Best Practice Guide for Supportive Housing Providers

Combining Medicaid Housing Stabilization Services and Homeless and Housing Funding

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CSH

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BACKGROUND

Housing Stabilization Services (HSS) is a Medicaid benefit established in July 2020 and designed to help people with disabling conditions find and maintain safe and stable housing. This new benefit has been a valuable opportunity for residents of supportive housing programs to receive the support they need to transition out of homelessness and maintain stable housing. HSS also provides a stable, secure funding source for supportive housing programs to provide this much-needed support. HSS has enabled many supportive housing programs to increase their capacity and quality and intensity of services provided.

HSS maximizes potential within a supportive housing program when it is integrated within the broader array of services and supports. The chart below shows how HSS may work best with additional service funding sources.

DISABLING CONDITIONS CAN INCLUDE:

Long-term injury or illness

Mental illness

Developmental disability

Learning disability

Substance use disorder

Aged, blind, or disabled according to Title II of the Social Security Act

HSS	Permanent Supportive Housing	Funding Gap
• Focused exclusively on supporting housing access and stability through housing transition and sustaining services.	• Often provides support beyond transition and sustaining services to include other participant goals (e.g., parenting support, community building, mental health treatment, recovery services, culturally specific services, employment supports, etc.).	• Need for funding to cover services not billable through HSS.
• Broad eligibility requirements intended to target a wide range of individuals with varying histories of instability and levels of support needs.	• Typically targeted to people with the longest histories of homelessness and highest level of support needs.	• Need for more intensive, specialized services and whole-person approaches.
• Participants must be willing to work with a health professional to obtain eligibility documentation and agree to Medicaid services.	• Best practice is to avoid screening out participants based on eligibility for or willingness to accept certain types of services.	• Serving participants that are not eligible for or willing to accept Medicaid services.

• Minimal professional qualifications required for HSS, focused on housing-related knowledge.	• Often employ staff trained and specialized in the target population they serve.	• Wages/salaries for supportive housing staff may be higher than what is provided for in the HSS rate.

Although supportive housing providers are familiar with accessing multiple funding sources to support their programs, Medicaid and healthcare funding is a relatively new source. There may be apprehension about using multiple funding sources due to concerns about compliance with program requirements.

This document aims to help providers understand some of the issues to consider when combining HSS with other funding sources.

Note that this guide focuses on the interaction between HSS and other homeless and housing programs commonly used in Minnesota. Supportive housing services use various funding sources not covered in this document, but the basic principles still apply.

This document is for best practice and guidance purposes only. Providers should work with funders and refer to their contracts and agreements for official policies and procedures.

Making the Shift: Grant Programs to Medicaid Billing

One of the reasons it can be confusing to combine Medicaid billing and grant funding is that they are two fundamentally different approaches as illustrated in the chart below. Providers will want to keep this in mind as they develop a funding strategy.

GRANT PROGRAMS	BILLING MEDICAID
• Typically, these programs explicitly cover program costs. Agencies submit a budget for staffing, travel time, materials, admin, etc. • Agencies submit budgets upfront, and grant money is expected to fully or partially cover the costs outlined in the budget. • Funders typically expect that grantees are not charging other funding sources for costs explicitly covered by their grant. • Set expectations for outputs (e.g., number of people served) and outcomes (e.g., percent of participants successfully housed) are often the basis for evaluating grant performance. Underperforming grantees will have a difficult time securing competitive grants in the future.	• Does not necessarily directly correlate with staff salary or service costs. • Providers receive a reimbursement for a medically necessary service/activity provided to a qualified individual. For HSS, this reimbursement occurs at 15-minute intervals. • While you cannot bill Medicaid or other insurance for two activities simultaneously, you can supplement staff salaries through other funding sources. • Medicaid providers can continue to provide services if they meet the specified provider qualifications and maintain good standing with the State Medicaid Agency. If funds are misused (e.g., spent for people who were ineligible for services, services not provided within the required rules and regulations, etc.), providers may be required to repay misused funds.

Medicaid as a Payer of Last Resort

You often hear Medicaid referred to as the payer of last resort. It is essential to understand in what circumstances this designation applies. Being the payer of last resort means that certain other payers may be legally liable to cover costs before Medicaid kicks in (examples: private insurance, Medicare, workers' compensation, etc.). In other cases, however, Medicaid *can* pay for services that other public agencies or programs might finance. This includes:

- Programs statutorily designated as payers of last resort after Medicaid (examples: Indian Health Service and Individuals with Disabilities Education Act programs), or
- Programs that are not legally liable third parties (examples: schools and public health or child welfare agencies).

The grant programs discussed in this guide are *not* considered *legally liable* to cover services. Therefore, in these cases, Medicaid is not considered the payer of last resort, and **there is no legal requirement to use grant funding before seeking Medicaid reimbursement**.

To find out more about Medicaid as a payer of last resort, visit the The Medicaid and CHIP Payment and Access Commission (MACPAC) website.

HSS and Minnesota's Housing and Homeless Grants

To bill HSS, providers need to track time spent and document services provided according to regulations laid out by DHS and the Centers for Medicare and Medicaid Services (CMS). Providers cannot double bill for other Medicaid services for the same period that HSS is provided (see notes below on HSS and other Medicaid-funded services). However, providers are not required to document program costs, including staff salaries. Salaries for staff providing HSS can be supplemented with other funding sources.

Approaches to Combining Grant Funding and HSS

Grant funding sources, however, may have requirements that limit grantees to ensure they are not double-dipping in terms of costs covered by the grant. Below are some examples of how grant funders approach combining funds.

- **Grant contract requires the grantee to track actual time spent on services and does not allow duplication of services.**
    - Housing Support for Adults with Serious Mental Illness (HSASMI), federal grants like HUD matching funding, Emergency Shelter Grants, Projects for Assistance in Transitions from Homelessness (PATH)

- **Grant contract requires the grantee to track actual time spent but does not look at other funding sources.**
    - Family Homeless Prevention and Assistance Program (FHPAP), Long-term Homeless Supportive Services Fund (LTHSSF)

- **Grant contract does not require the grantee to track actual time spent on services (e.g., covers % of FTE, has expectations for several client encounters within a specific period).**
    - Community Living Infrastructure

- **Grant contract requires the grantee to access HSS or other mainstream services before grant funding.**
    - Hennepin County

The appendix at the end of this document contains additional details about Minnesota's grant programs and combining funding.

Provider Approaches to Combining HSS and Grant Programs

Example 1	Example 2	Example 3
Plan to cover a portion of staff time with HSS (or another billable service). A grant covers the remainder of time. **Helpful if:** • You need to keep separate records and prevent duplication of services. • A significant portion of people served meet eligibility criteria.	Refer people with a higher level of need for support to HSS-specific staff. **Helpful if:** • There are limited resources to train staff on HSS. • You can identify people who will have more service needs.	Fully fund a staff position through flexible grant sources. Bill HSS as needs arise. **Helpful if:** • You are just starting and are not sure how much HSS you will be able to bill. • You have a flexible funding source.

Additional Tips

- Test your approach with a time study.
- Make it easy for staff to understand what they can bill under HSS and to document it.
- Start conservatively with expectations about how much time you will bill to Medicaid.
- Keep grant administrators updated and change budgets as needed.

HSS and Housing Support

Housing Support, formerly known as Group Residential Housing (GRH), is a state-funded income supplement. This supplement helps older adults and people with disabilities who have low incomes pay for their housing expenses. To prevent and reduce homelessness or institutionalization and promote housing stability, Housing Support provides financial support for rent, utilities, household needs, food, and services for eligible individuals. Housing Support is paid to an eligible provider on behalf of an eligible person. Housing Support is authorized under Minn. Stat. §256I.

Housing Support has two payment rates: room/board and supplemental services. Room/board is always paid for those eligible for Housing Support. Supplemental services may be paid some of the time if the person meets individual eligibility criteria and lives in an eligible setting.

People receiving Housing Support can access HSS if they meet the eligibility criteria for both benefits. Supplemental service rates are reduced by 50% for individuals determined eligible for HSS in Long-term Homeless Supportive Housing, General Supportive Housing, and Metro Demo settings.

Individuals always have the choice of what services to receive and who provides them. HSS providers are required to help individuals make an informed choice about their services.

Tips for Combining HSS and Housing Support

- Bill Housing Stabilization Services for all services you provide that fall within the HSS definition.
- Anything that Housing Support covers but is NOT covered by HSS should be billed to Housing Support (e.g., certain supportive services, employment supports or health supervision services).
- Case notes should clearly document whether Housing Support or HSS provided a service unit.

HSS and Other Medicaid-Funded Services

This guide focuses on combining HSS with grants to prevent and end homelessness. Providing HSS in conjunction with other Medicaid-funded services is more straightforward. Here are a few notes for providers working with other Medicaid services:

- **A provider can never bill another Medicaid service for the same period as HSS.**
    - EXAMPLE: You provide both HSS and Adult Rehabilitative Mental Health Services (ARMHS) to John. A staff person meets with John from 2 PM – 3 PM. You cannot bill both Housing Stabilization Services and ARMHS for that one-hour time period. However, suppose staff spends the first half hour problem-solving issues related to housing stability, and the second part of the meeting discussing providing medication education. In that case, the first half hour can be billed to HSS and the second half can be billed to ARMHS.

- **Certain programs are explicitly prevented from being provided at the same time.**[1]
    - *Housing consultation* is not available to people who receive Medical Assistance-funded case management including home and community-based waiver case management or targeted case management, including Adult Mental Health, Children's Mental Health, Vulnerable Adult/Developmental Disability, Child Welfare and Relocation Service Coordination or MSHO/MSC+ care coordination.
    - A provider cannot provide *housing transition or sustaining services* to the same person with whom the person-centered plan was created without a DHS-approved provider shortage exception. This means an agency cannot provide Targeted Case Management and HSS.
    - A person cannot receive *housing transition* and Medical Assistance-funded Relocation Service Coordination (RSC) in the same calendar month.
    - A person receiving Moving Home Minnesota transition services cannot also receive *housing transition services*.
    - A person receiving Assertive Community Treatment (ACT) services cannot also receive *housing transition services or housing sustaining services*.

- **Two providers may bill Medicaid for the same period if they provide two separate and distinct services.**
    - Example: The HSS provider takes their client to an appointment with their psychologist to discuss and troubleshoot how their mental health symptoms are impacting their housing stability. In this case, the HSS provider would bill HSS and the psychologist would bill for mental health therapy.

[1] DHS policy on limitations of services can be found here.

HSS and Targeted Case Management

Due to the conflict-of-interest provisions, you cannot provide both Targeted Case Management (TCM) and HSS to the same person.

When deciding whether to bill HSS or TCM, consider the following:

- Your TCM monthly encounter rate (average: $584 per month = 8.5 hours billable time Housing Stabilization Services).
- How much billable time you spend with the person each month.
- The types of services you are providing (mental health case management versus direct, housing-focused services).
- Staff credentialing required for each service type.
- Whether your client get TCM from another agency or HSS from another agency.
- The added work of switching a person back and forth frequently.
- The benefits an eligible person could derive from both services.

Appendix: Overview of Minnesota Housing Grant programs

Each homeless or housing grant program or funding source has its own rules for documenting time spent on services and duplication of services. General guidelines for these rules are outlined below. Providers should refer to their own contracts/agreements where applicable.

Program	Documentation Requirements	Limits on Duplication of Service	Reference
Housing with Support for Adults with Serious Mental Illness (HSASMI) Provides supportive services for adults with serious mental illness who are homeless or who are exiting institutions, and who have complex needs and face high barriers to obtaining and maintaining housing	Grant financial reconciliation including staff time documentation, plus grantee site visit policy and practice review, documentation of participant dates of Medicaid and Housing Stabilization Services eligibility, and HSS referral practices.	If the grantee uses funds from a source other than the state to provide a specific service, the grantee may not receive payment from the state for that same specific service. For each service provided by the grantee that is potentially reimbursable via public or private sources, the grantee shall seek reimbursement from all other sources before seeking reimbursement from the state under this grant contract.	HSASMI grant agreement
DHS-OEO Transitional Housing Program Provides time-limited rent subsidies and supportive services to individuals and families experiencing	Charges for personnel expenses should be based on records that reasonably and accurately reflect the work performed and indicate the total # of hours worked. a) For employees whose activity is entirely eligible under the grant, time charged must be	No requirement to seek additional funding sources before seeking reimbursement through this grant.	DHS-OEO Website MN Homeless Youth Act Statute HYA Legislative Report

homelessness to obtain and maintain housing. **AND** **DHS-OEO Emergency Solutions Grant (ESG)** Federal funding that can be used for emergency shelter, homelessness prevention, and rapid rehousing.[2] **AND** **DHS-OEO Homeless Youth Act** Grants to providers serving homeless youth and youth at risk of homelessness, to provide street and community outreach and drop-in programs, emergency shelter programs, and integrated supportive housing and transitional living programs. **AND** **DHS-OEO Emergency Services Program** Grant program for local units of government, Tribal	supported by employees' time sheets that reflect actual times and are signed and dated by the staff person and their supervisor. b) For employees whose activity is <u>not</u> entirely eligible under the grant (a portion of their wages are paid for by another funding source), documentation should support the distribution of the employees' salary or wages among specific activities/awards and include <u>employees time sheets/activity reports</u> with either: • Actual time spent on the eligible and ineligible activities (not percentages). <u>or</u> • Cost allocation plan which distributes the employees' total time based on an OMB-allowable method (e.g., time sampling or other actual bases).		

[2] **Note: This information is in regards to the Balance of State ESG Funding managed by DHS-OEO. Local entitlement areas manage local ESG funding, which might have different rules and requirements.**

nations, and/or non-profit organizations to improve the quality of existing shelters, make available other emergency housing, meet the operating and maintenance costs of shelters, and/or provide essential services to individuals experiencing homelessness.			
Long Term Homeless Supportive Services Fund	Case notes in client file. Should specify the date services were provided, but not specific time (unless found helpful for duplication purposes). Timesheets.	No specific limits are set at this time. General expectation is that there will be no duplicates of services paid for by HSS	General guidance provided in RFP and State/Provider contract. Case file documentation instructions in development.
Community Living Infrastructure (CLI) Grant Designed to help transition people to community living and support the integration of housing into health and human services systems, **AND** **Housing Access Services Grant** Designed to help people with disabilities access housing in the community.	There are no documentation requirements aside from quarterly reimbursement requests and an annual summary report.	Providers should not bill through an additional funding source while providing services under this grant. The RFP asks applicants to describe how MA Housing Stabilization Services and other mainstream benefits will be leveraged. If someone is eligible for HSS, any service eligible to be billed to HSS should be billed to MA first. CLI and/or HAS should be used as the funding source to provide services to people who are not HSS eligible, for people waiting to get on HSS,	Sec. 256I.09 MN Statutes Sec. 256B.0658 MN Statutes

		or to provide services that are eligible under either grant but not under HSS. Grantees should consider what % of a full time employees time could be covered by billable services, and then CLI or HAS could pay for the remainder of the time.	
Hennepin County funded/contracted Permanent Supportive Housing	Monthly invoicing for cost reimbursement of contract budgeted expenses, with back-up documentation available upon request.	Provider is expected to first use MA-HSS for eligible participants/residents in their program. After using MA-HSS, the provider can invoice the county only for supportive services costs through their contract that MA-HSS billing does not already cover.	Hennepin County contract with each contracted PSH provider
HUD Continuum of Care Programs	The recipient or sub-recipient must document the types of supportive services provided under the recipient's program and the amounts spent on those services. The recipient or sub-recipient must keep a record that they have reviewed these records at least annually and that they have adjusted the service package offered to program participants as needed.	In certain circumstances, HSS can be used as the required match for grants received through HUD. Refer to this FAQ and fact sheet for more information. If Housing Stabilization Services is counted as a match for the CoC grant, time sheets must reflect a separation between time billed to Medicaid and time covered through HUD grants.	CoC Program Interim Rule, published April 1, 2017

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CSH works to advance solutions that use housing as a platform for services to improve the lives of the most vulnerable people, maximize public resources and build healthy communities. CSH collaborates to advance solutions that use housing as a platform for services to improve the lives of the most vulnerable people, maximize public resources and build healthy communities. Learn more at: **csh.org**