



Braiding Funds to House Complex Medicaid Beneficiaries: Key Policy Lessons from Louisiana

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State health policymakers increasingly acknowledge that it is difficult to improve health and control costs when people do not have a safe, stable place to live. State housing officials, striving to allocate scarce housing resources, want tenants to have the physical and behavioral supports they need to become and stay stable residents. Permanent supportive housing (PSH) serves both goals by combining housing assistance with optional individualized services¹ such as counseling, addiction services, and support with daily living skills and activities.

In Louisiana, following the devastation of Hurricanes Katrina and Rita in 2005, many residents with complex physical and behavioral health conditions were severely impacted. This includes some residents who were previously experiencing homelessness or were rendered homeless by the disasters.² As federal relief funding flowed in from the Community Development Block Grant (CDBG) Disaster Recovery Program and other programs,³ state leaders recognized the need—and the opportunity—to improve the health and well-being of vulnerable populations affected by the disasters through safe and healthy housing in the community. In response, the state developed the Louisiana PSH program, and have since expanded it beyond disaster survivors to serve low-income people with disabilities statewide.⁴

The program, administered jointly by the state's Medicaid agency and housing authority, is a cross-agency partnership that braids funding to serve vulnerable cross-disability populations, address homelessness, reduce institutionalizations, and save money for the state. Program participants must have substantial physical and/or behavioral disabilities and require housing supports to live in the community. In addition to the CDBG disaster recovery funds, the PSH program braids federal rental assistance from programs such as the Housing Choice Voucher and Section 811 Project Rental Assistance (PRA) programs, housing development support from the Low Income Housing Tax Credit (LIHTC), and funding for services from Medicaid, the U. S. Substance Abuse and Mental Health Services Administration (SAMHSA), and other sources (See Tables 1 and 2).

Thirty-one states had active CDBG Disaster Recovery grants for floods, storms, and other disasters at the time of writing, according to HUD.⁵ An April 2017 HUD report⁶ details the use of CDBG Disaster Recovery funds for affordable rental housing in 19 states, many pursuant to a 2009 statutory requirement that a portion of CDBG Disaster Recovery Grants be spent on the “repair, rehabilitation, and reconstruction ... of the affordable rental housing stock” in areas impacted by disasters.⁷ The other funding sources for the PSH program’s housing and services are not limited to disaster-affected states, making Louisiana’s program a useful model for other state policymakers interested in addressing health through housing, whether or not they currently have CDBG disaster recovery funds.

According to the Louisiana Department of Health, preliminary data have shown that emergency department usage dropped by nearly one-quarter for PSH participants, and overall hospitalizations have also declined. An independent study from 2011-2012 showed an initial 24 percent reduction in Medicaid costs for the beneficiaries who were housed.⁸ Almost half of the households served were homeless before being housed, and 95 percent of the households served since the inception of the program remain housed.⁹ Despite this early success, proposed changes to federal health care and housing programs may affect the future of PSH in Louisiana. The 2018 White House budget blueprint requested a cut of over \$6 billion to the U. S. Department of Housing and Urban Development (HUD), which funds the rental assistance component of the PSH program.¹⁰ Although it is too early to determine the impact of such proposals, a reduction in federal support for affordable rental units could limit the reach of the Louisiana PSH program. Funding for services may also be affected by federal changes. The impact of proposed changes to Medicaid financing—such as block grants or per-capita caps—remains to be seen, but could be detrimental if overall state Medicaid funding were reduced.

However, the PSH program has exhibited staying power thus far. The state’s ability to sustain the program over time in the face of changing executive leadership and funding streams suggests that it holds lessons for other policymakers interested in combining funds to sustainably support initiatives addressing the social determinants of health. As highlighted by recent nationwide attention to the health-related social needs of Medicaid beneficiaries,¹¹ state health policymakers know that controlling costs and improving health sometimes requires investment outside the bounds of medical care. Louisiana’s PSH program does just that. By focusing on the funding structure and its implications for beneficiary experience, this brief aims to complement, not duplicate, previous studies of the program.¹²

Key policy recommendations from Louisiana PSH include:

- Recognize tenancy support as its own service, not as a component of case management, which would simplify program administration. States may have more flexibility to do this under 1915 (c) or 1115 demonstration authority.¹³
- Ensure housing and service providers are supportive of the goals of Housing First and the PSH program.
- Cultivate and support meaningful inter-agency partnerships in order to seamlessly provide tenants with both housing and services.
- While a centralized administrative structure has been helpful for Louisiana PSH, each state should decide what works for its particular circumstances.
- Keep housing and services separate. Don’t permit or expect housing agencies or developers to be service providers, or vice versa.
- Develop a robust quality review and monitoring process.

Braided Funding Streams: Housing

Hurricane Katrina affected communities that were poorer than average and were more likely to rent homes.¹⁴ To address the housing needs of people with disabilities living in areas affected by Hurricanes Katrina and Rita, policymakers initially turned to the CDBG disaster recovery funding, supplied by HUD. The Louisiana Department of Health administered the portion of the CDBG disaster recovery funds used for PSH services; through careful stewardship, the state still had some of the CDBG disaster recovery funds left at the time of writing. Covering supportive housing services under Medicaid was a key element of that careful stewardship. Medicaid coverage for some PSH services began in 2012 with the 1915(i) behavioral health waiver and 1915(c) waiver. The small percentage of PSH participants who did not qualify for Medicaid generally continued in the program with support of the CDBG or other sources.

The Low-Income Housing Tax Credit (LIHTC), administered by the U. S. Internal Revenue Service (IRS), allows state housing finance agencies such as the Louisiana Housing Corporation to issue tax credits to housing developers to fund the construction and rehabilitation of rental housing with a certain percentage of affordable units. Louisiana also leveraged its LIHTC to support PSH, requiring that five percent of all affordable housing units developed with the tax credit be set aside for PSH. Louisiana's initial five percent set-aside proved so successful that the state was able to move from requiring a small set-aside to incentivizing larger, voluntary set-asides. Currently, developers can receive points on their applications for setting aside five to 10 percent of their units for PSH. The state is considering allowing up to 25 percent of units in a project to be set aside for PSH.

Table 1. Funding sources for Louisiana PSH Rental Subsidies

What it is	What it pays for	Source
Community Development Block Grant disaster recovery funds	Disaster recovery activities including economic revitalization, housing, and infrastructure restoration.	HUD
Low Income Housing Tax Credit (LIHTC)	Allows state housing finance agencies to issue tax credits to developers to fund the construction and rehabilitation of rental housing that has a certain percentage of affordable units.	Internal Revenue Service (IRS), U. S. Department of Treasury
Project-based vouchers under the Housing Choice Voucher program (formerly known as Section 8) ¹⁵	Pays an eligible person's rent in a specific housing unit.	HUD
Tenant-based vouchers under the Housing Choice Voucher Program	Pays an eligible person's rent; travels with the tenant if the tenant moves. Note: Vouchers are administered through local housing authorities, three of which have committed to give vouchers to the PSH program.	HUD, through local public housing authorities
Section 811 Project Rental Assistance ¹⁶	Rental assistance for people with disabilities living in affordable housing projects whose construction was funded by LIHTC or other public sources. Requires a partnership between state housing, Medicaid, and human service agencies.	HUD
Continuum of Care Rental Assistance (formerly known as Shelter + Care) ¹⁷	Subsidizes rent for permanent supportive housing for people with disabilities experiencing homelessness and their families. ¹⁸	HUD

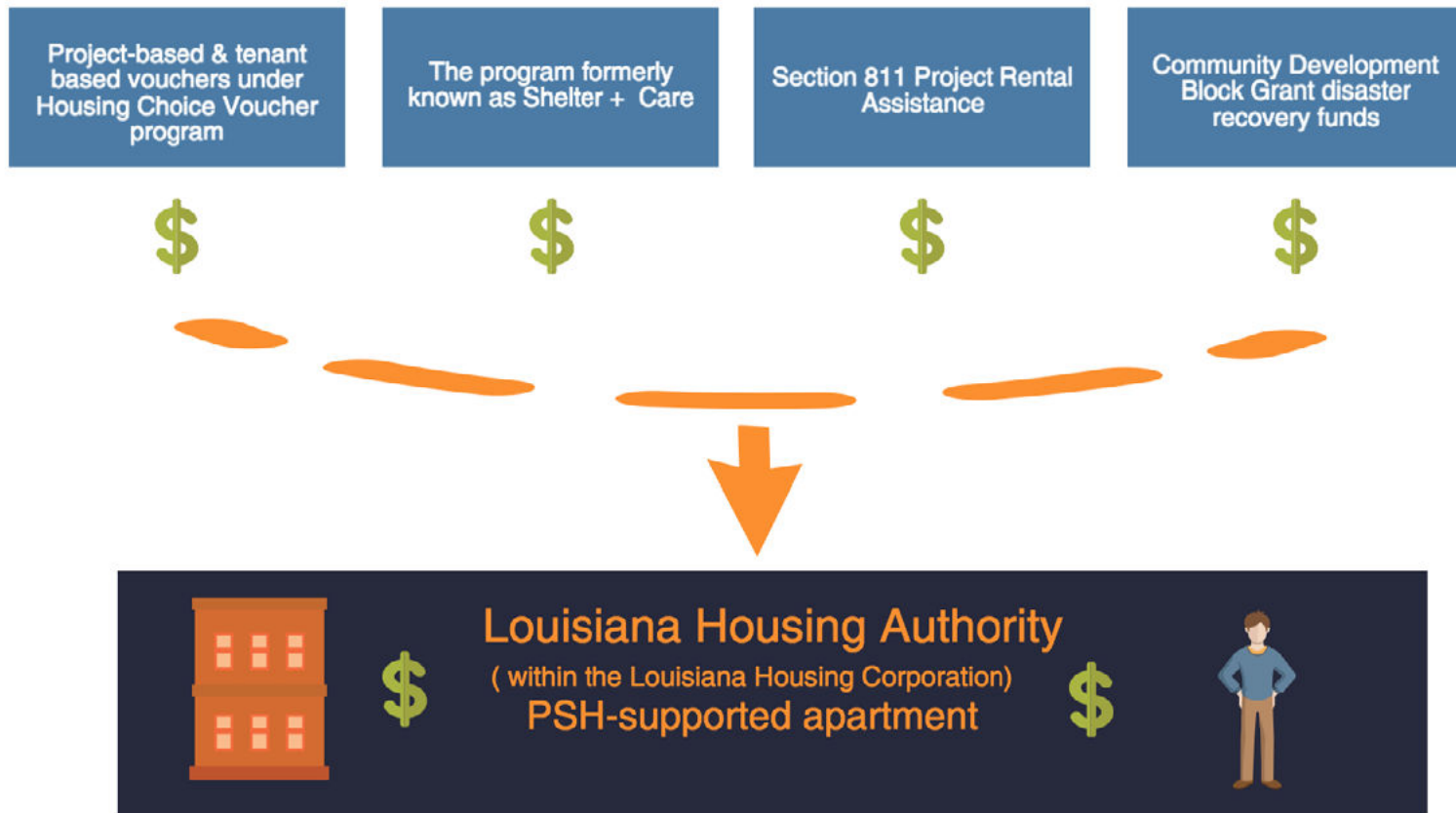
In 2008, Congress awarded the state an additional \$73 million to subsidize 3,000 units of permanent supportive housing: \$20 million for 2,000 units supported by HUD project-based Housing Choice Vouchers (formerly known as Section 8),¹⁹ and \$50 million over five years for 1,000 HUD Shelter Plus Care units.²⁰ For their part, residents generally pay 30 percent of their income, if any, toward their rent.²¹ This federal funding, coupled with the CDBG disaster recovery funding and the LIHTC, formed the foundation of the PSH program.

Louisiana used creative problem-solving to develop the centralized statewide management of the Shelter Plus Care (S+C) program. S+C was one of several homeless assistance programs consolidated under the Continuum of Care (CoC) program in 2009, which HUD created to encourage cooperation between local homeless services entities.²² CoC programs are generally administered by a local or regional planning entity. In Louisiana, not all areas are covered by a CoC, so the state created a “balance of state” CoC to serve the areas not already covered by a CoC. When the S+C funding was renewed in 2015, that “balance of state” structure allowed the Louisiana Housing Authority to administer the program statewide. The use of these S+C funds in PSH ensures that addressing the needs of homeless people with disabilities remains a statewide focus of the program.

In 2013, the state received over \$8 million from the HUD Section 811 Project Rental Assistance (PRA) program to support nearly 200 housing units.²³ By design, the Section 811 PRA program—which funds affordable housing for extremely low-income people with disabilities—encourages cross-sector collaboration. Applicants are required to submit a formal Inter-Agency Partnership Agreement between state housing, Medicaid, and human services agencies, who work together to offer supportive services to residents who need them. The PSH program initially served only low-income persons living with disabilities in areas affected by the hurricanes. With the support of the Section 811 PRA funding, the state was able to take the PSH program to those populations statewide in 2013.

The state housing agency braids funding sources for housing development and rental assistance to support the PSH program. The LIHTC supports development of apartment units whose rent can then be subsidized for qualified tenants by rental assistance programs such as Housing Choice Voucher or Section 811 Project Rental Assistance (PRA). The PSH program braids these sources together seamlessly, so PSH participants may not know which programs subsidize their rent, or contributed to the construction of their apartment.

Figure 1. Funding for PSH Rental Assistance



Louisiana’s use of Medicaid funding in support of PSH aligns with nationwide efforts to comply with the U. S. Supreme Court’s 1999 *Olmstead* decision, which prohibited segregation of people with disabilities. In fact, the U. S. Department of Health and Human Services (HHS) Assistant Secretary for Planning and Evaluation (ASPE), referring to the Louisiana PSH program, identified New Orleans as a place where “efforts to meet the requirements of *Olmstead* have been reasonably well-aligned with efforts to reduce chronic homelessness.”²⁴ However, a 2016 report from the U. S. Department of Justice found that the state placed too many people with serious mental illness in nursing facilities rather than supporting them in the community,²⁵ which suggests that PSH could have a still greater role to play in housing and supporting such individuals in the community.

Braided Funding Streams: Services

Under Louisiana’s Housing First model, voluntary, individualized services help ensure that PSH tenants receive the support they need to live successfully in the community. Louisiana includes tenancy supports for PSH as a service in its five 1915(c) Medicaid Home and Community-Based Services waivers for the aged and disabled and people with intellectual/developmental disabilities, and as a component of its state plan Mental Health Rehabilitation benefit.²⁶ The program benefits from recognizing tenancy support as a stand-alone part of their 1915(c) waivers, rather than considering tenancy support to be a part of case management, according to a state official. Tenancy supports are services that help people get into housing and stay housed, such as help filling out an application for a unit or communicating with a landlord, support with living skills such as budgeting, transportation, managing medication, and using community resources.²⁷

Housing First. Under the Housing First model, housing is provided without conditions. Beneficiaries can choose to receive medical, behavioral, and/or social services such as counseling and substance use treatments but are not required to do so as a condition of maintaining housing eligibility. Studies in multiple cities across the country have repeatedly shown that it costs less to provide permanent supportive housing to the chronically homeless than to leave them on the streets where they would frequently visit emergency rooms and shelters, and even end up in correctional institutions. Traditionally, homeless individuals must achieve sobriety, medication compliance, and abstinence from drugs to be eligible to enroll in heavily subsidized housing programs, and once they are enrolled, beneficiaries must continuously maintain sobriety and abstinence to continue receiving housing supports. However, meeting these stringent eligibility requirements can be challenging for a chronically homeless individual; for those who manage to meet the requirements, many beneficiaries may relapse and consequently are no longer eligible to stay in the permanent supportive housing programs.²⁸

Although Louisiana expanded Medicaid eligibility under the Affordable Care Act (ACA), over 90 percent of the population served by the PSH program was already eligible for Medicaid before expansion, according to a state official. This could provide a measure of stability for the program should there be federal changes to Medicaid expansion. Louisiana PSH officials have begun working with the state Department of Corrections to connect eligible individuals transitioning into the community to the PSH program,²⁹ but a rollback of the Medicaid expansion would affect the state's burgeoning efforts to enroll in Medicaid people transitioning out of prison into the community.

While Medicaid is the primary source of funding for PSH services, PSH tenants may also receive services from sources such as the Ryan White program for people living with HIV, or the Cooperative Agreement to Benefit Homeless Individuals (CABHI), which serves people who are chronically homeless (See Table 2).

Table 2. Funding sources for Louisiana PSH Services

What it is	What it pays for	Source
Medicaid 1915(c) Home and Community-Based Services (HCBS) Waivers	5 waivers cover long-term care services and supports, including tenancy supports	CMS
Medicaid State Plan	Mental health rehabilitation services, tenancy supports, habilitation services previously covered under a 1915(i) waiver	CMS
Ryan White	Security deposits, utilities, medical care, health education, legal support, nutrition support, and other services	HRSA
Cooperative Agreement to Benefit Homeless Individuals (CABHI) ³⁰	Housing support, treatment for substance abuse and/or serious mental illness, peer support, and other services.	SAMHSA
Veterans Services	Health care for eligible veterans	U. S. Department of Veterans Affairs (VA)
Community Development Block Grant	A range of housing supports and other services	HUD

It is important to note that while Louisiana braids funding for housing supports and services, it maintains clear boundaries between housing providers and service providers. “We do not expect housing developers and housing providers to be service providers, which is important,” says one state official. Medicaid funding for the services component for PSH allows tenants to rely on Medicaid-enrolled providers who are trained and credentialed to provide the sort of care and support the tenants need, and who understand the goals of the tenant and the PSH program. This division of labor also allows housing providers to play to their strengths and expertise without calling upon them to also provide services. Separating housing and services also bolsters the Housing First model, which allows tenants to choose which services, if any, they receive, and does not predicate housing on participation in services. The state PSH office provides technical assistance and other support to providers participating in the PSH program.

Managed Care and PSH in Louisiana

Most Medicaid beneficiaries in Louisiana receive services through Healthy Louisiana, previously known as Bayou Health. Healthy Louisiana members are enrolled in one of five managed care plans. Starting in 2015, behavioral health services for Medicaid beneficiaries were also integrated into Healthy Louisiana. To ensure that qualified beneficiaries can benefit from the PSH program regardless of their managed care plan, all PSH providers must be enrolled in all the state’s Medicaid managed care plans. The state encourages Healthy Louisiana managed care plans to refer qualified beneficiaries to the PSH program, and each plan has a staff contact person. The plans are generally not otherwise involved in the administration of the PSH program.

The Pros and Cons of Braiding

Braiding funding sources gives Louisiana’s PSH a measure of flexibility and resiliency that a single source of funding might not. The multiple funding sources allow them to serve different populations and people with a range of disabilities, not only those left homeless or affected by the 2005 hurricanes. Resilience is also built-in. If a PSH tenant experiences a disruption in Medicaid services for some reason—for instance, if the tenant experiences a delay in receiving Medicaid, or if she temporarily loses her Medicaid eligibility because of lapsed paperwork—then the Louisiana Department of Health could temporarily authorize the use of block grant or other funding for services until a permanent fix is worked out. The Louisiana PSH program is often able to manage these funding fixes behind the scenes, so the tenant does not experience a disruption in the services she may rely on to remain a stable and healthy tenant. According to state officials, the availability of more flexible funds to ensure the continuity of housing and services would go a long way toward fostering the kind of stability that benefits tenants. One official said, “I think having a flexible housing fund would be great, whether through private philanthropy or the state investing in a housing trust fund....Money to fill the gaps to house someone until other funding streams caught up would be helpful.”

A multifaceted program such as Louisiana’s PSH is complex to administer. The multiplicity of federal programs funding housing (see Table 1) requires LHA staff to comply with multiple reporting requirements, as well as track federal regulations pertaining to each funding program. They must also determine how those requirements affect the individuals living in housing units. “When a problem comes up, I need to know under what funding source a unit is, and what the regulations are for the unit,” says one official.

Beneficiary Experience

Low-income individuals and families in need of shelter often have to navigate a bewildering labyrinth of offices and service providers in order to receive the services they need. In previous publications, NASHP has examined the beneficiary experience facilitated by state efforts to braid and blend funding.³¹ In Louisiana, the housing and Medicaid agencies work together behind the scenes to provide seamless housing and services to a tenant.

Clients enter the PSH program through number of pathways, but are typically referred by service providers, such as a behavioral health clinic, or from programs such as Money Follows the Person. Referrals can also come from the Department of Corrections, legal aid providers, or affordable housing developers. Some clients self-refer after finding PSH information online. Once applicants are deemed eligible for the PSH program, they are put on the waiting list for housing. State policymakers prioritize addressing homelessness and unnecessary institutionalization of people with disabilities, so priority on the PSH waiting list is given to those populations. Some federal housing funding also requires that housing vouchers be given to people experiencing homelessness.

The Louisiana Housing Authority maintains the waiting list and generates a list of available housing units. The list of available units is divided into three parts: units ready to be occupied that day, units that will be ready soon but have not yet been inspected, and units that will be ready farther in the future. The PSH office within the Louisiana Department of Health monitors the list and tries to have eligible potential tenants lined up to fill immediate and short-term vacancies.

The PSH office chooses five potential tenants for each vacancy, in hopes of finding one successful match. This is necessary because a potential tenant may not want to move in to a particular unit for accessibility or other reasons, or a property manager may reject a potential tenant, or the PSH office may be unable to contact the potential tenant. Also, a single person at the top of the waiting list would not generally be permitted to move into a two-bedroom apartment, and would have to wait for a smaller unit. The process generally is as follows:

1. Once the PSH office matches a person from the waiting list with a unit that is available or will be soon, the parties involved must move quickly to get the tenant's application submitted during the short application window for available units supported by the LIHTC.
2. If the potential tenant is not currently working with a service provider —such as a provider under the Ryan White program—a PSH provider is authorized to work with the tenant. When tenants are referred to the PSH program by a service provider, they typically continue working with that provider.
3. The service provider then notifies the tenant that they have been selected for an apartment, and works with him or her to fill out and submit the necessary paperwork.
4. The service provider supports the tenant during the move-in process, and works with the tenant to determine which services, if any, he or she wants and needs.

The state requires all PSH service providers to contract with all five of the state's Medicaid managed care organizations, so tenants can work with any of them. Most service providers are private, non-profit organizations, such as an affiliate of a large national religious non-profit, or a local nonprofit focused on serving people with disabilities. Support for service providers generally includes direct federal payments—such as from HUD, VA, and HHS programs serving populations experiencing homelessness and/or mental or physical disabilities—as well as federal dollars passed through the State of Louisiana, such as the CDBG.

The service providers hire Community Support Specialists (CSS), who serve as the primary point of contact for each tenant. Clients have reported that the CSSs provide mentorship, help with life skills such as budgeting and managing transportation, and assistance communicating with landlords and neighbors. When the service provider's CSS encounters an intractable challenge, such as safety hazards in the tenant's apartment or difficulties with the tenant's eligibility for Medicaid or other programs, the service provider contacts the Louisiana Department of Health.

The Louisiana Department of Health has assigned a Tenancy Services Manager (TSM) to work with each service provider, whom providers can call for assistance with a PSH client. The Department of Health also assists with arranging inspections for safety hazards, helping with eligibility determinations or other funding challenges, and other situations. In fact, at least one TSM has become a certified HUD Housing Quality Standards inspector, and the PSH office is encouraging more to become certified. This allows the TSMs to inspect apartments in response to reports of safety hazards, and helps TSMs streamline the move-in process for PSH tenants by inspecting the units themselves.

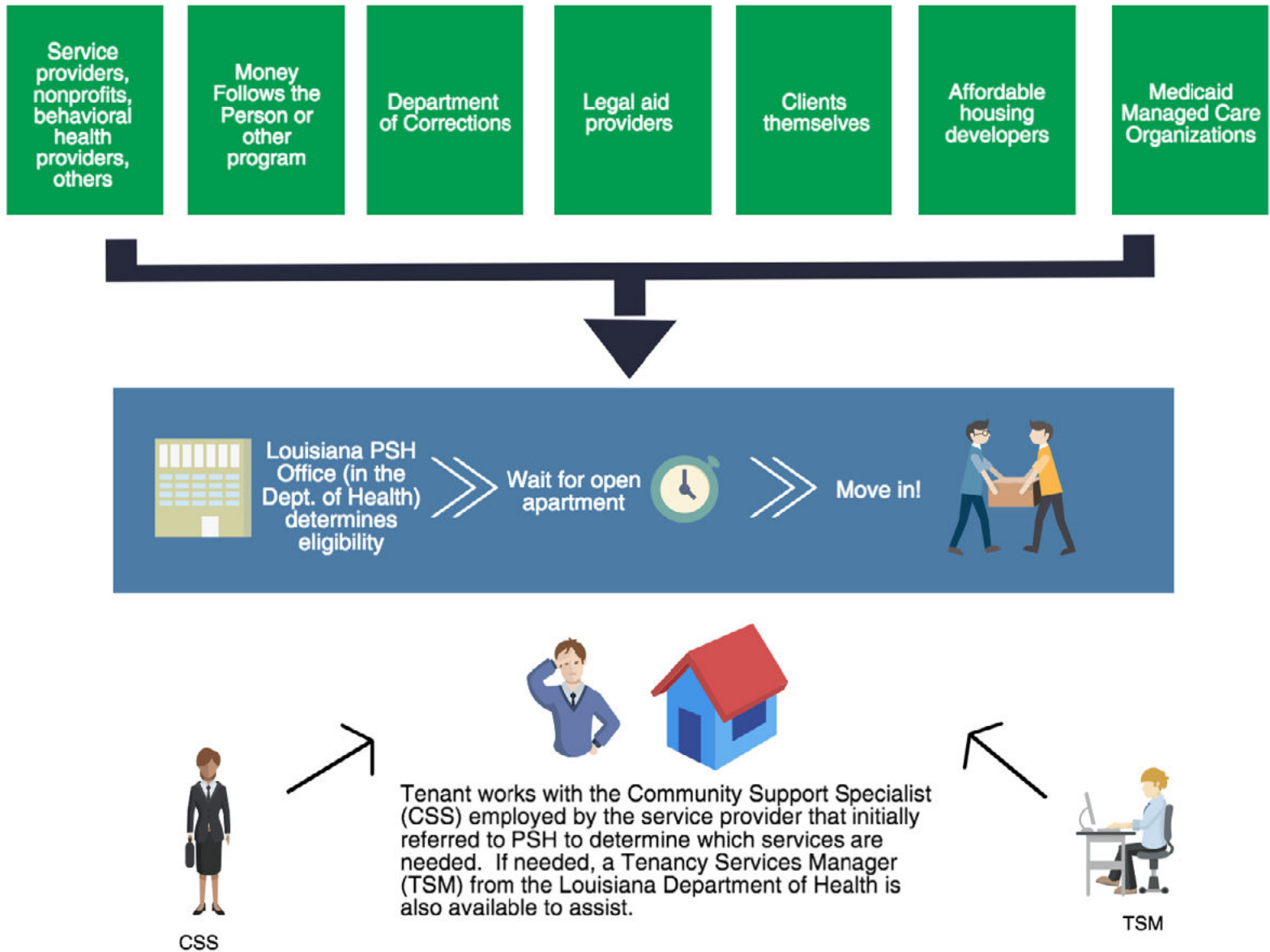
The Louisiana Department of Health funds the TSM positions through the CDBG. This gives the Department of Health the flexibility to have TSMs work with clients whose Medicaid eligibility has not yet come through or is interrupted. In addition to working with tenants through their service providers, the TSMs also check in with clients who refuse to meet with service providers, or who have not recently needed services. Since Louisiana PSH employs a Housing First model, tenants are free to refuse services if they choose.

Sometimes TSMs build relationships with clients over time, as was the case with an elderly PSH client who chose not to engage with any service providers for two years. A TSM stepped in and visited the client regularly, initially communicating with him through the door because the client refused to open it. The client gradually warmed up to the TSM: first opening the door a crack, then speaking with the TSM on the terrace outside his unit, and eventually agreeing to receive services. The client even had the TSM accompany him for heart surgery.

TSMs also help clients by mediating with landlords on behalf of clients when the clients are not present, and in other ways that may not be reimbursable without a Medicaid waiver. A property manager who has an issue with a PSH tenant can call the PSH office, which will dispatch a TSM to find a solution. This relieves the property owner or manager from the responsibility of keeping track of each tenant's individual case manager. Many property managers welcome the TSMs' services: "I wish my market rate tenants came with a case manager," said one property manager, according to a state official. Many of the TSM's activities could be eligible for a federal administrative match under Medicaid, says a state official—an avenue the state could pursue to support TSMs once CDBG funds are exhausted.

To help illustrate the experience of a PSH beneficiary, Figure 2 depicts the hypothetical experience of a fictional PSH client.

Figure 2. Potential tenants are referred to the Louisiana PSH from various sources



Note: The CSS is employed by the service provider, and the TSM is employed by the Louisiana Department of Health.

Governance

The Louisiana Housing Corporation (LHC) and the Louisiana Department of Health and Hospitals jointly administer the PSH program. The LHC was created by statute in 2011³² to replace the Louisiana Housing Finance Agency, and to administer many of the affordable housing programs previously in the Office of Community Development and the homeless emergency solutions grant formerly under the Department of Children & Family Services. The Louisiana Housing Authority (LHA), which administers the PSH housing subsidies, is a statewide housing authority that falls under the umbrella of the LHC. This statewide structure differs from that in many other states, which rely on local housing authorities.

The centralized administration of Louisiana’s PSH program is a factor in its success, according to one state official. Centralizing the administration of the PSH program minimizes the inconsistencies and inefficiencies that had resulted from previous local management of waiting lists and applications. It also means that state health and housing officials can work together knowing that they each have meaningful decision-making authority over the program. “One of the reasons the relationship between the Louisiana Department of Health and LHA is successful is that we have a degree of centralization in a complicated program,” said a state official.

Another factor in their success is the close working relationship between officials in those agencies. That relationship facilitates the communication required between the agency managing the housing waiting list (the LHA) and the agency managing the services (Louisiana Department of Health), and fosters creative strategic thinking about how to improve and sustain the program. That relationship is also essential to leveraging some federal dollars. For example, the HUD Section 811 Project Rental Assistance program requires its state grantees to submit an Inter-Agency Partnership Agreement establishing a formal partnership between their housing and Medicaid agencies for the purposes of administering the PSH program. The Louisiana inter-agency agreement includes a promise that the housing and Medicaid agencies will work together to select housing units that they agree are the appropriate size, location, and layout to best serve the target populations of the PSH program.

An Executive Management Committee (EMC) composed of officials from the Louisiana Department of Health, including the Medicaid director, and the LHA provides oversight and governance for the program. The EMC also provides a formal mechanism for communicating with other partners and state agencies about the PSH program.

Recommendations and Lessons from Louisiana PSH

Louisiana health and housing officials credit the success of the PSH program in part to their ability to work across agencies to administer a complex program supported by multiple funding streams. Recommendations to other state leaders interested in similarly addressing health through housing include:

- If possible, recognize tenancy support as its own service, not as a component of case management. This may be accomplished most readily under 1915 (c) or 1115 demonstration authority.³³ While it is possible to incorporate tenancy supports into separate 1915(c) waivers, as Louisiana has done, covering it under an 1115 demonstration would allow PSH providers to enroll under a single waiver, instead of under four separate waivers. It may also facilitate some payment to providers for time not spent face-to-face, as when a provider negotiates with a landlord on a tenant’s behalf.
- Right-size the number of Medicaid providers, and ensure providers are supportive of the goals of Housing First and the PSH program. “We make sure [the provider pool] is not so large that it’s weak or so small that it’s inadequate,” says one state official.
- Maintain a good working relationship with internal and external partners. The state’s ability to braid funding to address health through housing, and to provide a satisfactory experience for beneficiaries, is largely due to its strong cross-agency partnerships.
 - Having formal agreements to meet regularly with other state divisions and agencies on shared health and housing goals is essential, especially when formal partnership is required by federal programs such as the Section 811 PRA.
 - Cultivating trust and cooperation with housing developers and managers, health care service providers, and community organizations is also important.

- Consider the benefits of a centralized administrative structure, while tailoring governance to a state’s particular circumstances. A centralized structure has proven helpful for Louisiana. Particularly helpful has been the existence of a state-level housing authority linked to the state’s housing finance corporation.
- Don’t permit or expect housing developers or agencies to be service providers. Keeping a separation between housing and services is important to the person-centered goals of Housing First, and respects the separate expertise of housing and services providers.
- Develop a robust quality review and monitoring process, to ensure that PSH housing and services are working for individual clients.

Looking Ahead

Louisiana’s PSH program reports early success in reducing costs to Medicaid by stably housing low-income people with disabilities and offering them the services they need to live successfully in the community. Opportunities exist to build on and expand these successes, although uncertainty about the future of federal funding sources for housing and services may complicate efforts. Ideas for augmenting the program include developing:

- A flexible housing fund, possibility including private philanthropic and/or state general fund dollars that do not have the strict requirements associated with federal funding sources. These flexible funds could help ensure the continuity of housing and services during interruptions in other funding streams, or during the period before services are approved and authorized.
- A self-sufficiency model for tenants who have stabilized enough to graduate from the PSH program. Such a program could continue to provide some supports to newly self-sufficient tenants and families, while ensuring that the housing and services offered by the PSH program continued to support those who are the most vulnerable.

While the program’s multiple funding sources and robust partnerships give it a measure of stability, its future will likely be affected by activity on the federal level. Questions for state policymakers nationwide seeking to address health through housing include:

- What are the implications for state health and housing programs of a possible reduction in federal Medicaid funding pursuant to federal legislation?
- The ACA expanded states’ ability to provide HCBS through state plan authority,³⁴ and gave more flexibility to meet beneficiaries’ needs through 1915(i) waivers.³⁵ What would be the impact, if any, of ACA repeal on HCBS waivers?
- The White House budget blueprint eliminates funding for the Community Development Block Grant program, which is an important source of support for the Louisiana PSH program.³⁶ How would this impact PSH in Louisiana and other states?
- What might be the impact, if any, on state PSH programs if the value to investors of the federal Low Income Housing Tax Credit is diminished by potential changes to the federal tax code?³⁷

Sustaining and expending the program’s successes in the face of already-scarce housing resources and uncertainty about the future of federal funding sources is a challenge. However, the resilience built into Louisiana’s PSH program through braided funding and the strong cross-agency and cross-sector partnerships needed to administer it positions it well to meet future challenges. As more state health policymakers acknowledge the relationship between housing and health, lessons learned from Louisiana’s PSH model may help them craft strategies to meet the health and housing needs of their vulnerable populations.

Endnotes

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 Illinois: https://shnny.org/uploads/Supportive_Housing_in_Illinois.pdf
 Portland, Maine: https://shnny.org/uploads/Supportive_Housing_in_Maine.pdf
 Rhode Island: https://shnny.org/uploads/Supportive_Housing_in_Rhode_Island.pdf
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