBG funded services to be delivered on a fee-for-service basis and DHH or its agent will authorize payment, adjudicate and pay providers consistent with current requirements in a plan submitted to the LHA by January 1, 2015. DHH will update monitoring protocols for the use of those funds to assure they are authorized based on acceptable plans of care and not used for services for persons eligible for services covered by another fund source.

DHH will ensure that Program Offices, the PSH Program Manager and where applicable, managed care entities, be active participants of the LHA Operations Team. Each Program Office will be responsible for indicating the division of responsibilities between the Program Office and managed care entities with whom they have contracts or working agreements. The role of the managed care entity is spelled out in their respective individual RFPs and contracts. OBH has allocated significant operational responsibilities to the SMO. The SMO will be responsible for services for a significant number of PSH tenants, thus the SMO's participation in operations discussions and performance is necessary for the program to be successful. The program office may play a larger role in operations if referrals and participants are smaller for a specific managed care entity serving Intellectually/Developmentally Disabled (IDD) or Long-Term Care (LTC) recipients.

The following are responsibilities effective with the DHH-OBH Louisiana Behavioral Health Partnership Statewide Management Organization contract award anticipated to be implemented by March 1, 2015.

Outreach

The requirements as set forth in the IPA and Cooperative Endeavor Agreement (CEA) apply including a requirement that both DHH Program Offices and entities operating as their agents meet requirements for outreach and will incorporate new responsibilities as necessary to meet 811 PRA requirements and ensure lease up is completed as quickly as possible. To that end, the S+C Administrators and the SMO

will be included in planning for and meeting outreach requirements. Program Offices may also request managed care entities managing HCBS services be involved in outreach.

Services Arrangements

(1) Each Program Office will develop their own plan and protocols for services access and availability consistent with basic requirements regardless of the services provided. The LHA establishes basic requirements for access to housing (i.e., timeliness for filling vacancies, target population, eligibility, etc.) across each housing program. The plan and protocols shall include a description of the process map of a services pathway with clear references to pre-tenancy, move-in and post tenancy services, provisions for ongoing services regardless of provider change and level of service need, timeframes and a description of services enrollment and eligibility requirements.

(2) The plan and protocols will include the processes for submitting housing applications for PBV, S+C referrals, 811 PRA, ATR and other subsidies/units will be based on a housing application process that is planned by the Operations Team and approved by the LHA. This plan will also include assistance to the Subsidy Administrators on establishing eligibility for a person while they are homeless. To the extent possible, this process will be identical for all the referring organizations and housing programs.

(3) OBH has defined requirements for the SMO to manage these processes and will establish these processes for populations not yet managed by the SMO.

(4) The Program Offices will track their referrals and participants continuously (provider assignment, change in eligibility, housing status, etc.). The SMO will notify OBH and LHA of program eligibility and provider changes within 3 business days of any change. The LHA will maintain the complete tracking system and house data on all referrals.

Referral to Housing

In accordance with LHA and DHH requirements, each Program Office will be responsible for establishing internal procedures for processing housing applications from its referral sources, verifying services eligibility before making referrals. Each Program Office is responsible for:

- tracking their referrals;
- assuring a point of contact when notified that referent can begin their housing search or choose from available units;
- assuring eligible participants receive the assistance to successfully access housing; and
- assuring potential PSH tenants are disabled, are eligible for services and are "in need of PSH" prior to their making a housing referral in accordance with program requirements.

OBH delegates the above responsibilities to the SMO. The OBH is responsible for approving the SMO's procedures and monitoring the SMO's performance in making timely referrals, tracking and providing assistance to PSH participants.

Property Manager-Landlord Liaison Responsibilities

The responsibility for acting as liaisons for communication and problem resolution with the LHA and property managers for general tenant related issues is called Tenant Services Management (TSM). However since CDBG funds will not be available to cover the costs of these discrete staff functions in the

future, the LHA and DHH will work closely together to assure these functions are carried out as necessary to respond to landlord-tenant issues.

The LHA will continue to have the overall responsibility for working with landlords and property managers after March 1, 2015. However, the DHH Program and DHH Program Offices will work with the LHA to carry out these functions. OBH is embedding responsibility for communication and liaison functions into the SMO care management responsibilities. The details of these arrangements will be finalized prior to March 1, 2015. Below is a general summary of responsibilities:

The LHA responsibilities include:

1. Principle contact for "general" Property Manager/ Owner support.
2. Respond to questions, conduct routine contact and act as intermediary with the property manager/ owner and Program Office/SMO.
3. Share responsibility with the DHH PSH Program Manager for the formal dispute resolution processes.

The DHH PSH Program and designated Program Offices responsibilities include:

1. Respond to requests and questions from the LHA and as requested by the LHA, from property managers and landlords, Subsidy Administrators and service providers on a timely basis.
2. Identify sufficient staff to respond to requests and questions.
3. Take appropriate actions when there are clear indications of provider performance problems that contribute to problem tenancy issues with the goal of preventing tenants from losing their units or the PSH program losing properties where possible.
4. Assuring service providers are knowledgeable about assisting tenants in negotiating with landlord/property managers and meeting their obligations as a tenant.
5. Comply with the formal dispute resolution process.

Services

The service array goal is that more tenants are found eligible for 1915(i), new tenants will become eligible and enrolled in sustainable services and there be a sufficient provider network in each region. The network should include at least one ACT provider (two are preferable where possible) and two or more providers who are contracted to deliver Waiver services and 1915(i) services. OBH will determine the sufficiency of the networks for non-Medicaid funded services.

The LHA Operations team will review network sufficiency on a regular basis and the SMO will recruit providers as requested by LHA and directed by OBH. Program Offices will recruit providers as requested by the LHA or as they deem necessary. Network sufficiency is determined by the number and type of providers based on demand, provider performance as determined by the ability of a provider to meet provider requirements (both PSH and other provider requirements), and ability to take new referrals. Network sufficiency may be adjusted based on changes in the number of units to be filled in a particular region.

It is the responsibility of each Program Office and the SMO to apprise the DHH PSH operations team and OBH of any changes that may impact the availability of services that meet PSH sustainability requirements. The DHH PSH Program Manager is responsible for reviewing eligible services providers for their initial PSH Certification and renewal of their certification annually following the existing certification process. The SMO will credential providers to deliver PSH services and maintain the

provider data base. Each Program Office and the SMO is responsible for establishing and maintaining contracts with eligible providers. With the exception of ATR, providers must be 1915(i) providers to be eligible to deliver PSH services.

Establishment and Preservation (E&P)

The LHA will assume responsibility for the E&P Fund management and disbursement effective March 1, 2015. The LHA will develop and distribute regulations for access to these funds. To create as seamless a system as possible, providers will make requests directly to the LHA. The SMO may work with service providers to seek additional resources to cover necessary moving expenses for tenants.