COLORADO DIVISION OF HOUSING

Created in statute in 1970, the Division of Housing (DOH) within the Colorado Department of Local Affairs (DOLA) partners with local communities to create housing opportunities for Coloradans who face the greatest challenges to accessing affordable, safe, and secure homes.

DOH's Office of Homeless Initiatives (OHI) works to ensure everyone in Colorado has a safe, stable, and affordable place to live and thrive. OHI works with communities and across systems to help create and implement comprehensive homelessness response systems.

- Our goal is to make homelessness history by creating a future where **homelessness is** <u>**rare**</u> **and** <u>**brief**</u> **when it occurs, and** <u>**no one gets left behind**</u>**.**

KEY GOALS

STOP HOMELESSNESS BEFORE IT STARTS.

IDENTIFY INDIVIDUALS AT RISK & ENSURE THEY ARE SAFE.

CONNECT PEOPLE WITH SUPPORTS THEY NEED TO QUICKLY EXIT HOMELESSNESS.

CREATE ACCESS TO LONG-TERM STRUCTURAL SOLUTIONS.

CROSS-CUTTING APPROACHES

LEADING WITH EQUITY

Tackling homelessness through anti-racist practices and community-driven solutions is critical to eliminating racial disparities and inequitable outcomes.

REAL-TIME, PERSON-SPECIFIC DATA

A real-time list of people experiencing homelessness by name can provide a shared understanding of who needs support, whether efforts are working, and how to best target resources.

HOUSING FOCUSED

Helping those experiencing homelessness find stable, secure, and affordable housing as soon as possible provides a foundation to effectively tackle other challenges and opportunities they face.

CROSS-SECTOR PARTNERSHIPS

Screening for social determinants of health across benefit programs, educational systems, healthcare providers, and reentry planning improves care navigation, reduces emergency system utilization, and increases stability.

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PROVEN SOLUTIONS

PREVENTION & DIVERSION

Programs that identify people at high risk of homelessness and provide supports that can help them to avoid it can help reduce the number of people entering homelessness.

COORDINATED ENTRY SYSTEMS

Standardized and coordinated systems of care over a given geographic area can help ensure that homelessness services are provided equitably, efficiently, and effectively.

AFFORDABLE RENTAL HOUSING

Ensuring that a given geographic area has enough affordable rental housing to meet its population's needs can help prevent families & individuals from falling into homelessness.

STREET OUTREACH

Street outreach programs can help to identify and help those who feel unsafe in, or are otherwise unable to come into traditional shelters.

RAPID RE-HOUSING

Providing families and some individuals experiencing homelessness with steeply declining subsidies for market-rate rental housing can help resolve an immediate financial crisis.

ANTI-POVERTY SUPPORTS

Programs that provide services, supports, and benefits help struggling households lead stable, productive, fulfilling, and dignified lives. Examples include access to physical and behavioral healthcare, childcare, employment, and nutritional services.

HOMEOWNERSHIP SUPPORTS

Providing opportunities for low- and middle-income families to purchase homes protects them from rent increases and gentrification that can contribute to homelessness.

LOW-BARRIER SHELTERS

Shelters without restrictive entry requirements help create spaces in which people can feel safe and connect with resources.

SUPPORTIVE HOUSING

Supportive Housing combines affordable, community-based housing with access to voluntary wrap-around supportive services to help ensure safety and stability for extremely low-income households who face complex barriers and have long lengths of homelessness.

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Supportive Housing a critical resource for communities working to address homelessness, particularly for those with greatest barriers to housing stability - those with complex needs who are the least-likely to self resolve and often at the highest risk of mortality.

In supportive housing, services are voluntary/driven by individual choice, and when implemented effectively, lead to increased housing stability, well-being, and connection to other services and supports.

Colorado has created 2,500+ new project-based supportive housing opportunities across 65+ developments since 2014. **The lack of dedicated supportive services funding negatively impacts the fidelity of implementation, replication, and community buy-in.**

Successes & Challenges in Financing Supportive Housing Services

- **Denver Social Impact Bond (SIB)**
  - New money-additional source
  - Pilot-help mold how used- flexibility
  - "worked out the kinks"
  - longer to implement-patience

- **Developer Fee Boost**
  - Highly effective/useful
  - Can generate additional funding downstream
  - Confusion how to underwrite to it
  - Investors want control

- **Cash Flow**
  - Most stable form of services funding
  - Hard to generate enough if perm debt on project
  - Can be limited by investors/gap funders in cash flow waterfall

- **Gaps**
  - Even with the expanded service dollars, service budgets remain underfunded with stable sources through year 15

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Successes & Challenges in Financing Supportive Housing Services

- **Medicaid: Current State**
  - Relevant clinical and wrap-around services are entirely or partially available through different waiver authorities, and to different populations through different providers.
  - Supportive services are difficult to access in a comprehensive way.
  - Target population is lost in a maze of paperwork and approval.

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Statewide Supportive Housing Expansion (SWSHE) Pilot Project

*DOH is partnering with the Colorado Department of Health Care Policy and Financing (HCPF) to leverage funding from **Section 9817 of the American Rescue Plan Act (ARPA)** in an effort to learn more about the types of supportive services that help Medicaid members with complex needs get into and maintain supportive housing.*

Project Goals:

- Identify and provide a portfolio of wraparound services in supportive housing for a pilot cohort of ~500 Health First Colorado members.

- Evaluate operations, impacts, utilization.

- Seek opportunities for sustainability through a Medicaid supportive housing benefit.

Project Budget:

- Housing Wraparound Services
  - $13,485,000

- Project Management Contractor
  - $315,000

- Budget Impact Analysis
  - $500,000

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SWSHE Pilot Project Architecture

Target Population
- Members with complex needs, including:
  - Individuals with serious mental illness,a history of homelessness, and repeat hospitalizations
    - Members who are currently unhoused, as well as those recently housed through supportive housing
      - Referrals through Coordinated Entry Systems w/ Medicaid Data Match

Services Funding
- Up to $10,000 per member per year for the expansion of supportive services
  - Funding strictly for services not currently billable to Medicaid

Rental Assistance
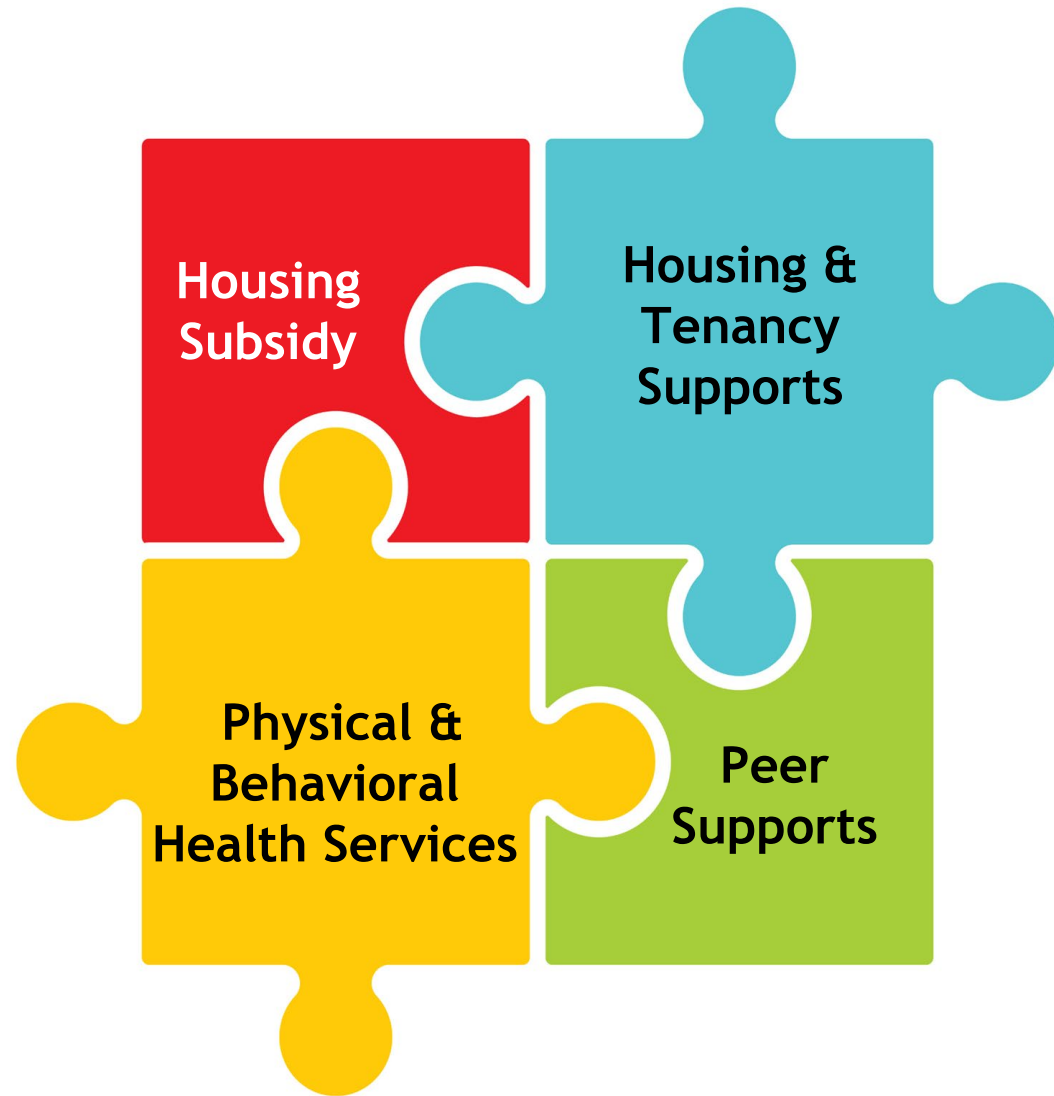- SHVs, EHVs, & HCVs provided by DOLA through new & previous solicitations

Funding Mechanism
- Grant agreements with Supportive Housing providers throughout the state

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Connecting & Expanding Wraparound Services

Housing Subsidy

Housing & Tenancy Supports

Physical & Behavioral Health Services

Peer Supports

- SWSHE connects multiple state-funded programs that can be accessed by people who need it most, without complex barriers for eligibility
  - Pilot helps us understand
    - Where are the gaps?
    - Who is responsible for which piece(s) of the puzzle?
    - Data Sharing Process (CoCs vs. RAEs)
- Leverages expansion of housing voucher and referral programs, behavioral health, vocational, social determinants of health, and waiver efforts.
- CMS has approved similar efforts in other states.

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Housing & Tenancy Supports

Pre-Tenancy Services

Services that assist individuals to prepare for and transition to housing.

This may include:
- Developing a community integration plan
- Assisting with the housing search
- Securing ID and other legal documents
- Arranging and supporting a move
- Etc.

Tenancy-Sustaining Services

Services provided once an individual is housed to help the person achieve and maintain housing stability.

This may include:
- Training on the role, rights, and responsibilities of the tenant and landlord
- Providing early intervention for behaviors that may jeopardize housing
- Etc.

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Cohort 1

- 13 supportive housing providers

- 221 SWSHE participants currently
  - 196 recently housed
  - 25 unhoused

- 474 allotted participant slots

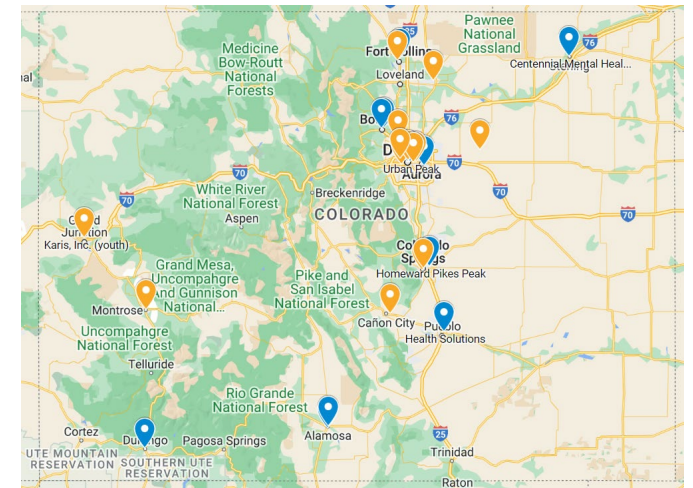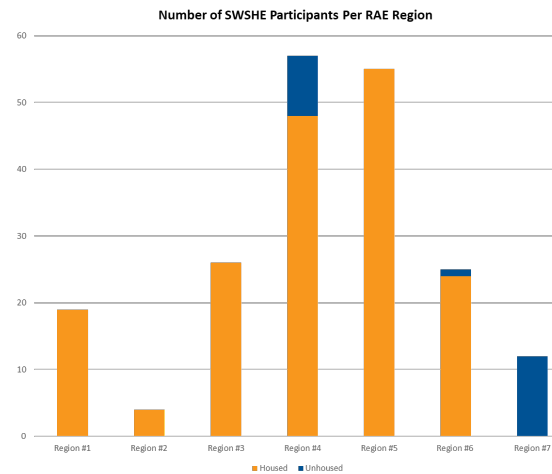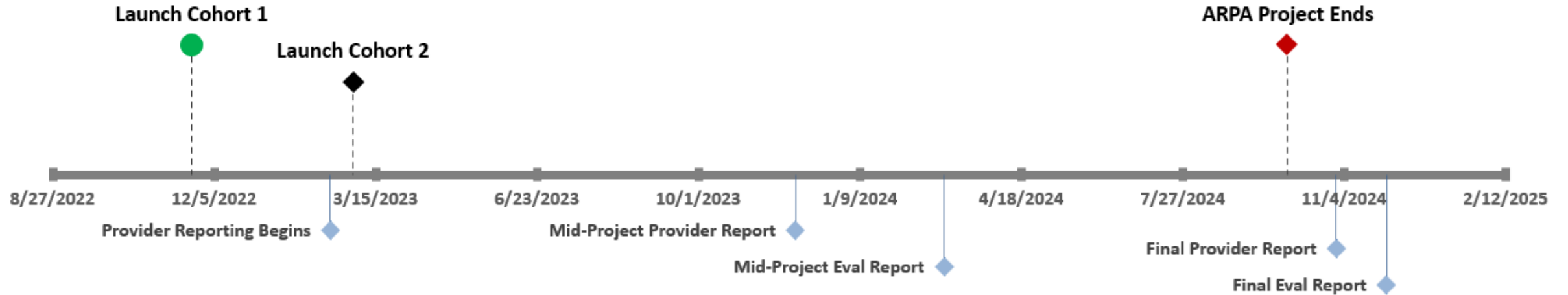- Estimated total expenditure:
  $9 million

Cohort 2

- 15 supportive housing providers

- Focus on unhoused population
  - 172 scattered site vouchers
    (+ 17 new units through BIAC)

- Grant Agreements executed March
  1, 2023

- 249 allotted participant slots

- Estimated total expenditure:
  $4 million

SWSHE Timeline

Potential Benefit

- Opportunity for SWSHE grantees to enroll with Medicaid as Provider Type 25 as a bridge solution until a specific provider type can be created for supportive housing providers (associated with an expanded benefit)

- Exploring different waiver options with NASHP & CSH, looking at a variety of examples from other states
    - Including New Mexico, Arizona, Oregon, California
    - Reviewed new rules and allowances by CMS for HRSN

- Recognize & responding to the the gap period between when ARPA funding ends and any waiver option could begin.

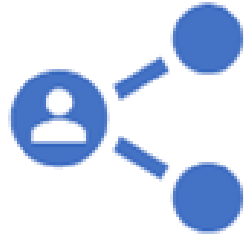# What's Next: Items for Consideration & Collaboration
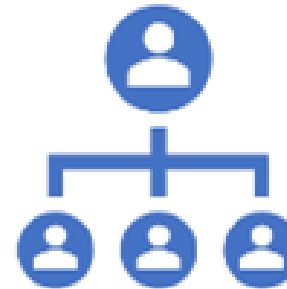
Adding a Provider Type

Capacity Building & Start-Up Funds

Benefit Creation & Rate Structure

Opening the Network to New Providers

Determining Authority & Roles of Each Agency