

# Foundational Community Supports (FCS) short-term housing subsidies

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## Transition Assistance Program (TAP)

Engrossed Substitute Senate Bill 5187; Section 215(38); Chapter 475: Laws of 2023

December 1, 2024

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## Acknowledgements

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## Executive summary

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During the 2023 legislative session, the Washington State Legislature appropriated \$3,109,000 of the general fund for fiscal year 2024 and \$3,109,000 for fiscal year 2025 via Engrossed Substitute Senate Bill (ESSB) 5187. These appropriations are provided solely for short-term rental subsidies for individuals with mental health or substance use disorders.

This funding—known as the Foundational Community Supports (FCS) Transition Assistance Program (TAP)—aims to link the following individuals with safe, quality, and affordable housing:

- FCS enrollees awaiting longer-term rental support resources
- FCS-eligible individuals transitioning out of behavioral health treatment facilities or local jails

Individuals who would otherwise be eligible for the FCS program, but are not because of their citizenship status, may also participate.

As a flexible, short-term subsidy, TAP may be used to bridge individuals exiting certain inpatient treatment facilities as they await longer-term rental resources.

This report reviews program expenditures and performance for state fiscal year (SFY) 2024 and includes an overview of implementation successes and challenges and recommendations for program improvement. Additionally, this report presents data on the number of individuals served and expenditures broken out by service region, treatment need, and demographics of individuals served. This includes but is not limited to age, country of origin within racial/ethnic categories, gender, and immigration status.

During SFY 2024, 2,015 Foundational Community Supports (FCS) supportive housing enrollees accessed TAP funding via 130 FCS supportive housing service providers to lower and remove financial barriers to affordable housing.

# FCS Transition Assistance Program (TAP)

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## Background

Unemployment and job insecurity, homelessness, and unstable housing contribute to poor health. Homelessness is traumatic and cyclical, putting people at greater risk for developing physical and mental health conditions, including substance use disorders.

FCS launched in January 2018 to address these issues by offering supportive housing and supported employment services through targeted Washington Apple Health (Medicaid) benefits. These benefits assist vulnerable people, including individuals with complex care needs, by assisting eligible individuals to find and maintain housing and employment, ultimately helping build a healthier Washington.

FCS comprises a network of service providers in contract with a third-party administrator (TPA), Wellpoint (formerly Amerigroup). Since its inception, over 44,500 individuals have enrolled in FCS services. TAP launched on May 2, 2022. Until TAP, FCS supportive housing did not have unique resources to assist FCS enrollees with lowering or removing financial barriers to housing stability.

## A flexible, short-term funding resource

As a flexible, short-term subsidy, TAP may be used to bridge individuals exiting certain inpatient treatment facilities as they await longer-term rental resources and more. TAP also broadly serves the FCS supportive housing network by covering various housing-related costs that are often obstacles to achieving housing stability.

TAP funding can cover housing-related costs, including:

- Washington State Identicards and other fees for identification documentation
- Rental housing application fees
- Certain transitional housing fees, including initial fees and interim rent coverage
- Certain moving expenses
- Move-in costs like first and last month's rent, deposits, and nonrefundable fees
- Other housing-related costs to bolster long-term tenancies

TAP's flexibility helps address many unique and multifaceted barriers that may arise when seeking to establish or maintain housing stability.

## Eligibility criteria

Individuals are eligible to access TAP funding, so long as they:

- Are receiving FCS-eligible Medicaid
- Are authorized for FCS supportive housing services
- Identify as having behavioral health treatment need

TAP can be accessed by FCS supportive housing enrollees across the state seeking to transition into the housing of their choice. Individuals are eligible for TAP if they are actively receiving FCS-eligible Medicaid and are authorized to receive FCS supportive housing services. According to ProviderOne, they are eligible for TAP. In the event of a Foundational Community Supports (FCS) enrollment pause, eligible individuals

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placed on a waiting list (not yet enrolled) may access supportive housing services through the Housing and Recovery through Peer Supports (HARPS) program.

## Citizenship and Medicaid eligibility

Only individuals who are enrolled in federally funded Medicaid and meet other health-related and risk factor eligibility criteria for FCS services can enroll in FCS. Individuals not eligible for federal Medicaid include:

- Lawfully present, qualified immigrants who have not met the five-year barring requirement.
- Lawfully present, nonqualified immigrants/nonimmigrants.
- Undocumented individuals.

Therefore, like FCS services, TAP may only be accessed by individuals who are enrolled in federal Medicaid.<sup>1</sup>

FCS has coordinated with Housing and Recovery through Peer Supports (HARPS) providers to ensure individuals not qualifying for FCS due to their immigration status can access housing support services, regardless of citizenship or immigration status.

## Duration of funding assistance

TAP aims to meet people where they are, at any given time during their enrollment in FCS supportive housing. TAP offers FCS supportive housing enrollees flexible funding—up to \$5,000—to be used throughout one year on approved housing-related costs. The spending has a rolling cap, meaning that exactly one year after any amount is spent, that cost no longer counts toward the amount spent by the enrollee per year. Once an amount is spent on an enrollee, that amount is deducted from \$5,000, with the remainder being the balance they may spend on housing-related costs during the following 12 months.

While TAP does not provide ongoing rental assistance, the program can cover interim rent costs on an as-needed basis by offering month-to-month rent support for transitional and permanent housing for up to three months. Certain housing-related costs can be covered multiple times, such as the cost of an ID, while move-in costs and others can only be accessed once every 12 months.

## Allowable expenditures

TAP allows providers to automatically cover costs according to established categories in the [FCS TAP Quick Reference Guide](#). Common financial barriers to affordable housing, such as costs for IDs and other documentation, application fees, credit-check fees, and move-in expenses like first and last month's rent (if one month of rent is under 120 percent Fair Market Rent value for the area), deposits, and nonrefundable fees can be covered by TAP. While TAP cannot pay ongoing rent, it may cover several months of rent costs to assist enrollees as they generate employment income or identify longer-term rental resources to assist with housing costs.

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<sup>1</sup> For more information about citizen and immigration status standards in relation to Medicaid coverage, view HCA's [guide on citizenship and immigration status](#).

Enrollees can request an exception to policies (ETP) to cover for certain housing-related costs related to stabilizing in a home (e.g., home modifications, basic home goods, cleaning supplies, and more). Arrearages and other housing-related expenses also require an ETP request.

## Ongoing implementation across the FCS network

FCS short-term housing subsidies were initially allocated to HCA by Washington’s Legislature during the 2021–23 biennium. TAP launched in May of state fiscal year (SFY) 2022.

During SFY 2024, 130 FCS supportive housing service providers accessed TAP funding on behalf of 2,015 FCS supportive housing service enrollees. TAP funding was fully expended by the FCS provider network in September 2023—at the close of the first quarter of SFY 2024.

## Upcoming opportunities

During SFY 2024–SFY 2025, Washington’s Legislature appropriated funding for FCS to cover services reimbursements when an individual does not qualify for standard section 1115 waiver-funded services due to Medicaid ineligibility. In June 2023, the Centers for Medicare and Medicaid Services (CMS) approved the second iteration of Washington’s Section 1115 demonstration waiver — known as the Medicaid Transformation Project (MTP) — called [MTP 2.0](#).

## Successes

The number of providers accessing TAP grew over SFY 2024, with 130 FCS supportive housing providers contracted to use the fund by the end of SFY 2024.

In April 2023, Amerigroup launched an online TAP request platform to streamline the request process. Before the launch of this platform, providers were directed to submit requests for processing only on certain days of each week. The launch of the online platform allows providers to submit TAP reimbursement requests any day of the week. This process has continued and has been successful in streamlining the process and providing timely access to reimbursements.

## Challenges

The FCS Transition Assistance Program (TAP) allocation of \$3,109,000 was expended in the first quarter of SFY 2024. Providers not contracted to access TAP expressed that some enrollees requested a provider change to access TAP funding. HCA plans to work with Wellpoint in the coming SFY to review how to address this challenge and further expand access to this benefit within the FCS provider network.

In collaboration with internal and external partners, HCA must continually improve TAP. As the program matures, HCA and Wellpoint must continue to refine TAP processes to support longer-term sustainability and equitable access to the resource.

# Findings

FCS supportive housing enrollees are encouraged to utilize TAP as they travel along their unique path to housing stability. Enrollees may access the fund more than once to address sequences of housing obstacles as they arise.

Data is presented based on the total number of FCS enrollees accessing TAP via their supportive housing providers. Demographic information is gathered upon each TAP request. In SFY 2024, the total unduplicated count of FCS supportive housing enrollees served by TAP was 2,015 individuals. Demographic categories outlined below may include duplicated client counts due to individuals meeting more than one category at the time of a request.

## Number of individuals served

Across SFY 2024, TAP actively served 2,015 distinct enrollees via a network of 130 FCS supportive housing providers. The total amount of TAP funding spent during the fiscal year was \$3,100,454,66.

## Age

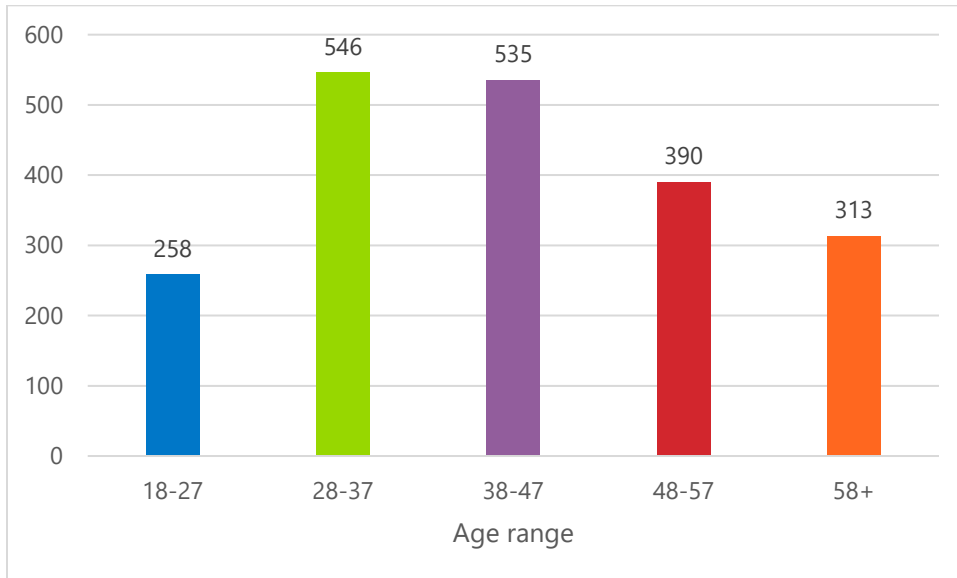
TAP served individuals aged 28–37 and those aged 38–47 more than other age groups.

**Table 1: Age of FCS supportive housing enrollees at the time of TAP request**

Age range	Number of enrollees	Percentage
18 – 27	258	12%
28 – 37	546	27%
38 – 47	535	27%
48 – 57	390	19%
58+	313	15%



**Graph 1: Number of FCS supportive housing enrollees by age, at the time of TAP request**



## Gender

Funding requests from individuals identifying as female represent 56 percent of individuals accessing TAP during SFY 2024, while 44 percent represent individuals identifying as male or non-binary.

**Table 2: Gender identity of FCS supportive housing enrollee at the time of TAP request**

Gender	Number of FCS supportive housing enrollees accessing TAP	Percentage
Male	895	44%
Female	1136	56%
X (non-binary, intersex, and gender nonconforming)	<11	<0.01%

## Race and ethnicity

Data concerning race and ethnicity is acquired administratively via ProviderOne (our state’s Medicaid database). TAP does not require enrollees to share this information with providers during the TAP eligibility check or the FCS supportive housing assessment processes. Although using ProviderOne restricts HCA’s ability to disaggregate race and ethnicity data by country of origin fully, it allows providers to serve individuals without asking for details about race or ethnicity.

Non-Hispanic white individuals accessed TAP more than any other race or ethnicity during SFY 2024.

**Table 3: Race of FCS supportive housing enrollee at the time of TAP request**

Race	Number of FCS supportive housing enrollees accessing TAP
White	1418
Black	271
Asian	20
Native Hawaiian or Other Pacific Islander	>11
American Indian/Alaska Native (AI/AN)	157
Other	156
Not provided	14

**Table 4: Ethnicity of FCS supportive housing enrollee at the time of TAP request**

Ethnicity	Number of FCS supportive housing enrollees accessing TAP
Hispanic	289
Not Hispanic	1,698
Not provided or doesn't know	31

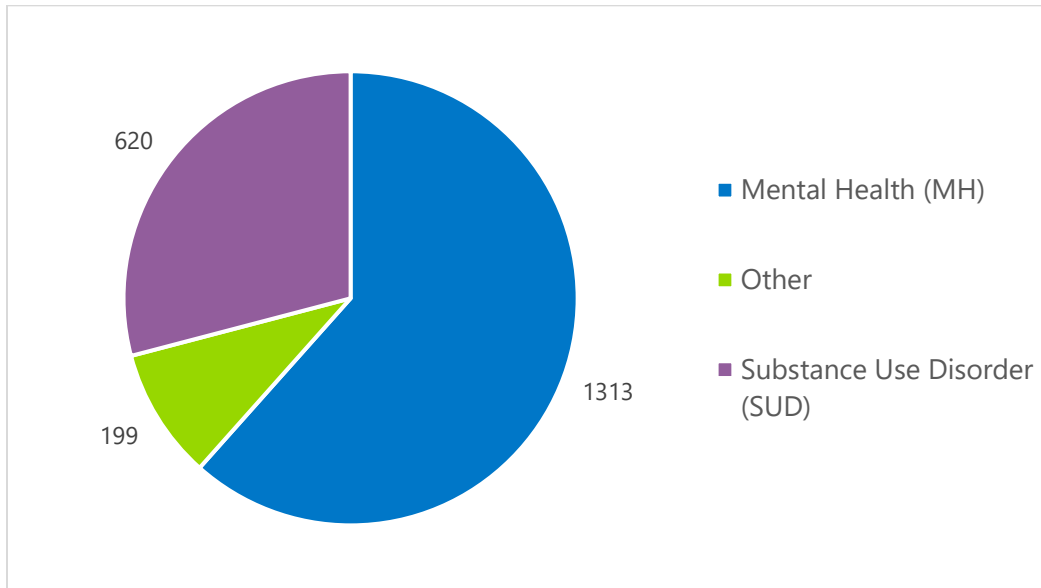
## Treatment need

TAP serves all individuals enrolled in FCS supportive housing, many experiencing behavioral health treatment needs. Approximately 1,313 TAP requests came from individuals experiencing mental health treatment needs at the time of their request.

**Table 5: Treatment need of FCS supportive housing enrollee at the time of TAP request**

Treatment need	Number of FCS supportive housing enrollees accessing TAP
Mental Health (MH)	1,313
Substance Use Disorder (SUD)	620
Other	199

**Graph 2: Treatment need of FCS supportive housing enrollee at the time of TAP request**



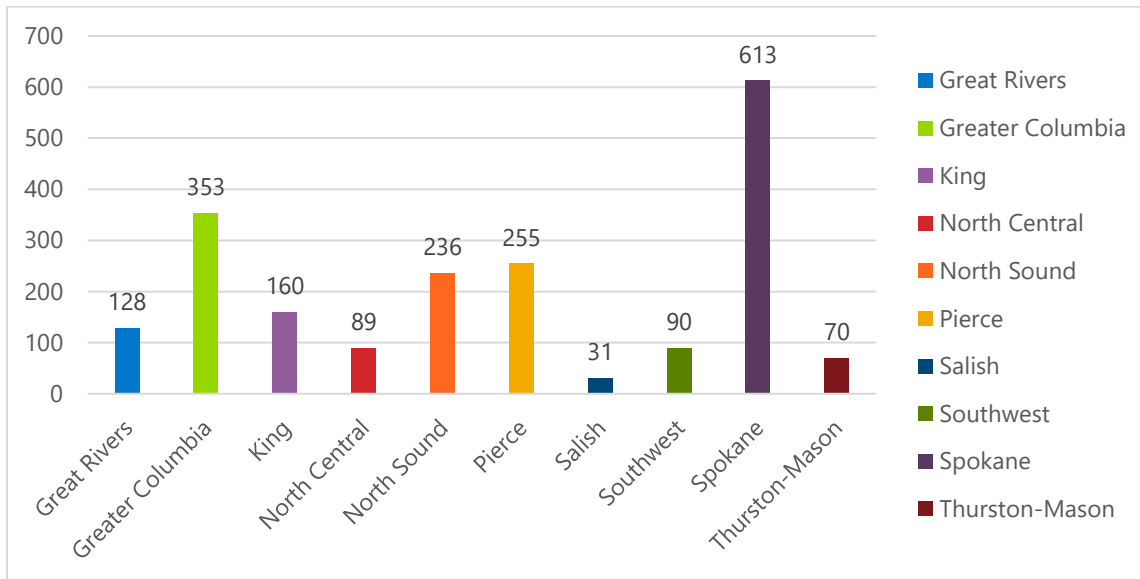
## Service regions

By the close of SFY 2024, FCS supportive housing providers in all regions of Washington were accessing TAP, with Spokane County accessing significantly more TAP funding than any other Managed Care region.

**Table 6: Number of FCS supportive housing enrollees served by TAP by region**

Washington State managed care region	Number of FCS supportive housing enrollees accessing TAP
Great Rivers	128
Greater Columbia	353
King	160
North Central	89
North Sound	236
Pierce	255
Salish	31
Southwest	90
Spokane	613
Thurston-Mason	70

**Graph 3: Number of FCS supportive housing enrollees served by TAP by region**



## Expenditures

TAP can cover various housing-related costs as FCS supportive housing enrollees take steps to achieve their individual housing goals. TAP aims to cover certain pre-tenancy costs like fees for ID, entering transitional housing, permanent housing applications including background and credit checks, and more.

TAP also covers certain move-in costs and provides funding assistance to individuals as they stabilize in a new home with tenancy support services. TAP may cover home modifications when approved by a property owner and the cost of a reasonably priced mattress, light furnishings, and other housing-related items. These items can help enrollees make their new apartment into a customized home that meets their needs.

TAP aims to lower or remove financial barriers to housing security by covering housing-related costs that may exacerbate housing instability. To spend TAP funding, providers use a [quick reference guide](#) to identify allowable expenditures and the costs that can be paid. Any expenditure requests falling outside the parameters presented in the short reference guide require an ETP request to be submitted to Wellpoint. Commonly approved ETP requests include coverage for past-due rent costs, home essentials and sustainability items, home modifications, and up to several months of interim rent costs.

**Table 7: List of TAP expenditures**

<b>TAP expenditure category</b>	<b>Sum of amounts approved</b>	<b>Percentage of total TAP funds spent</b>
Fees associated with entering transitional housing (i.e., urinalysis)	\$40,802.16	1%
Rental application fees, including background checks and credit checks	\$24,395.78	1%
Move-in fees, including first/last month's rent, deposits, and non- refundable fees	\$1,455,158.94	52%
Identification documents/cards	\$6,183.06	1%
Moving expense assistance	\$14,314.65	1%
Utility and Rental Arrears	\$713,568.91	25%
Exception to policy (ETP)	\$254,241.79	19%

## Conclusion

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TAP offers timely, flexible funding assistance that enrollees can use to obtain and maintain housing stability along their personalized path. TAP served 2,015 FCS supportive housing enrollees during SFY 2024.

As a short-term funding resource, TAP aims to be combined with longer-term resources when appropriate while covering move-in costs for individuals actively enrolled in FCS supportive housing. HCA continues working with the Washington State Department of Commerce's Office of Apple Health and Homes and Permanent Supportive Housing to design and implement the benefit of Apple Health and Homes (AHAH), which may partner with FCS TAP to leverage short- and long-term housing resources for certain individuals enrolled in both benefits. HCA also continues to build on partnerships to leverage TAP as a benefit to further assist enrollees meet their housing goals.

## Next steps

HCA's FCS Housing Subsidy Program manager will continue strengthening the Transition Assistance Program by pursuing the following goals:

1. Collaborate with FCS supportive housing providers to improve TAP.
2. Review data and spending patterns from the first three fiscal years of service to improve access to the benefit across the state.
3. Continue to develop and strengthen partnerships between HCA, Wellpoint, the FCS Provider Network, Department of Commerce, and Department of Health and Social Services.