

Foundational Community Supports

Housing subsidy program

Engrossed Substitute Senate Bill 5092; Section 215(42); Chapter 334; Laws of 2021
December 1, 2021

Legislative summary

During the 2021 legislative session, the Washington State Legislature appropriated \$3,109,000 of the general fund, via [Engrossed Substitute Senate Bill 5092](#), to supply short-term rental subsidies for individuals enrolled in the Foundational Community Supports (FCS) program. This funding aims to link FCS participants awaiting longer-term rental support resources or FCS-eligible individuals transitioning out of behavioral health treatment facilities or local jails with safe, quality, affordable housing. Individuals who would otherwise be eligible for the FCS program, but are not because of their citizenship status, may also participate in the program.

This report (due December 2021) provides an update on current program expenditures and performance, including the hiring of the FCS housing subsidy program manager in October 2021 and the FCS program preliminary evaluation findings from the Department of Social and Health Services.

A second legislative report (due December 2022) will outline in greater detail program expenditures, number of individuals receiving services and provide data regarding service region, treatment need, and the demographics of individuals served, including but not limited to age, country of origin within racial/ethnic categories, gender, and immigration status.

Background

Nearly 30 percent of state mental hospital residents and almost half of individuals in residential chemical dependency treatment experience a housing need within one year after discharge.
(Department of Social and Health Service, 2012).

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

FCS, also known as Initiative 3 of the Medicaid Transformation Project, was launched in January 2018 to address these issues and offers housing and employment services through targeted Medicaid benefits. These benefits assist Washington's most vulnerable and those with complex care needs by helping eligible individuals find and maintain housing and employment; ultimately, helping build a healthier Washington. FCS has a network of providers under contract through a third-party administrator (TPA). Over 20,000 unique individuals have been enrolled over the life of the program thus far.

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2021 FCS program preliminary evaluation

DSHS's Research and Data Analysis division released a brief report in July 2021 on behalf of HCA that details preliminary outcomes for individuals enrolled in an FCS program from January 2018 through June 2019.

All results of this report are preliminary.

These results are not intended to supplant findings from analyses conducted by Oregon Health Sciences University, the independent external evaluator for the Medicaid Transformation Project.

Figure 1: Highlights from the July 2021 FCS program preliminary evaluation

Note: Individuals enrolled in both supported employment and supportive housing were included in both sets of analyses.

Supported employment

- Uniformly positive impacts on employment rates for both HCA and Aging and Long Term Care Administration (AL TSA) populations
- Modest increases in earnings and average hours worked among the HCA population.
- No statistically significant impacts on emergency department (ED) or Inpatient (IP) utilization for AL TSA or HCA clients

Supportive housing

- Significant positive impacts on transitions out of homelessness for HCA clients
- Statistically significant increases in the percentage of clients housed in HCA housing projects funded by the Department of Commerce
- Statistically significant increases in receipt of AL TSA in home services
- No statistically significant impacts on ED utilization for AL TSA or HCA clients or community residential placements for AL TSA clients.
- Statistically significant increases in IP utilization and nursing facility placements (AL TSA).

Key findings

Program staffing

In October of 2021, HCA's Division of Behavioral Health and Recovery (DBHR) recruited an FCS housing subsidy program manager to oversee the short-term housing subsidy funds allocated by the Washington State Legislature for the 2022-2023 biennium.

The new staff person is developing sustainable program implementation strategies, including: generating plans for subsidy distribution, data collection and monitoring, and program evaluation. Their ultimate aim is to maximize subsidy funds, ensure equitable dispersal, and improve the housing, employment, and health outcomes of FCS participants across Washington.

Current workload includes:

- **Developing** a contract with Amerigroup, the FCS program's Third-Party Administrator (TPA) in coordination with FCS program administrator and FCS program manager

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- **Creating** subsidy guidelines with other HCA program staff to ensure coordination of resources, including recovery support services and bridge subsidy programs
- **Collaborating** with Amerigroup, ALTA, Dept. of Commerce and other stakeholders to build system processes that bolster linkages with longer-term rental supports for program participants
- **Determining** appropriate subsidy distribution methodology to ensure equitable opportunities for program participation across the state
- **Identifying** methods to engage Institutions of Mental Diseases (IMDs) so that FCS providers can engage program participants prior to discharge from inpatient behavioral health settings
- **Coordinating** robust data collection tools that can serve as program data collection, monitoring, and evaluation device

Next steps

The goals for the future of the FCS program and its staff include:

- **Generate** strategic plans to raise profile of subsidy among property managers and landlords, including expectations relating to payment procedures
- **Conduct** implicit bias training for landlords in partnership with Dept. of Commerce
- **Create** a housing subsidy training plan that includes FAQ documents, webinars, and more
- **Develop** and integrate a master leasing model
- **Participate** in FCS FAQ calls and other program meetings to disperse information relating to subsidy guidelines, including eligibility requirements and application and payment processes
- **Launch** the subsidy

Contact

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