Housing and Health Services Coordination Council
2014-2015 Biennial Plan

Service-Enriched Housing

- Integrated, Affordable, and Accessible -
- On-site or Off-site Health-Related Services -
- Fosters Independence -

EQUAL HOUSING OPPORTUNITY

Submitted to Governor Rick Perry and
the Legislative Budget Board
August 1, 2014

For more information, please visit:
http://www.tdhca.state.tx.us/hhscc/index.htm

Disclaimer

The Housing and Health Services Coordination Council Biennial Plan and its recommendations reflect the views and opinions of a majority of the Council's membership. Contents of this Biennial Plan were discussed by the Council and a general agreement was established on its recommendations.

Unless otherwise specifically noted, the views and opinions expressed in these recommendations do not necessarily reflect the official policy statements of the Texas Department of Housing and Community Affairs ("TDHCA"), or any state agency represented on the Council. TDHCA provides staff support as directed by Texas Government Code §2306.1091.

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EXECUTIVE SUMMARY

The Housing and Health Services Coordination Council ("HHSCC") is codified in Texas Government Code §2306.1091. The purpose of the Council is to increase state efforts to offer Service-Enriched Housing through increased coordination of housing and health services.

Council Definition of Service-Enriched Housing

Service-Enriched Housing is defined as: integrated, affordable, and accessible housing that provides residents with the opportunity to receive on-site or off-site health-related and other services and supports that foster independence in living and decision-making for individuals with disabilities and persons who are elderly[1].

Council Duties

The Council is charged with the following duties related to increasing the state's efforts to expand Service-Enriched Housing:

(1) Developing and implementing policies;
(2) Identifying barriers such as:
  (A) Regulatory requirements and limitations;
  (B) Administrative limitations;
  (C) Limitations on funding; and
  (D) Ineffective or limited coordination;
(3) Developing a system to cross-educate housing and services staff;
(4) Identifying opportunities for state housing and health services agencies to provide technical assistance and training to local housing and health services entities about:
  (A) The cross-education of staff;
  (B) Coordination among those entities; and
  (C) Opportunities to increase local efforts to create Service-Enriched Housing; and
(5) Developing suggested performance measures to track progress in (1)-(4) listed above.

In addition, the Council is required to develop a Biennial Plan and deliver a report of the Council's findings and recommendations to the Office of the Governor and the Legislative Budget Board each even numbered year. This Biennial Plan is the third plan submitted since the inception of the Council.

Importance of Service-Enriched Housing

The vast majority of aging Texans and people with disabilities prefer to receive their long-term services and supports in their own home and communities (U.S. Housing and Urban Development Office of Policy Development and Research, 2013). Many report that their quality of life improves as they transition from institutions, such as nursing homes and Intermediate Care Facilities for Individuals with Intellectual Disabilities to the community.

[1] Texas Administrative Code Title 10, §1.11

In addition to improvement in quality of life, some research concludes that supporting people in the community versus institutions is also more cost effective for federal, state, and local entities. As Texans live longer, the number of people who need long-term services and supports will continue to increase. Texas needs to evaluate the benefits of Service-Enriched Housing not only for individuals' quality of life, but for the potential cost savings to the state.

Council Activities

As a result of the creation of the Council in 2009, the state has increased its efforts to expand Service-Enriched Housing through coordination among the housing and service agencies. Policies have been developed such as:

- Implementing incentives in the state's Low-Income Housing Tax Credit Program;
- Developing changes to the Project Access Program for people leaving or at risk of entering institutions; and
- Developing preferences in Public Housing Authorities' Consolidated Plans.

Identifying additional funding including:

- The 2012 Section 811 Project Rental Assistance Demonstration for which Texas was awarded $12 million;
- The Delivery System Reform Incentive Payment initiative which includes approximately $1.9 billion in additional federal funds for Behavioral Health projects; and
- The Balancing Incentive Payment Program which allows Texas to draw down additional federal dollars while rebalancing the long-term services system including a single entry point for people with disabilities and older Texans.

Improving coordination such as:

- Providing technical assistance to housing entities and relocation contractors to transition people from nursing homes to the community; and
- Providing recommendations to state service agencies when Medicaid waivers are renewed (See Section 4.4).

Cross-educating housing and services staff by:

- Coordinating a Housing and Services Partnership Academy to provide local communities tools to create safe, affordable, and accessible housing;
- Developing reference guides and training materials; and
- Participating on Inter- and Intra-agency workgroups and advisory councils, *e.g.* State Independent Living Council, Promoting Independence Advisory Committee, Re-entry Task Force for offenders transitioning to the community, and Council for Advising and Planning for the Prevention and Treatment of Mental Health and Substance Use Disorders.

While a great deal of work has been completed, there is more work to be accomplished.

Recommendations

In addition, to the activities listed above, TDHCA (on behalf of the Council) contracted with the Technical Assistance Collaborative ("TAC") to research Service-Enriched Housing in other states and to make recommendations to the Council.

The Council chose to focus its recommendations for the next biennium on three of TAC's recommendations. Texas should:

1. Consider adding resources to support the financing of integrated, affordable housing and services to meet the needs of underserved disability groups and older adults by:
    A. Encouraging additional U.S. Housing and Urban Development 202 housing financing[2];
    B. Funding from other sources;
    C. Expanding Housing Navigators to all Aging and Disability Resource Centers and coordinate with TDHCA to provide housing training;
    D. Expanding Relocation Contractor services for people with Behavioral Health challenges;
    E. Increasing funding for Medicaid waiver services, and the Program for All-Inclusive Care for the Elderly (PACE); and
    F. Coordinating state agency expansion of housing and services initiatives.
2. Consider developing finance and capacity building strategies to encourage the development of Service-Enriched Housing or supportive housing opportunities in mid-sized cities and rural areas of the state including:
    A. Replicating the Housing and Services Partnership Academy;
    B. Continuing the Capacity Building Initiative for Community Living[3];
    C. Informing local communities about resources available for rural and mid-size cities;
    D. Educating property managers about people with disabilities;
    E. Increasing points in the Qualified Allocation Plan ("QAP") for developers who develop projects in rural and mid-sized cities; and
    F. Re-establishing TDHCA's Rural Housing Expansion Program.
3. Consider adopting a series of incentives within TDHCA's Low-Income Housing Tax Credit Program to encourage the development of a pipeline of integrated, affordable Service-Enriched Housing opportunities by:
    A. Researching QAPs from other states to identify best practices;
    B. Encouraging people with disabilities and advocates to participate in the QAP process;
    C. Reviewing the possibilities of creating points in the QAP for developers 1) agreeing to provide on-site case management services, 2) set-aside deeply affordable units at 20 percent Area

[2] Supportive housing for very low-income persons who are older, including the frail elderly for which HUD provides capital advances to finance the construction, rehabilitation or acquisition, with or without rehabilitation, of structures that will serve and provide rent subsidies for the projects to make them more affordable.

[3] The initiative is a partnership at the federal level that brings together housing and human services agencies on state and local levels who have implemented a number of strategies to address the housing and services needs of people with disabilities and older adults.

Median Family Income, 3) participate in the Section 811 Project Rental Assistance Program, and 4) Offer Service-Enriched Housing; and

D. Reviewing possible Texas Department of Criminal Justice housing resources for persons with criminal histories transitioning to the community.

The Council and TDHCA staff are committed to working over the next biennium to improve coordination, communication, knowledge, policies and identify barriers to increasing the availability of Service-Enriched Housing for older Texans and people with disabilities.

1.0 INTRODUCTION

The Housing and Health Services Coordination Council ("HHSCC") is codified in Texas Government Code §2306.1091. The purpose of the HHSCC is to increase state efforts to offer Service-Enriched Housing through increased coordination of housing and health services. The Council seeks to improve interagency understanding and increase the number of staff in state housing and health services agencies that are conversant in both housing and services.

The HHSCC is composed of 17 members: eight members appointed by the Governor, eight state agency representatives, and the Executive Director of the Texas Department of Housing and Community Affairs ("TDHCA"). The latter serves as the Council Chair. TDHCA staff supports Council activities.

Council members meet quarterly, and the meetings are open to the public. Notice is given to the public in the *Texas Register*, on TDHCA's website, through a listserv, and on Twitter. HHSCC members also provide direction to staff to prepare a Biennial Plan that is submitted to the Office of the Governor and the Legislative Budget Board on August 1 each even-numbered year.

This Biennial Plan is the third such plan to be submitted by the Council since its creation in 2009 in accordance with Senate Bill 1878 authored by Senator Jane Nelson and sponsored by Representative Norma Chavez during the 81st Texas Legislative Session.

1.1 Reading this Report

This report is organized as outlined below.

2.0 Defining Service-Enriched Housing
3.0 Importance of Service-Enriched Housing
4.0 Council Activities
5.0 State of Texas Comprehensive Analysis of Service-Enriched Housing Finance Practices
6.0 Recommendations
7.0 Summary

1.2 List of Terms Used in this Report

Acronym	Description
ADA	Americans With Disabilities Act
ADRC	Aging and Disability Resource Center
AMFI	Area Median Family Income
AYBR	Amy Young Barrier Removal Program
BH	Behavioral Health
BIP	Balancing Incentives Payment
CAP	Council for Advising and Planning for the Prevention and Treatment of Mental Health and Substance Use Disorders
CBA	Community Based Alternatives
CLASS	Community Living Assistance and Support Services
CMS	Centers for Medicare and Medicaid Services
CoC	Continuum of Care
CRCG	Community Resource Coordination Group
DADS	Texas Department of Aging and Disability Services
DARS	Texas Department of Assistive and Rehabilitative Services
DBMD	Deaf Blind with Multiple Disabilities
DFPS	Texas Department of Family and Protective Services
DOJ	U.S. Department of Justice
DSHS	Texas Department of State Health Services
DSRIP	Delivery System Reform Incentive Payment
FY	Fiscal Year
HCBS	Home and Community-Based Services
HCS	Home and Community-based Services Program
HCS-AMH	Home and Community-based Services – Adult Mental Health Program
HEARTH	Homeless Emergency Assistance and Rapid Transition to Housing Act
HHS	U.S. Department of Health and Human Services
HHSC	Texas Health and Human Services Commission
HHSCC	Housing and Health Services Coordination Council

Acronym	Description
HOME	HOME Investment Partnerships Program
HSP	Housing and Services Partnership
HTC	Housing Tax Credit
HUD	U.S. Department of Housing and Urban Development
ICF/IID	Intermediate Care Facility for Individuals with Intellectual Disabilities
IDD	Intellectual and Developmental Disabilities
LBB	Texas Legislative Budget Board
LMHA	Local Mental Health Authority
LTSS	Long-Term Services and Supports
MDCP	Medically Dependent Children Program
MFP	Money Follows the Person
MSA	Metropolitan Statistical Area
NAMI	National Alliance on Mental Illness
PACE	Program for All-Inclusive Care for the Elderly
PHA	Public Housing Authority
PIAC	Promoting Independence Advisory Committee
PJ	Participating Jurisdiction
PRA	Project Rental Assistance
PSH	Permanent Supportive Housing
QAP	Qualified Allocation Plan
QCT	Qualified Census Tract
RHP	Regional Healthcare Partnership
SAMHSA	Substance Abuse and Mental Health Services Administration
SILC	State Independent Living Council
SMHF	State Mental Health Facility
STAR+PLUS	Medicaid Managed Care Program
TAA	Texas Apartment Association
TAC	Technical Assistance Collaborative
TBRA	Tenant-Based Rental Assistance
TDA	Texas Department of Agriculture
TDHCA	Texas Department of Housing and Community Affairs
TICH	Texas Interagency Council for the Homeless
TSAHC	Texas State Affordable Housing Corporation
TxHmL	Texas Home Living

2.0 DEFINING SERVICE-ENRICHED HOUSING

According to the statutory directive, found in Texas Government Code §2306.1091 "With the advice and assistance of the council, the department by rule shall define 'service-enriched housing' for the purposes of this subchapter." The draft definition of Service-Enriched Housing was approved by the Housing and Health Services Coordination Council ("HHSCC") at its March 2, 2010 meeting. After a requisite public comment period, the TDHCA Governing Board adopted the final rule on May 12, 2010.

2.1 Council Definition of Service-Enriched Housing

10 Texas Administrative Code ("TAC"), §1.11

> *For the purpose of directing the work of the Housing and Health Services Coordination Council and its work products, including the biennial plan, Service-Enriched Housing is defined as integrated, affordable, and accessible housing that provides residents with the opportunity to receive on-site or off-site health-related and other services and supports that foster independence in living and decision-making for individuals with disabilities and persons who are elderly.*

2.2 Supportive Housing in Texas

The Council builds upon the work created by established entities that work with the populations specified in the definition of Service-Enriched Housing, *i.e.*, individuals with disabilities and persons who are elderly. For example, the Governor's Committee on People with Disabilities ("Committee") was created in 1991 and consists of twelve members, seven of whom must be persons with disabilities. The Committee "develops policy recommendations based on citizen input and research prior to each legislative session and recommends changes in state laws related to Texans with disabilities." (Texas Governor's Committee on People with Disabilities, 2013). One of the policy recommendations defines supportive housing as follows:

> *Supportive housing combines housing and services for people with disabilities. It is generally regarded as a positive alternative to congregate living, both for the people with disabilities, in particular for those with mental health challenges, and for the community.* (Texas Governor's Committee on People with Disabilities, 2013)

Supportive housing, as defined by the Committee, is consistent with the Council's definition of Service-Enriched Housing. The Committee's reference to "a positive alternative to congregate living" is similar to the Council's use of the term "integrated" housing. The Committee's reference to "housing and services" is similar to the Council's, "housing that provides residents with the opportunity to receive…other services and supports". In addition, the Committee's 2013 Housing Goal to "Increase availability of safe, affordable and accessible integrated housing options for people with disabilities" (Texas Governor's Committee on People with Disabilities, 2013), includes the same terms as the Council's definition of Service-Enriched Housing, i.e. integrated, affordable, and accessible.

2.3 Permanent Supportive Housing for Homeless Populations

The Council's definition of Service-Enriched Housing is also in-line with definitions of Permanent Supportive Housing ("PSH") developed for homeless persons with disabilities. For example, the U.S. Department of Health and Human Services ("HHS") and its contractor Abt Associates, Inc., define PSH as follows:

> *Permanent Supportive Housing provides a permanent home for formerly homeless people with disabilities, along with the health care and other supportive services needed to help tenants adjust to living in housing and make the changes in their lives that will help them keep their housing. It differs from group homes, board and care facilities, and other treatment programs in that most tenants hold their own leases, and keeping their housing is usually not contingent on their participating in services or remaining at a certain level of illness (*U.S. Department of Health and Human Services, 2012, pg. ii).

The critical area of overlap for PSH and Service-Enriched Housing is that "keeping their housing is usually not contingent on their participating in services." Service-Enriched Housing includes "the opportunity to receive on-site or off-site health-related and other services and supports that foster independence in living." In addition, it is important to note that Permanent Supportive Housing is consistent with the Council's definition only if the properties are integrated and not solely for a specific population.

2.4 Permanent Supportive Housing for Persons with Mental Illness

The Council's definition of Service-Enriched Housing is also consistent with the Substance Abuse and Mental Health Services Administration's ("SAMHSA") Evidence-Based Practices Kit. This Kit defines Supportive Housing as "housing that offers voluntary, flexible supports to help people with psychiatric disabilities choose, get, and keep housing that is decent, safe, affordable, and integrated into the community." (SAMHSA, 2010). SAMHSA's philosophy is that people with psychiatric disorders can live in integrated housing if they have access to the appropriate supportive services.

Similar to the Council's definition of Service-Enriched Housing, the definition of Permanent Supportive Housing for Persons with Mental Illness focuses on integration, with additional explanation that "people live in units…among those with and without special needs."

To clarify the criteria for "integrated housing," which all of the definitions mention, one must look to the U.S. Department of Justice ("DOJ") and its recent guidance.

2.5 Department of Justice Definition of Integrated Settings

The Council's definition of Service-Enriched Housing was developed in 2010 but is consistent with the guidance released by the DOJ in 2011. The Statement of the DOJ on Enforcement of the Integration Mandate of Title II of the Americans with Disabilities Act and *Olmstead v. L.C*. defines Integrated Settings as follows:

> *Integrated settings are located in mainstream society; offer access to community activities and opportunities at times, frequencies and with persons of an individual's choosing; afford individuals choice in their daily life activities; and, provide individuals with disabilities the opportunity to interact with non-disabled persons to the fullest extent possible. Evidence-based practices that provide scattered-site housing with supportive services are examples of integrated settings. By contrast, segregated settings often have qualities of an institutional nature. Segregated settings include, but are not limited to: (1) congregate settings populated exclusively or primarily with individuals with disabilities; (2) congregate settings characterized by regimentation in daily activities, lack of privacy or autonomy, policies limiting visitors, or limits on individuals' ability to engage freely in community activities and to manage their own activities of daily living; or (3) settings that provide for daytime activities primarily with other individuals with disabilities* (DOJ, 2011).

2.6 U.S. Department of Housing and Urban Development Statement

In addition to guidance by the DOJ, the U.S. Department of Housing and Urban Development ("HUD") also issued guidance to housing entities who receive HUD funding. In the statement, HUD (2013) clarifies its commitment to providing integrated, affordable and accessible housing for people with disabilities. In particular, the guidance encourages Public Housing Authorities and other HUD-funded entities to provide housing options for those leaving institutions or at risk of entering institutions. HUD clarified the process for identifying preferences in housing programs for people with disabilities. HUD continues to work to improve the HUD approval process to implement preferences in HUD-funded housing programs.

2.7 Summary

The HHSCC definition of Service-Enriched Housing is generally consistent with other definitions across the state and the country. The Council's effort to increase Service-Enriched Housing is also consistent with guidance provided to states by the DOJ and HUD. The two primary ingredients of Service-Enriched Housing, are 1) housing that is integrated into the community and 2) complemented by specific services that enable individuals with disabilities and aging Texans to live independent lives and have the opportunity to participate in the community.

Definitions, however, are only one method to gain a better understanding of Service-Enriched Housing. The next section will illustrate some examples of what Service-Enriched Housing looks like and why it is important to all Texans.

3.0 IMPORTANCE OF SERVICE-ENRICHED HOUSING

As discussed in the previous section, Service-Enriched Housing includes integrated, accessible, and affordable housing where on-site and off-site services are available (but not required) to enable people with disabilities and aging Texans to return to or remain in and participate fully in the community. When Service-Enriched Housing is available, it has a profound impact for the individual and the community.

Providing Service-Enriched Housing and relocating individuals from institutions to the community requires a deliberate coordinated effort on the part of housing and services agencies. In Texas, TDHCA and the Health and Human Services enterprise agencies have worked together to assist individuals with multiple, complex needs access vital housing, health-related, and social services. Although partner agencies strive to make the relocation process appear seamless to individuals, they have invested significant resources in aligning programs' eligibility criteria and funding critical supports, such as intense case management and transitional grants.

The Department of Human Services (now the Department of Aging and Disability Services ("DADS")) began contracting for Relocation Services in 2002 as a result of Senate Bill 367 of the 77th Texas Legislative Session. The bill required a Memorandum of Understanding between the Texas Department of Mental Health and Mental Retardation (now DADS), DHS, and Texas Department of Protective and Regulatory Services ("DFPS") to implement a pilot program to assist people in nursing homes to move to the community if they choose.

Since the pilot program was implemented, DADS has continued to contract with non-profit entities (many of whom are Centers for Independent Living) to assist nursing home residents in returning to the community.

Nursing home staff are required to assess each resident.[4] As part of the assessment, they must ask the resident if he/she would like to leave the facility and move back to the community. If the resident answers "yes" the nursing home is required to make a referral to the applicable DADS Relocation Specialist contractor within ten business days.

In addition, DADS provides reports to its relocation contractors with information about residents who have expressed a desire to relocate to the community. Contractors are required to use this information to conduct targeted outreach to nursing home residents.

Of all the barriers that nursing home residents encounter in returning to the community, lack of housing is the most common and difficult to address. Relocation contractors are contractually obligated to help residents obtain accessible, integrated and affordable housing. In doing so, they tap into rental assistance programs such as Tenant-Based

[4] Residents are assessed using the Resident Assessment Instrument (RAI) which includes the Minimum Data Set (MDS). Section Q of the MDS contains questions about relocating to the community.

Rental Assistance ("TBRA")[5] and Project Access (see Section 4.1). In addition, relocation contractors are required to arrange other vital community supports, such as transportation and banking.

To assist residents in establishing community residences, Texas makes available two specialized transition grants—Transition to Life in the Community and Transition Assistance Services[6]. These grants may be used to pay housing and utility deposits, purchase essential furnishings, and move personal belongings from the facility to the community.

Relocation contractors may begin working with nursing home residents as soon as they express a desire to relocate and continue working with them as long as necessary, until they successfully relocate. Following relocation, relocation contractors must remain involved for at least 90 calendar days to ensure that individuals are adjusting well to community living.

Service-Enriched Housing has made a positive impact on many lives. The next section includes stories of a few of those individuals.

3.1 Personal Stories

- **Helen**

Helen's story is in her own words. "My name is Helen and I am from New York by the way of Louisiana. I was 54 years old when I left the nursing home [in Texas]. I was 50 when I came in. I thought that I would never get to leave. I had a stroke and have paralysis on the left side of my body. I have seizures and I also have poor memory. A lady came to visit and said that she was from a program that would assist me to get a place to live. I was so excited. I have two sons that are in the Navy but for some reason the state is taking money out of my check for their student loans. The lady gave me information about Disability Rights of Texas so that I could get some legal help. My transition from the nursing home was made possible with the assistance of REACH, Inc., North Central Council of Governments' Area Agency on Aging, the Department of Housing and Community Affairs, and the Department of Aging and Disability Services. I got a voucher for public housing and I was able to get furniture, clothes, food, linen and everything that I needed. I also got a free telephone and I can call my family and also have one of those emergency help call alert so that I can get help.

I moved across the street from the nursing home where I lived for four years and now I am a visitor. I have been spreading the word about this program to every person I talk with. I am now free to choose my doctor and to schedule my appointments. The lady visits to check on me but I told her not to worry, I am doing fine. I have a nurse to come and ensure that I am taking my medication and I can call for help if I need it. I am able

[5] TBRA provides rental assistance for up to 24 months. If available, additional funds may be set-aside to provide assistance beyond 24 months for individuals who meet certain program requirements.
[6] Transition to Life in the Community and Transition Assistance Services are one-time funds that may be used to help the individual pay for things like furniture, security deposits, etc to establish the residence.

to catch the bus to my appointments. I am so happy! Thank you for helping me to be free."

- **Felipe**

After having a stroke, Felipe lived in a nursing home for ten years. He often wondered if he would ever get out on his own again. Felipe says, "I was used to living there and I was scared of being alone."

With the help of Coastal Bend Center for Independent Living ("CBCIL")[7], Felipe was able to use a housing voucher from TDHCA to help pay his rent and was able to receive Medicaid long-term services through the STAR+PLUS[8] program to help him with his daily living activities. Felipe explains that, "CBCIL helped me with everything. They paid for everything, my deposit, my furniture. I like my apartment. I like it here. In the nursing facility I slept four or five hours. Here I sleep from 10:30 till 7:00 when my provider gets here."

- **Wilbur "Terry"**

When Wilbur "Terry" lost his vision four years ago, he took it in stride. He learned to navigate his apartment by touch rather than sight and started preparing for a career change, no longer able to support himself as an air conditioner technician. But his independence started to erode when a family member noticed that his toes were discolored, the result of uncontrolled diabetes. He was admitted to the hospital to have the toes amputated and discharged to a nursing home, where he spent more than two years planning for his return to the community—and battling the nursing home staff who told him he could never make it on his own.

Terry's planning and persistence paid off in January of 2014. He received keys to an apartment in a newly opened complex, located across the street from his church. To help with rental costs, he was awarded a housing voucher from the Dallas Housing Authority through its Money Follows the Person ("MFP") initiative. With mobility training from the Texas Department of Assistive and Rehabilitative Services ("DARS"), he's learning to cook and clean his apartment and take advantage of the complex's fitness room. He's received adaptive aids from DARS and HealthSpring, which coordinates his STAR+PLUS services.

"My life has changed 100%," remarks Terry. What does he enjoy most? It's the simple things, such as "taking a shower whenever I want to, eating whenever I want to, and going somewhere without having to get permission. I like having privacy and being able to lock the door and be left alone when I want to."

These are just three examples of how housing and long-term services programs can work together to assist people with disabilities and seniors remain in or return to the

[7] CBCIL is a Relocation Contractor with DADS.
[8] STAR+PLUS is a Texas Medicaid managed care program for people who have disabilities or are age 65 or older. People in STAR+PLUS may receive help in the home with basic daily activities; help making changes to the home to ensure safety; short-term care to provide a break for caregivers; and help with things that need to get done.

community through Service-Enriched Housing. Many more people like Helen, Felipe, and Terry could benefit from Service-Enriched Housing if it was more available.

3.2 Money Follows the Person

Helen, Felipe, and Terry were able to transition to the community because of the Texas MFP program and extensive coordination and communication with other state and local entities. The initial Texas MFP program began in 2001. Since December 2001, 46,166 Texans[9] have transitioned back to the community to receive their long-term services and supports.

Because supporting individuals to remain in or transition back to life in the community is often more cost effective than providing care in institutions (AARP, 2013), the Deficit Reduction Act of 2005 first authorized the MFP Demonstration program. The program was modeled off of Texas' initial MFP program.

The MFP Demonstration is administered by the Centers for Medicare and Medicaid Services ("CMS"), which initially awarded MFP Demonstration grants to 30 states and the District of Columbia. Texas was one of the states included in the initial awards. The first states launched their MFP transition programs in late 2007. By 2011, Congress authorized $4 billion to (1) transition people living in nursing homes and long-term care institutions to the community and (2) change state policies so that Medicaid funds can "follow the person" into the community setting, if desired (Mathematica Policy Research, Inc, 2011).

Texas elected to focus its MFP Demonstration program on assisting older adults and persons with disabilities to transition back to the community from institutions. The MFP program in coordination with TDHCA's Project Access program allows individuals exiting institutions to bypass the state's Medicaid waiver interest list and immediately enroll into a waiver program that meets their needs (see Section 4.1).

TDHCA, DADS, and the Health and Human Services Commission ("HHSC") work very closely to coordinate housing and long-term services and supports through MFP. Project Access is a program that utilizes federal Section 8 Housing Choice Vouchers administered by TDHCA to assist low-income persons with disabilities in transitioning from institutions into the community by providing access to affordable housing (See Section 4.1, Project Access).

Texas was one of five MFP top-performing grantees to transition more than 200 people each between January and June 2013 (Mathematica Policy Research, Inc, 2013).

Working from this success, HHSC and DADS will receive approximately $33.6 million in new funding through 2016, which will be paired with existing state and federal funding for a total of $143 million. The agency will use the money to enhance its MFP initiative and expand its effort for persons with intellectual and developmental disabilities and persons with behavioral health needs.

[9] As of December 31, 2013, based on DADS internal monthly report.

3.3 Improved Satisfaction with Living Arrangements

CMS contracted with Mathematica Policy Research to conduct a comprehensive evaluation of the MFP Demonstration and report the outcomes to Congress. (Mathematica, 2011). The evaluation included pre- and post-transition Quality of Life Surveys. Analysis of the surveys concluded that after one year back in the community, people reported improved quality of life in all domains, i.e. *satisfaction with life, unmet personal care needs, respect and dignity, satisfaction with living arrangements, community integration, mood status*. Participants reported the largest improvement in satisfaction with their living arrangements. In fact, individual's satisfaction with their living arrangements increased by 50 percentage points between pre-transition and one-year post-transition to community living (Mathematica, 2011).

According to the HUD Office of Policy Development and Research (2013), the vast majority of aging adults prefer to live in their own home and community as they age. In order to make this happen, accessible, affordable housing and support services need to be in place to support individuals as they age and need additional resources. Home modifications and repairs, emergency response systems, and other technology interventions can help an individual remain in their home and prevent or prolong admission to institutional settings.

Service-Enriched Housing is critical to ensuring that persons with disabilities and Texans who are aging are supported to transition out of institutions and remain in the community to foster independence in living and decision-making.

3.4 Cost Savings and Cost Avoidance for Community Living Versus Institutional Living

In addition to improving quality of life, according to the Joint Center for Housing Studies of Harvard University America's Rental Housing report, there is growing evidence that supportive housing can also produce significant savings for federal, state, and local governments compared with emergency shelters and institutionalized care for the homeless. The Homeless Emergency Assistance and Rapid Transition to Housing ("HEARTH") Act in 2009 increased the number of beds for permanent supportive housing by 55,000 which corresponded to a decrease of individuals who were chronically homeless by 10 percent since the passage of the Act (2014, pg. 38).

According to SAMHSA, approximately 26 percent of persons who are homeless also have a mental illness and many have co-occurring Substance Use Disorders. Individuals who are chronically homeless extensively utilize high cost health care as opposed to preventive care and use 50 percent of shelter days provided by assistance programs. Supportive housing reduces the use of public services, saving an average of $16,282 per individual annually (SAMHSA, 2011).

In addition, a 2009 report by the Texas Legislative Budget Board (LBB)[10] contains analysis of the effectiveness and efficiency of several areas of Texas state government.

[10] Established under statute, the Texas State Government Effectiveness and Efficiency Reports help the Texas Legislature identify and implement changes to improve state agency effectiveness and efficiency, assist with

The 2009 report assessed Medicaid long-term services and supports caseloads and expenditures for institutions and community-based care in the state from 1999 to 2007. Findings included:

- Funding has shifted from institutional-based care to Home and Community-based Services ("HCBS");
- Growth in the number of people served in the community has been primarily due to expansion of Medicaid HCBS; and
- If new enrollees into HCBS programs, during the same timeframe, would have been served in institutional settings, costs would have risen above historical expenditures by $2.6 billion. (LBB, 2009).

Most people, including persons with disabilities, are living longer. An aging population increases demand for long-term services and supports. For example, a person with Down syndrome was expected to live to nine years of age in 1910. Today, it is not uncommon for people with Down syndrome to live to 60 years of age and beyond (National Down Syndrome Society, n.d.).

In addition to people with disabilities and persons who are homeless, the baby-boom generation is putting additional strain on housing and long-term services and supports systems. Long-term services and supports will be utilized at an ever increasing rate as the baby-boomers age. In 2010, Medicaid data showed that the average annual cost to serve an individual in a nursing home was $32,153 compared to $4,196 for an individual who received home health services. A total of $49.7 billion was expended nationwide on nursing home services for 1.5 million people. In comparison, $4.8 billion was spent for 1.1 million people to live at home with assistance (U.S. Department of Health and Human Services, 2013). It is important to note that the Medicaid dollars paid to nursing homes includes room and board costs for the individual, whereas, home services paid to providers does not.

Budget data from DADS Blue Book (2013), also illustrates the difference in funding for institutional services compared to services delivered in community settings. In 2012, the average Medicaid-funded cost per person per month for people being served in nursing facilities was $3,224.60 versus $1,479.05 for the Community Based Alternatives program (does not include room and board). In addition, the average Medicaid-funded cost per person per month for people with Intellectual and Developmental Disabilities ("IDD") was as follows:

- State Supported Living Center, $14,407;
- Intermediate Care Facilities for Individuals with IDD, $4385.58; and
- Home and Community-based Services waiver program, $3423.61 (does not include room and board).

While simple comparisons appear to illustrate cost savings for HCBS, more research is needed (AHRQ, 2012). However, because of limited resources and an ever increasing

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monitoring agency progress toward the achievement of established performance targets, and facilitate the accomplishment of state goals and objectives.

number of people who need long-term services and supports (current unduplicated number of people waiting for DADS' community services is 111,108) (DADS, 2014), states like Texas will need to evaluate potential cost savings for serving people in the community compared to institutions.

Expanding Service-Enriched Housing will play a critical role in the future as the population ages and people live longer. Continuing to expand the availability of Service-Enriched Housing will not only have a positive impact on the quality of life for many Texans but could have a strong positive fiscal impact to the state.

3.5 Organizations Providing Service-Enriched Housing

There are some organizations committed to providing Service-Enriched Housing. Easter Seals of Central Texas[11] ("ESCT") is one such organization in Austin. The organization partnered with HUD and the City of Austin. Using multiple funding sources, ESCT purchases condominiums within an existing building complex and refurbishes the units to ensure accessibility for people with disabilities.

Individuals who live in the accessible units have access to services, such as DADS or HHSC Medicaid waiver services, to assist them in maintaining their housing but are not a requirement of housing. Some are also supported by rental assistance programs that help them pay part of their rent. Tenants who live in the accessible units have the opportunity to participate in their community just as other tenants.

Foundation Communities[12] is another organization in Austin that provides Service-Enriched Housing. Foundation Communities provides affordable housing and includes on-site and off-site support services for tenants at no charge to them. They have a contract with Caritas of Austin to provide case management services. The services are voluntary and not a condition of the housing. The case managers link tenants who want and need additional services to local service organizations such as the Local Mental Health Authority ("LMHA").

The Council is working to educate additional housing and services staff to provide programmatic incentives to housing providers to develop and/or operate Service-Enriched Housing.

[11] Learn more about Easter Seals of Central Texas on their website: http://www.easterseals.com/centraltx/who-we-are/history/

[12] Learn more about Foundation Communities on their website: http://www.foundcom.org/

4.0 COUNCIL ACTIVITIES

As discussed in Section 3.0, Service-Enriched Housing requires services and housing organizations working in partnership to provide supports for people with disabilities and aging Texans. In order for Texas to increase its efforts to expand Service-Enriched Housing it requires building on existing services and housing opportunities as well as developing new resources. This section will describe the activities and coordination that have been underway for both services and housing since the inception of the Council. The activities are organized by statutory requirement.

4.1 Develop and Implement Policies to Coordinate and Increase State Efforts to Offer Service-Enriched Housing

- Project Access

Coordination between housing and the health and human services agencies began eight years before the creation of the Council. The Project Access Program began as a HUD pilot in 2002 but through extensive coordination between TDHCA and its Health and Human Services partners. The program utilizes federal Section 8 Housing Choice Vouchers administered by TDHCA to assist low-income persons with disabilities in transitioning from institutions to the community by providing access to affordable housing combined with services provided by HHS agencies. As discussed below, TDHCA has steadily worked to develop and expand this initiative.

The program originally had 35 vouchers when it began in 2002. The Governing board approved the following changes over the years to the Project Access program, based on input from advocates and the Health and Human Service Agency partners:

- Incremental increases to the number of Project Access Vouchers to the number of vouchers to 140.
- Created a pilot program with DSHS to assist persons with disabilities transitioning out of State Psychiatric Hospitals;
- Removes set-asides for those over and under age 62 that allows both age groups to access the same group of vouchers;
- Adds persons with disabilities transitioning out of State Psychiatric Hospitals to the list who can access the larger pool of vouchers if those prioritized for the pilot program fill up; and
- Allows those on the waiting list to exit the nursing facility using HOME TBRA while they wait for a voucher to become available.

In addition to program changes, TDHCA provided outreach and technical assistance to DADS Relocation Specialists and TBRA Administrators to support individuals on TDHCA's Project Access waiting list to relocate out of institutions using assistance from the HOME TBRA program. A participant may exit an institution using TBRA, a time-limited housing assistance program, while they wait out the time it takes for their name to come up on the Project Access waiting list. Individuals are able to live in the community, in their own homes, rather than in a nursing facility or other institutions while waiting for their name to come up on the Project Access waiting list.

TDHCA and HHS agencies continue to work together to support those wishing to leave institutions to access affordable housing and available services based on individual preferences. Because of reductions in Section 8 funding to TDHCA, the waiting list for Project Access has grown. However, due to efforts by TDHCA, 71 vouchers were issued between November 2013 and May 2014 to individuals on the waiting list. TDHCA and HHS agencies continue to work together to utilize as many vouchers as possible to support people leaving nursing homes and state psychiatric facilities.

- Integrated Housing Rule

Prior to the creation of the HHSCC, TDHCA had already adopted an integrated housing rule in 2003[13]. The rule defines integrated housing as normal, ordinary living arrangements typical of the general population. Integration is achieved when individuals with disabilities can make choices to live in housing units that are located among individuals who do not have disabilities or other special needs. Integrated housing is distinctly different from assisted living facilities/arrangements.

TDHCA requires that a housing development not restrict occupancy solely to people with disabilities or people with disabilities in combination with other special needs populations, e.g. victims of domestic violence.

For large housing developments (50 or more units) the rule requires that developments provide no more than 18 percent of the units of the development set-aside exclusively for people with disabilities. The units must be dispersed throughout the development. For small housing developments (under 50 units) the development will provide no more than 36 percent of the units of the development set-aside exclusively for people with disabilities and also dispersed throughout the development. This rule does not prohibit a property from having a higher percentage of occupants who have disabilities.

The Council's definition of Service-Enriched Housing incorporates the Integrated Housing Rule. There are exceptions to this rule and they will be revisited when the Integrated Housing Rule is revised in the next biennium.

- Definition of Service-Enriched Housing Rule

The first step undertaken by the Council, after its creation in 2009, was to engage in a public outreach process, inviting stakeholders from across the state to attend a series of public forums to provide feedback on the concept of Service-Enriched Housing and the possible future directions of the Council.

Using this feedback, the Council developed the definition of Service-Enriched Housing, as mentioned in Section 2, which was adopted as a rule by TDHCA's Governing Board. This definition helped to frame future actions of the Council, particularly the creation of its first Biennial Plan.

[13] The Integrated Housing Rule can be found on Secretary of State's website: http://info.sos.state.tx.us/pls/pub/readtac$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_ploc=&pg=1&p_tac=&ti=10&pt=1&ch=1&rl=15

- Housing Capacity Building Initiative for Community Living

Another policy change began at the federal level. The Housing Capacity Building Initiative for Community Living ("Initiative") is in response to President Obama's June 2009 call for a *Year of Community Living.* This initiative created an alliance between the HHS, HUD, and DADS.

The Initiative was launched in Dallas, Texas, in 2011. HHS and HUD brought together staff from their headquarters to meet with staff from HHS and HUD Texas staff, the DADS staff, and Public Housing Authorities ("PHAs") to explain how housing providers and community long-term services and supports providers can work together to improve the lives of people with disabilities and ensure their right to live meaningful lives in a community setting. Individuals who relocated through DADS MFP Program were invited to share their experiences about leaving an institution and living in a community setting. The various agencies attending were:

- HHS Regional Director
- HHS Office of Civil Rights
- HUD Field Policy Management Office
- HUD Office of Fair Housing and Equal Opportunity
- HUD Office of MultiFamily Housing
- HUD Office of Public and Indian Housing
- DADS Promoting Independence Office
- PHA Chief Executive Officers ("CEO")

Follow up meetings with HHS and HUD State Regional staff and DADS staff were held to determine a process to work with local PHAs to provide MFP participants with access to Section 8 Housing Choice Vouchers and Public Housing Units. It was determined that this "workgroup" would hold a weekly meeting with a different PHA CEO each week to explain the Initiative and ask that they participate by providing a housing priority preference for MFP participants.

The Initiative was a success evidenced by 12 PHAs agreeing to set aside a total of 146 Section 8 Housing Choice Vouchers and 40 public housing units for people participating in the Money Follows the Person Demonstration.

- Substantial Amendment to 2013 State of Texas Consolidated Plan: One-Year Action Plan

In August 2013, TDHCA amended its 2013 Consolidated Plan to provide preferences for low-income elderly, persons with disabilities, persons transitioning out of nursing homes, and other special needs populations. This policy decision allows subrecipients to exclusively serve specific populations such as people transitioning out of nursing homes using a tenant-based voucher program.

- Qualified Allocation Plan

TDHCA also supports development of Service-Enriched Housing through its Housing Tax Credit Program ("HTC"). The HTC Program is currently the largest source of federal

subsidy, managed by the Department of Treasury's Internal Revenue Service, for developing and rehabilitating affordable rental housing in the United States.

The Qualified Allocation Plan ("QAP") is a federally mandated requirement that states use annually to explain the basis upon which they distribute their HTC allocations. Through their QAPs, states establish preferences and set-asides within their tax credit competitions so as to target the credits towards specific places (such as rural areas) or types of people (such as elderly households). (HUD, 2014)

TDHCA has taken steps to include incentives in its QAP for HTC applicants to develop supportive housing for persons with disabilities. All of TDHCA HTC multifamily developments must provide accessible units. In effect, a 160 unit multifamily development must provide a minimum of eight accessible units and four units designed for people who are visually impaired.

In 2014, TDHCA added a 30 percent boost in eligible basis[14] (HUD, n.d.) for applicants willing to commit an additional ten percent of the units at thirty percent of Area Median Family Income ("AMFI"). As recommended by the Technical Assistance Collaborative (see Section 4), TDHCA continued to include supportive housing and other deep rent targeting, special needs incentives, and tenant services requirements in its QAP and TDHCA increased the scoring points for these items.

In addition, TDHCA changed the Increase in eligible basis (30 percent boost) for developments located in a Qualified Census Tract ("QCT") (as determined by the Secretary of HUD) that has less than 20 percent Housing Tax Credit Units per total households in the tract. The 2013 QAP had 30 percent. This results in less concentration of affordable housing in particular areas.

To support "visitability"[15] (HUD Office of Policy Development and Research, 2013, pg. 12) TDHCA added a new requirement where some units are two-stories or single family design and are normally exempt from Fair Housing accessibility requirements, a minimum of twenty percent of each unit type (*i.e.*, one bedroom, two bedroom, three bedroom) must provide an accessible entry and all common-use facilities must be in compliance with the Fair Housing Guidelines (HUD, n.d.), and include a minimum of one bedroom and one bathroom or powder room at the entry level. The modified requirement ensures consideration of how many bathrooms a unit has so that a developer does not only use 2 bed-1 bath units to meet the requirement if they have 2 bed-2 bath units.

Another step taken for the 2014 QAP to support Service-Enriched Housing was a change that requires all applications proposing rehabilitation of a multi-family project

[14] "The amount of all depreciable development costs that may be included in the calculation of housing tax credits. Eligible depreciable costs include all "hard" costs, such as construction costs, and most depreciable "soft" costs, such as architectural and engineering costs, soil tests, and utility connection fees."

[15] "A movement to change home construction practices so that virtually all new homes – not merely those custom-built for occupants who currently have disabilities – offer a few specific features making the home easier for mobility-impaired people to live in and visit."

(including reconstruction) be treated as a substantial alteration. This means that five percent of the units are required to be set-aside to accommodate persons with mobility impairments and two percent will be set-aside for persons with visual impairments.

In the process of developing the 2014 QAP, strong consideration was given to the development of incentives to participate in the Texas Section 811 Project Rental Assistance Demonstration Program. However, there were delays to the finalization and roll out of this program; so it was decided to defer the incorporation of such incentives to the 2105 QAP.

- 2014 QAP to Accommodate Houston Permanent Supportive Housing Project

The 2014 QAP also includes incentives for developers proposing tax credit developments in Houston and who agree to participate in the City of Houston's Permanent Supportive Housing initiative. The general objective of the initiative is described as follows:

  - Members of the Houston/Harris County Continuum of Care, the City of Houston through its Housing and Community Development Department, Harris County through its Community Services Department, and the Houston Housing Authority are participating in the community's initiative to end chronic homelessness in Houston by 2016. To achieve this goal, a community plan has been generated that includes the creation of 2,500 units of permanent supportive housing; and
  - Up to three additional points are available to applications submitted in the 2014 nine percent housing tax credit cycle for applications that demonstrate participation in the City of Houston's initiative. This incentive mirrors the incentive provided for development's meeting TDHCA's definition of Supportive Housing.

4.2 Identify Barriers Preventing or Slowing Service-Enriched Housing Efforts

Another charge to the Council is to identify barriers that prevent or slow expansion of Service-Enriched Housing. In the HHSCC 2012-2013 Biennial Plan, the Council recommended that the state of Texas urge CMS to remove regulatory barriers to designing 1915 (c) waiver eligibility based on needs rather than diagnosis or condition. CMS released a draft rule in 2012 and received hundreds of comments from across the nation. As a result, CMS made a number of changes to the rule and finalized it in February 2014[16].

Although CMS' final rule did not change eligibility criteria for Medicaid waivers, the final rule establishes required criteria for HCBS settings provided under sections 1915(c), 1915(i) and 1915(k) of the Medicaid statute.

CMS moved toward defining HCBS settings by the nature and quality of individuals' experiences rather than "what they are not." The focus is on an outcome-oriented

[16] More information about the new rule can be found at: https://www.federalregister.gov/articles/2014/01/16/2014-00487/medicaid-program-state-plan-home-and-community-based-services-5-year-period-for-waivers-provider

definition of home and community-based settings, rather than one based solely on a setting's location, geography, or physical characteristics. CMS' goal was to "maximize the opportunities for participants in HCBS programs to have access to the benefits of community living and to receive services in the most integrated setting."

All home and community-based settings must meet the following criteria:

- The setting is integrated in and supports full access to the greater community;
- Is selected by the individual from among setting options;
- Ensures individual rights of privacy, dignity, respect, and freedom from coercion and restraint;
- Optimizes autonomy and independence in making life choices; and
- Facilitates choice regarding services and providers.

The final rule also includes additional requirements for provider-owned or controlled home and community-based residential settings. These requirements include:

- The individual has a lease or other legally enforceable agreement providing similar protections;
- The individual has privacy in their unit including lockable doors, choice of roommates and freedom to furnish or decorate the unit;
- The individual controls his/her own schedule including access to food at any time;
- The individual can have visitors at any time; and
- The setting is physically accessible.

Any modification to these additional requirements for provider-owned home and community-based residential settings must be supported by a specific assessed need and justified in the person-centered service plan.

CMS did list, however, excluded settings which include nursing facilities, institutions for mental disease, intermediate care facilities for individuals with intellectual disabilities, and hospitals. The rule gives states a period (as brief as possible but not longer than one year) to submit a transition plan for their waiver programs to comply with the new HCBS settings requirement in the rule. CMS also clarified that the rule applies to all settings where HCBS are delivered, not just residential settings and will be giving states additional guidance about complying with the new rule in their day programs and other service settings.

Another very important change in the rule is the requirement for each individual to have a Person-Centered Plan utilizing a person-centered planning process that addresses health and long-term services and support needs based on the individual's preferences and life goals. The process must be driven by the individual but can include others selected by the individual and must consider:

- The most integrated community setting;
- Services delivered are based on the individual's preferences; and
- Ensuring the health and well being of the person (CMS, 2014).

In addition to policy challenges to creating Service-Enriched Housing, funding is another major consideration. Texas agencies have coordinated by taking steps to obtain additional funding sources for Service-Enriched Housing.

4.3 Limitations on Funding

In the last several years, the federal government and state lawmakers have provided additional funding for housing and services through a number of new initiatives. Listed below are the funding opportunities for which Texas is participating. Approximately, $2.9 billion additional dollars have been allocated or awarded to Texas through these initiatives.

- Section 811 Project Rental Assistance Demonstration

In 2011, the State of Texas was one of six states awarded a Real Choice Systems Change Grant for a Section 811 Project Rental Assistance ("PRA") Demonstration by CMS. DADS and TDHCA partnered on the application for these funds. The State of Texas's application was selected, in part, because of its demonstrated on-going commitment to infrastructure change, innovation, and building sustainable partnerships to benefit low-income persons with disabilities. As part of the CMS Real Choice Grant, the state created the 811 Team composed of TDHCA, HHSC, DADS, DSHS, consumers of services, advocates, and housing providers/developers.

The 811 Team held multiple meetings to identify the target populations to be served and program design and TDHCA and HHSC entered into an Interagency Agreement in preparation for submitting an application for the Section 811 PRA Demonstration Program.

On February 19, 2013, TDHCA was notified it received the maximum award of $12,000,000 under the Fiscal Year (FY) 2012 funding round and TDHCA anticipates serving approximately 360 households.

Texas' program will serve three target groups:

- People with disabilities living in institutions;
- People with serious mental illness; and
- Youth with disabilities exiting the state's foster care system.

Due to the large size of Texas and the primary locations of concentrations of the target groups, the services will be provided in seven Metropolitan Statistical Areas ("MSAs"):

1. Austin-Round Rock-San Marcos;
2. Brownsville-Harlingen;
3. Dallas-Fort Worth-Arlington;
4. El Paso;
5. Houston-Sugar Land-Baytown;
6. McAllen-Edinburg-Mission; and
7. San Antonio-New Braunfels.

As of April 2014, TDHCA was continuing coordination activities with HUD to finalize the required Cooperative Agreement between the two agencies.

In addition to the 2012 PRA Demonstration, HUD released another round of funding for states to apply for 2013 Section 811 PRA activities. TDHCA with its HHS agency partners applied for an additional $12 million dollars in May 2014 to replicate the 2012 PRA Demonstration Program. If awarded the maximum funding, TDHCA anticipates serving an additional 296 households in the same seven MSA areas for the same target groups.

Delivery System Reform Incentive Payment

Another opportunity for additional funding was the Delivery System Reform Incentive Payment ("DSRIP") initiative. In 2011, Texas received federal approval of a waiver that expanded managed care to achieve savings and improve quality.

An example of one of the projects approved by CMS is in Central Texas through Bluebonnet Trails Community Services. They are implementing a peer-led transitional services program through which individuals will receive behavioral health services in a transitional housing setting to improve community living skills with the goal of achieving permanent supportive housing. The target groups are individuals referred from emergency departments, criminal justice, state psychiatric inpatient facilities, the Crisis Respite Unit, and the local community centers with a need for housing. Bluebonnet received $623,890 to implement this program.

Another example is the City of Austin's Health and Human Services Department. They received $462,500 DSRIP funds to Provide an Assertive Community Treatment ("ACT") team to recently housed individuals (housed through a nonprofit housing provider) who were chronically homeless and who have mental and health conditions as well as a substance use disorder.

Of the DSRIP projects submitted through Regional Healthcare Partnerships ("RHPs")[17] to CMS by HHSC, 357 relate to Behavioral Health and account for approximately $1.9 billion additional federal funds. This funding is providing additional opportunities for local communities to implement services for people with behavioral health[18] challenges.

- Balancing Incentive Payment Program,

Yet another federal funding opportunity available is the Balancing Incentive Program ("BIP") which authorizes grants to states to increase access to non-institutional long-term services and supports ("LTSS"). The program helps states transform their long-term care systems by:

  - Lowering costs through improved systems performance and efficiency;
  - Creating tools to help consumers with care planning and assessment; and
  - Improving quality measurement & oversight.

[17] More information about RHPs can be found at: http://www.hhsc.state.tx.us/1115-rhp.shtml.
[18] A summary of active DSRIP projects can be found at: http://www.hhsc.state.tx.us/1115-RHP-Plans.shtml

BIP also provides new ways to serve more people in home and community-based settings, in keeping with the integration mandate of the Americans with Disabilities Act ("ADA"), as required by the *Olmstead* decision. The program was created by the Affordable Care Act of 2010 (Section 10202). BIP increases the federal match to states that make reforms to divert individuals away from nursing homes and other institutional settings to non-institutional services.

To participate in the Balancing Incentive Program, a State must have spent less than 50 percent of total Medicaid medical assistance expenditures on non-institutionally based LTSS for fiscal year 2009. States must also submit an application that meets programmatic and structural reform requirements.

BIP requires States to implement structural changes, including a no wrong door/single entry point system ("NWD/SEP"), conflict-free case management services, and core standardized assessment instruments. States must also agree to use the enhanced Federal Medical Assistance Percentage ("FMAP") to only provide new or expanded home and community-based LTSS and cannot restrict LTSS eligibility more than the standards already in place as of December 31, 2010.

Three of the state's five health and human services agencies are partnering to implement the BIP, HHSC, the Medicaid single state agency; DADS, the operating agency for LTSS; and DSHS, the operating agency for behavioral health services. HHSC delegated BIP implementation and management activities to DADS.

These agencies will leverage BIP funding and initiatives with the state's MFP Demonstration to make the required structural changes and achieve a fully rebalanced LTSS system. The state will also leverage existing advisory committees to oversee and inform BIP activities, with the MFP Demonstration Advisory Committee primarily monitoring BIP implementation and soliciting stakeholder involvement.

No Wrong Door/Single Entry Point

The state will improve its assessment and eligibility determination processes by coordinating financial and functional eligibility systems. This will enable real time information sharing, simplify the eligibility determination process and ensure service planning activities are coordinated. In addition, DADS will expand the number and functionality of Aging and Disability Resource Centers ("ADRCs") to achieve statewide coverage.

Conflict Free Case Management

The state will ensure all case management activities are conflict-free by requiring separation between entities that conduct eligibility determinations and case management and entities that provide direct services. This may be achieved by firewalls separating a provider's direct care functions from the provider's case management functions, state agency monitoring, and due process activities.

Core Standardized Assessment Instrument

DADS and HHSC will develop a Level 1 screen that is a core assessment which includes an opportunity for an individual to voice their housing needs. The Level 1 screen is based on the HHSC Self-Service Portal available on YourTexasBenefits.com and the ADRCs' current assessment processes.

- Department of Assistive and Rehabilitative Services 83rd Texas Legislative Session

DARS received additional funding for service programs. The agency received $105,000 for each fiscal year of the 2015-16 biennium for the Office of the Deaf and Hard of Hearing Services to add resource specialists that will serve 750 additional individuals. In addition, the agency received $1.1 million for each fiscal year to add additional providers of Autism programs in areas currently not served. Last, the agency received $13.7 million for each fiscal year to serve additional individuals in the Comprehensive Rehabilitation Services and maintain current Early Childhood Intervention Services levels.

- Department of State Health Services 83rd Texas Legislative Session

In addition to DARS, DSHS received an unprecedented $332.5 million, including more than $283.3 million in new general revenue funding. The funding includes $10.8 million to provide rental (short and long-term) and utility assistance to individuals with mental illness. DSHS developed a needs and capacity assessment and sent a Request for Proposal to all of the LMHAs. Eighteen of the 39 LMHAs submitted proposals that were approved by DSHS. As of February 2014, 786 individuals have received rental subsidies to help obtain or maintain housing.

Other funding for DSHS includes:

- $48 million to eliminate the wait lists at LMHAs;
- $20 million being reserved for new individuals expected to request services (surge) after the wait list has been eliminated;
- Received funding for Public Awareness Campaign;
- $20 million for an emergency room diversion program for people with serious mental illness;
- Funding for a collaborative in Dallas to serve people who are homeless with mental illness;
- $4 million for veterans with mental illness;
- $10 million for a Harris County jail diversion program;
- $1.1 million increase in Substance Use Disorder funding; and
- Funding to develop a Home and Community-Based Services - Adult Mental Health Program 1915 (i) waiver[19].

[19] The purpose of the Home and Community-Based Services-Adult Mental Health Program (HCBS-AMH program) is to provide home and community-based services to adults with extended tenure in state mental health facilities in lieu of their remaining long-term residents of state facilities. The HCBS-AMH program will provide an array of services, appropriate to each individual's needs, which would enable these individuals to live in the community rather than residing in state mental health hospitals.

- Department of Aging and Disability Services 83rd Texas Legislative Session

DADS also received additional funding for services for the 2014-2015 Biennium. This additional funding helps support the expansion of Service-Enriched Housing. DADS' funding (all numbers are listed in millions) includes:

  - Attendant care base wage increase to $7.50 per hour in Fiscal Year 2014 and $7.86 per hour in FY 2015 ($40.9 General Revenue ("GR") / $95.6 All Funds ("AF"));
  - Promoting Independence ($28.1 GR / $69.2 AF);
  - 400 Home and Community-based Services ("HCS") waiver slots for large and medium Intermediate Care Facilities for Individuals with an Intellectual Disability ("ICF/IID");
  - 300 HCS waiver slots for individuals at-risk of ICF/IIDs institutionalization;
  - 192 HCS waiver slots for children aging-out of the Department of Family and Protective Services ("DFPS") Foster Care ;
  - 360 HCS waiver slots (120 in FY 2014 & 240 in FY 2015) for relocation of individuals with IDD from NF;
  - 25 HCS waiver slots for DFPS children with Intellectual and Developmental Disabilities ("IDD");
  - 100 Community Based Alternatives ("CBA") waiver slots for individuals at risk of NF institutionalization;
  - Community Expansion ($56.5 GR / $139.1 AF)[20]
    - 712 waiver slots for Community Living Assistance and Support Services ("CLASS")
    - 100 waiver slots for Deaf Blind with Multiple Disabilities ("DBMD")
    - 1,324 waiver slots for HCS
    - 490 waiver slots for STAR+PLUS
    - 3,000 waiver slots for Texas Home Living ("TxHmL")
    - 262 waiver slots for CBA in FY 2014 (Program transfers to Health and Human Services Commission in FY 2015)
    - Habilitation services to 11,902 individuals with IDD beginning FY 2015 ($106.5 GR / $371.4 AF)
    - Cognitive Rehabilitation Therapy was added to the CBA, CLASS and HCS waivers service array($0.4 GR /$1.0 AF);
  - Enhanced Pre-Admission Screening and Resident Review ($9.8 GR / $23.8 AF); and
  - Program of All-Inclusive Care for the Elderly ("PACE")
    - 96 additional slots at current sites
    - Three additional PACE sites with up to 150 slots per site.

- Funding Opportunities & Notifications from the Housing & Health Services Coordination Council

As required by Council statute, TDHCA staff are directed to:

[20] More information about DADS community services can be found at: http://www.dads.state.tx.us/index.cfm and http://www.dads.state.tx.us/providers/community_options.pdf

1) Identify sources of funding from this state and the federal government that may be used to provide integrated housing and health services; and
2) Determine the requirements and application guidelines to obtain those funds.

Since June 2011, TDHCA staff have researched grant opportunities such as Grants.gov, Robert Wood Johnson Foundation, Electronic State Business Daily, etc. to identify potential funding for housing and services. The opportunities are disseminated during the first week of each month through a listserv to anyone who has provided e-mail contact information through the HHSCC website. Approximately 352 individuals receive the funding notification each month.

4.4 Ineffective or Limited Coordination

Several activities are being conducted to improve effective coordination between housing and services programs. The first activity is coordinating the TDHCA Project Access and TBRA programs. TDHCA and DADS have been and continue to work together to increase housing choices for persons with disabilities and further community integration.

Individuals may be able to relocate from nursing facilities and other institutions by accessing TDHCA's HOME TBRA program. If a TDHCA-funded TBRA Administrator operates locally, households may be able to receive support from TBRA for up to five years, depending on continued households eligibility and HOME funding availability. While participating in the TBRA program, an applicant for the Project Access will not lose their place on the waiting list for a Project Access Voucher. This coordination enables participants to relocate to the community much quicker than they would have otherwise.

TDHCA has reached out to HOME TBRA Administrators across the state to encourage them to serve individuals currently on the Project Access waiting list. TDHCA is providing technical assistance to Administrators and DADS Relocation Specialists[21] serving these households. As of April 1, 2014 an additional 16 individuals relocated from nursing facilities into the community using TBRA. They are now able to wait for their names to come up on the Project Access waiting list in their own homes rather than a nursing facility. As a result of the technical assistance and coordination, four TDHCA-funded TBRA Administrators have committed to receive referrals from Relocation Specialists to actively serve individuals on the Project Access waiting list.

- HHSCC and DADS Medicaid Waiver Renewals

Another activity that proposes to improve coordination is providing input during DADS' Medicaid waiver renewal process. DADS manages six Medicaid waiver programs for persons with disabilities and aging Texans. They include HCS, TxHmL, DBMD, Medically Dependent Children Program ("MDCP"), CLASS, and CBA. CMS requires that states conduct a stakeholder process when waivers come up for renewal (every five years for current waivers).

[21] A listing of DADS Relocation Contractors can be found at:
http://www.dads.state.tx.us/providers/NF/secgreferrals/#contractors

DADS conducted a public hearing in 2013 regarding the renewal of the CLASS waiver. TDHCA staff attended and developed recommendations that were approved by the Council and submitted to DADS for consideration.

The recommendations included:

1. Adding a housing training component to the DADS Case Management Training curriculum. TDHCA staff are willing to serve as a resource.
2. Adding a housing training component to the DADS Service Coordinator and training for all of DADS waiver programs. TDHCA staff are willing to serve as a resource.
3. Exploring the feasibility of increasing the rate, subject to funding availability, for Support Family Services and Continued Family Services to allow persons who do not have the option to live in their own or family's home to receive services in a family setting and to prevent institutionalization.
4. Continuing to encourage CMS to change eligibility criteria for Medicaid waivers to be based on functional needs rather than specific diagnoses.

This coordination between state and local entities provides additional opportunities to more effectively communicate between housing and services staff.

4.5 Develop a System to Cross-Educate Selected Staff in State Housing and Health Services Agencies to Increase the Number of Staff with Expertise in Both Areas and to Coordinate Relevant Staff Activities of Those Agencies

The Council in cooperation with services agencies accomplished a number of activities that have cross-educated staff. The first activity was the creation of the HHSCC Agency Reference Guide. Staff created the guide in 2010 and it is posted on the HHSCC website. Since the creation of the guide, Texas received the Real Choice Systems Change grant. One of the activities included in Texas' grant was to create a Housing and Services Resource Guide: Federal and State Resources (June 2013) as part of a Housing and Services Partnership Academy.

The Housing and Services Partnership Academy provided local communities the tools and education necessary to create safe, affordable, accessible housing for people with disabilities in their communities. Communities created teams that focus on the needs of persons with disabilities. The State of Texas, in a recent application to HUD for Section 811 funds, prioritized three Medicaid eligible populations, including persons exiting institutions, persons with serious mental illness, and youth with disabilities exiting foster care. Teams considered one of these populations or identified the need in their community. Additionally, team members participated in two pre-Academy webinars during May 2013.

Subsequent to the Academy, the Council became aware of two teams that have initiated efforts to expand Service-Enriched Housing in their area such as expanding their service area under their TDHCA TBRA contract and working in partnership with DSHS to expand its rental assistance program for people with mental illness.

In addition to the Academy, another grant activity was to create a resource for entities wishing to support people with disabilities. TDHCA developed a page on its website, Tools for Serving People with Disabilities that provides information and resources for developers and service agencies.

Yet another resource developed was training materials for housing and services staff and a companion training for developers of Service-Enriched Housing. TDHCA on behalf of the Council contracted with TAC to develop training curriculum to cross-educate housing and services staff.

The training materials include information about federal, state, and local housing resources and information about Texas' service system and access points. The Council recommended that the materials be used for training in various formats and coordinate with other entities to leverage other training opportunities. For example, the materials will be used to produce short videos that may be posted on TDHCA and partner entity's websites and social media sites. They can also be used for DADS Relocation Specialist's training as well as DADS Case Manager and Service Coordinator training.

- Interagency Workgroups and Councils

Another avenue to cross-educate staff is through Interagency Workgroups and Councils. TDHCA and HHS agencies staff participate in a number of interagency workgroups and councils. The meetings provide excellent opportunities to cross-educate staff during presentations and updates provided to the groups. For example, TDHCA staff gave a presentation on housing resources at the April 17, 2014, Promoting Independence Advisory Council meeting. The Council is comprised of 12 advocates and providers of services from across the state. The Council also has state representatives from all five HHS agencies and the Texas Workforce Commission.

In addition, the Council for Advising and Planning for the Prevention and Treatment of Mental Health and Substance Use Disorders ("CAP") is another entity that meets quarterly and provides an opportunity for cross education. The National Association of Mental Health Planning and Advisory Councils ("NAMHPAC") requires the CAP to involve stakeholders, including individuals with mental health disorders, their family members, and parents of children with serious emotional or behavioral disturbances, in service planning efforts through membership in the planning and advisory council. The CAP includes six individuals with Mental Health disorders, six individuals with Substance Use disorders, five family members or advocates, all of the HHS agencies, the Texas Department of Criminal Justice, the Texas Education Agency, the Texas Workforce Commission, and the Texas Juvenile Justice Department. Each agency provides updates about their program and services at each meeting.

The State Independent Living Council ("SILC") also meets quarterly and provides a venue to educate staff across agencies. The SILC includes up to ten voting members, and at least three ex-officio members, who are appointed by the Governor, and who come from all regions of the state. What makes the Council unique is that the majority of members of the Council must by law be persons with disabilities. In addition, one

member of the Council must be an Executive Director of a Texas Center for Independent Living. The Council leads, promotes and advances an Independent Living philosophy, and advocates for the rights of individuals with disabilities. TDHCA, DADS, and DARS representatives currently participate. As with the other organizations, agency staff give updates and information about their programs and services.

The Reentry Task Force follows the release or discharge of offenders to rural or urban communities to identify gaps in services in the areas of employment, housing, substance abuse treatment, medical care, and any other areas in which the offenders need special services. They also coordinate with providers of existing local reentry and reintegration programs, including programs operated by a municipality or county, to make recommendations regarding the provision of comprehensive services to offenders following their release or discharge to rural or urban communities. Similar to the previous groups, the Reentry Task Force includes representatives of the:

- Texas Youth Commission;
- Texas Workforce Commission;
- Department of Public Safety;
- Texas Department of Housing and Community Affairs;
- Texas Correctional Office on Offenders with Medical or Mental Impairments;
- Health and Human Services Commission;
- Texas Judicial Council; and
- An organization selected by the Texas Department of Criminal Justice that advocates for or provides reentry or reintegration services to offenders following their release or discharge from a correctional facility.

TDHCA staff serve as the chair of the Housing subcommittee of the Task Force.

Cross education of staff also occurs at the Community Resource Coordination Group ("CRCG") meetings. CRCGs are county-based organizations comprised of public and private organizations that work together to develop individual service plans for people with complex needs. Many CRCGs also include parents, consumers, or caregivers as members. CRCG members include the following representatives:

- Families, Consumers, and Caregivers
- Texas Health and Human Services Commission
- Texas Department of Aging and Disability Services
- Texas Department of Assistive and Rehabilitative Services
- Texas Department of Family and Protective Services
- Texas Department of State Health Services
- Texas Correctional Office on Offenders with Medical or Mental Impairments
- Texas Department of Criminal Justice
- Texas Department of Housing and Community Affairs
- Texas Education Agency
- Texas Juvenile Probation Commission
- Texas Workforce Commission

- Texas Youth Commission
- Private Providers Serving Children
- Private Providers Serving Adults

In addition to the local CRCGs, there is a State CRCG Team. The above agencies are working together to create a Memorandum of Understanding between the agencies to clarify responsibilities of the State CRCG Team as it relates to training and technical assistance and providing data to the local CRCGs.

4.6 Identify Opportunities for State Housing and Health Services Agencies to Provide Technical Assistance and Training to Local Housing and Health Services Entities about:

4.6.1. The Cross-Education of Staff

As mentioned above, a number of opportunities for state housing and health services agencies to cross-educate have been identified. TDHCA and partner agencies continue to identify additional opportunities.

4.6.2. Coordination Among Those Entities

One such opportunity is to provide technical assistance and training to local housing and health services agencies as a result of a recent award of $1.175 million by CMS to DADS for the expansion of the ADRCs. DADS will partner with TDHCA to coordinate the training for the new ADRC staff.

In addition, TDHCA and DADS are working together to increase housing choices for persons with disabilities and further community integration. TDHCA is providing technical assistance to parties interested in working with TDHCA to coordinate two of its housing programs that serve persons with disabilities: Project Access and TBRA.

Project Access applicants may be able to relocate from nursing facilities and other institutions by accessing the TDHCA program. Households may be able to receive support from TBRA for up to five years, depending on continued household eligibility and HOME availability of funding.

Applicants on the Project Access waiting list may be able to access rental assistance with HOME TBRA (contingent on eligibility determination and funding availability) if a local TBRA Administrator exists while they wait for a Project Access Voucher. While participating in the TDHCA TBRA program, a Project Access applicant will not lose their place on the waiting list for a Project Access voucher.

4.6.3. Opportunities to Increase Local Efforts to Create Service-Enriched Housing

- Section 811

As mentioned in Section 4.3, TDHCA partnered with the state's Medicaid agency, HHSC, to seek opportunities to increase Service-Enriched Housing by applying for grant opportunities such as the Section 811 PRA Demonstration Program.

As illustrated in this section, significant progress has occurred since the inception of the Council to further its goal of coordinating state efforts to increase Service-Enriched Housing. However, more work is needed in 2014-2015 to build on these successes and progress. Section 5.0 will make recommendations to continue to provide training and technical assistance, cross educate staff, and develop policies that further the creation of Service-Enriched Housing to support people with disabilities and aging Texans in their local communities.

5.0 STATE OF TEXAS COMPREHENSIVE ANALYSIS OF SERVICE-ENRICHED HOUSING FINANCE PRACTICES

The previous section captured a number of housing and services activities that support the expansion of Service-Enriched Housing. In addition to the these activities, a major project supported by the Council was a contract with the Technical Assistance Collaborative ("TAC")[22] to research Service-Enriched Housing in other states and provide recommendations to the Council.[23]

The process began with TDHCA, on behalf of the Council, contracting with TAC to develop the Texas Comprehensive Analysis of Service-Enriched Housing Finance Practices Final Report (2013). In 2012, TAC began by identifying best practices in other states. Council members identified three states that were implementing Service-Enriched Housing and TAC identified three additional states. As a result, TAC evaluated Service-Enriched Housing programs in Pennsylvania, Louisiana, North Carolina, Georgia, Illinois, and New Mexico.

The evaluation included on-site and telephone interviews with state staff and other stakeholders. TAC used this evaluation to identify best practices that were then used to develop specific recommendations for Texas. Council members were provided multiple opportunities to provide input to TAC and were able to ask questions when TAC staff presented the complete report at the April 2013 Council meeting.

In the final report prepared by TAC they identified recommendations that, if implemented, could enable Texas to create an additional 2,395 to 3,355 new Service-Enriched Housing units. The recommendations capture both housing and services strategies.

The housing recommendations include:

a) Adopt, within the bounds of statutory requirements, a series of incentives within TDHCA's LIHTC Program to encourage the development of a pipeline of integrated, affordable Service-Enriched Housing opportunities;
b) Adopt similar scoring incentives discussed above within the Texas multi-family bond programs to encourage the development of integrated Service-Enriched Housing;
c) Develop the necessary policies, procedures and regulatory infrastructure informed by best practices to optimize, within TDHCA's LIHTC/ Multi-Family Bond Program portfolio, measures to provide incentives for service enriched housing;
d) Utilize the TDHCA-managed waiting list structure envisioned within TDHCA's HUD Section 811 PRA Program application to coordinate the timely provision of referrals to owners with all Service-Enriched Housing opportunities;

[22] TAC provides consultation to states and other entities that are developing housing and service strategies to support people with disabilities and other persons with low-incomes. To learn more: http://www.tacinc.org/
[23] The entire report can be accessed from the HHSCC web page here: http://www.tdhca.state.tx.us/hhscc/service-enriched-housing-financing.htm

e) Texas should pursue/coordinate efforts to maximize federal housing resources to support Service-Enriched Housing in the future;
f) Sustain TDHCA's current HTC incentives to create a complementary pipeline of supportive housing projects. Continue to monitor the number of HTC-financed supportive housing projects receiving funding in each HTC round and modify HTC incentives (within statutory constraints) within the QAP accordingly to support this pipeline;
g) Consider development of financing and capacity building strategies to encourage the development of Service-Enriched or supportive housing opportunities in mid-sized cities and rural areas of the state;
h) Proactively engage local PHAs throughout Texas to help them identify ways to use their local housing resources (i.e. Section 8 Housing Choice Vouchers, Public Housing) to support the creation of Service-Enriched Housing opportunities; and
i) Serve as a resource to the Texas Legislature during the next two Biennial Legislative Sessions to identify potential ways to develop an appropriately funded rental assistance program in order to further expand the Service-Enriched Housing pipeline.

Services recommendations include:

a) Utilize the infrastructure and processes being established as part of the HUD Section 811 PRA Demonstration program as a foundation for other Service-Enriched Housing. In addition, Texas should consider streamlining the referral process at the local level by designating ADRCs as Local Lead Agencies designed to perform a clearinghouse function for Service-Enriched Housing;
b) Establish a Housing Coordinator function within the Department of State Health Services, Mental Health and Substance Abuse ("MHSA") Division;
c) Encourage the expansion of Service-Enriched Housing supports through the 1115 Waiver DSRIP pool managed by HHSC;
d) Expand resources to provide services to those who secure integrated, affordable housing. As part of this process, Texas should review and modify Medicaid State Plan and Waiver Services to support individuals who may need Service-Enriched Housing; and
e) Continue to provide training and information on Service-Enriched Housing. In addition, TAC recommends the development of a module on Service-Enriched Housing required for direct service providers to be eligible to bill Medicaid for services delivered in Service-Enriched Housing. (TAC, 2013, pg. 3-5)

Council staff also reviewed the best practice states and identified common characteristics about the Service-Enriched Housing programs. For example, all six of the states developed interagency agreements between the housing and services agencies, five of which were formal agreements. All six of the states had state-funded programs. Some states used Community Development Block Grant funds; one state used savings from their fee-for-service to managed care transition. Other states used Neighborhood Stabilization program funds and their Housing Trust Fund to support their Service-Enriched Housing programs.

In addition, five of the six states used Local Lead Agencies in the design of their programs. These agencies were responsible for coordinating between housing and services agencies on behalf of the individuals served. All of the six states developed incentives within their QAP for Service-Enriched Housing and three states specifically targeted persons with disabilities exiting nursing homes. However, only two states had Service-Enriched Housing as threshold requirements in their QAP.

Other features that were common across states, were Housing Work Groups, Housing Plans (Illinois had neither), included multiple populations (physical disability, serious mental illness, etc), had some version of tenant liaisons, and five of the six states were awarded Section 811 PRA Demonstration funding.

Compared to the best practice states, Texas has a foundation on which to continue toward its goal of increasing state efforts to offer Service-Enriched Housing. Texas was awarded the Section 811 PRA and developed and executed an Interagency Agreement between TDHCA and the Health and Human Services agencies. In fact, TAC has mentioned Texas' agreement as an example that other states might follow. Texas does include incentives in its QAP for Supportive Housing, although it includes a broader population than the Council's Service-Enriched Housing populations.

In addition, Texas has regionally based housing specialists, *i.e.* DADS Relocation Specialists that assist people transitioning from nursing homes into the community. Texas also includes cross disability in its Section 811 PRA and Project Access programs. Texas plans to have DADS staff serve as tenant liaisons for its Section 811 PRA. Last, Texas has the Housing and Health Services Coordination Council and the Texas Interagency Council for the Homeless, both of which focus efforts on permanent supportive housing for those in need. The next section describes the specific recommendations of the Council based on the *Comprehensive Analysis of Service-Enriched Housing Finance Practices Final Report*.

6.0 RECOMMENDATIONS

After reviewing the TAC report, the consensus of the Council was to develop recommendations for the 2014-2015 Biennial Plan based on the TAC recommendations. TDHCA staff utilized a process for Council members to vote on the top three TAC recommendations that would form the basis for the plan recommendations.

In July 2013, the Council voted to focus on the following TAC recommendations:

1. Add resources to support the financing of integrated, affordable housing and services to meet the needs of underserved disability groups and older adults;
2. Consider development of financing and capacity building strategies to encourage the development of Service-Enriched Housing or supportive housing opportunities in mid-sized cities and rural areas of the state; and
3. Adopt a series of incentives within TDHCA's LIHTC Program to encourage the development of a pipeline of integrated, affordable Service-Enriched Housing opportunities.

Three work groups were created which developed specific strategies to address the three recommendations. The Council agreed to encourage public participation on the work groups to obtain different perspectives and input from additional stakeholders. Each work group met three times in 2013 and the meetings were held by conference call to enable individuals to call in rather than travel to participate. Additionally, the work group meetings were posted on the HHSCC web page and included in a Listserv to individuals who signed up for TDHCA announcements. Last, the calls were recorded and the audio was posted on the web page for those not able to participate in the calls. The following section lists the recommendations in accordance with statutory requirements.

6.1 Develop and Implement Policies to Coordinate and Increase State Efforts to Offer Service-Enriched Housing

- Encourage people with disabilities to participate in the QAP process

One recommendation is to encourage people with disabilities and the advocacy community to participate in the QAP process. Stakeholders suggested that TDHCA consider simplifying its QAP process to facilitate more participation. They went further and recommended that TDHCA review other state's QAPs to identify best practices. Last, they recommended TDHCA provide more education on the QAP process in order to facilitate more participation by persons with disabilities.

- Adopt incentives for developers

Another recommendation was to consider changes to Texas' QAP that would incentivize developers to offer more Service-Enriched Housing. These changes might include:

a. Adding incentives for developers willing to Participate in the Section 811 PRA;
b. Increasing points for Supportive Housing;
c. Creating points for the narrower population of Service-Enriched Housing;

d. Creating points for developers to agree to provide an on-site case manager or contract with a third party for on-site case management
e. Increasing points for developers to develop small (50 units or less) Service-Enriched Housing projects in rural communities – perhaps jointly owned by the city or other governmental entity
f. Increasing incentives for for-profit corporations to create Service-Enriched Housing; and
g. Increasing points for developers willing to offer deeply affordable housing (20 percent Area Median Family Income ("AMFI"))

- Continue to coordinate with the Re-entry Task Force

This recommendation includes coordinating with the Re-entry Task Force to identify policies that preclude people with criminal histories from accessing affordable housing.

- Re-establish TDHCA's Rural Housing Expansion Program using Housing Trust Fund dollars

In 2010-2011 the department released funding to rural entities to build capacity, including actual production of affordable housing, in rural Texas. The Rural Housing Expansion Program was intended to provide capacity building resources and funds for direct housing delivery. The Program was designed with the understanding that having a commitment of direct delivery funds would allow a recipient entity to fully develop capacity through training, technical assistance and hands-on experience. The Program included:

1. Direct Housing Delivery which included zero-interest, deferred, repayable loans or grants;
2. Funding set aside and awarded in the form of grants to rural municipalities and counties submitting Section 502 Rural Housing Direct Loan Applications through the United States Department of Agriculture ("USDA"); and
3. Capacity building grants.

6.2 Identify Barriers Preventing or Slowing Service-Enriched Housing Efforts, Including Barriers Attributable to the Following Factors

6.2.1. Administrative Limitations

- TDHCA staff continue to consider resolutions from the Promoting Independence Advisory Council ("PIAC").

  Integrated, affordable, and accessible housing is a primary concern for the PIAC. Housing is included on the agenda for each meeting. At the January 2014 meeting of the PIAC, members expressed their concern about the TDHCA Single Family Umbrella rule. Members asked TDHCA to consider administrative changes to the rule to allow Amy Young Barrier Removal funds to be used for individuals who need modifications to their Manufactured Home. In addition, PIAC recommended TDHCA allocate 5% of the total estimated HOME funding available for distribution, including

budgeted program income, to increase the estimated available funding for housing programs for persons with disabilities.

TDHCA worked with stakeholders following the January 2014 PIAC Meeting to develop recommended revisions to program rules that would allow Amy Young Barrier Removal ("AYBR") program funds to be used for modifications to Manufactured Housing with certain requirements. In addition, TDHCA released additional funding above the statutorily required amount for the HOME persons with disabilities (PWD) set-aside during June 2014.

6.2.2. Limitations on Funding

As mentioned previously, limitations on funding can be a barrier to expanding Service-Enriched Housing. A number of recommendations were discussed to address this barrier.

6.2.3. Pursue Additional Funding

- Continue to identify and pursue opportunities for additional funding from multiple sources

The first recommendation put forth by the work groups is to pursue additional funding when possible. The cooperation between the TDHCA and HHS agencies has greatly improved over the past 14 years. This is evidenced by the Interagency Agreement for the Section 811 PRA and the successful partnership to obtain the $12 million award. This recommendation includes continuing to partner and encourage coordination between state agencies and other entities in their efforts to secure additional funding for:

a. HUD Section 202 housing[24];
b. Expansion of Housing Navigators to all ADRCs (with TDHCA assisting in training);
c. Relocation Contractor services for people with behavioral health challenges and IDD;
d. Medicaid waiver programs;
e. Vouchers from Public Housing Authorities ("PHAs") for people with disabilities and aging Texans;
f. Housing resources from the Texas Department of Criminal Justice for people with criminal histories transitioning to the community;
g. DSHS' rental assistance program;
h. Expansion of the Program for All-Inclusive Care for the Elderly ("PACE")
i. Implementation of the Delivery System Redesign Incentive Payment ("DSRIP") behavioral health projects;
j. Implementation of the Balancing Incentives Payment ("BIP") initiative;
k. DSHS' expansion of Oxford Houses[25] for people with Substance Use Disorders; and

[24] Supportive housing for very low-income persons who are older, including the frail elderly for which HUD provides capital advances to finance the construction, rehabilitation or acquisition, with or without rehabilitation, of structures that will serve and provide rent subsidies for the projects to make them more affordable.

l. Other efforts to expand Service-Enriched Housing.

6.2.4. Ineffective or Limited Coordination

In addition to exploring additional funding opportunities, additional recommendations from the work groups related to identifying ways to better coordinate efforts.

- Convene Continuum of Care organizations

One suggestion is to convene the Continuum of Care ("CoC") organizations to identify additional ways to leverage local CoC and other funding, e.g. HOME Investment Partnerships Program, Ryan White funded programs and Emergency Solutions Grant funding.

- Provide Technical Assistance to DSHS

Another suggestion is to coordinate with Department of State Health Services ("DSHS") on their rental assistance and TDHCA's Section 811 PRA programs by working with the Local Mental Health Authorities as they apply to become TBRA administrators. TDHCA has provided and will continue to provide technical assistance to the LMHAs to coordinate the programs to maximize the use of limited state dollars.

- Coordinate with DSHS' implementation of the Home and Community-Based Services – Adult Mental Health Program

Coordinate with DSHS as they implement the Home and Community-Based Services – Adult Mental Health Program. This program will serve approximately 100 individuals with Serious Mental Illness who have long-term or multiple stays in the State's Mental Health Facilities ("SMHF"). This coordination will be critical as many of these individuals will need access to integrated, affordable housing.

- Continue Interagency Coordination

TDHCA representatives continue to participate on the State Independent Living Council, the Council for Advising and Planning for the Prevention and Treatment of Mental Health and Substance Use Disorders, Promoting Independence Advisory Committee, Community Resource Coordination Groups, and Texas Department of Criminal Justice ("TDCJ") Re-entry Task Force to disseminate information about housing and services available to people with disabilities and aging Texans.

In addition, coordination needs to continue between the Public Housing Authorities and Veterans Administration ("VA") Medical Centers to obtain additional Housing and Urban Development VA Supportive Housing ("HUD-VASH") vouchers.

- Continue to Coordinate the Texas Interagency Council for the Homeless and TDHCA's Disability Advisory Workgroup

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[25] "Oxford House is a concept in recovery from drug and alcohol addiction. In its simplest form, an Oxford House describes a democratically run, self-supporting and drug free home". To find out more about Oxford Houses go to: http://www.oxfordhouse.org/userfiles/file/

The Council recommends TDHCA continue to support the Disability Advisory Workgroup and the TICH in order to identify housing and service needs in Texas communities but particularly rural and mid-sized cities.

- Continue Relocating Individuals on the Project Access Waiting List with TBRA

As mentioned in Section 4.4.2., TDHCA, DADS, and local TBRA administrators are coordinating efforts to assist individuals who wish to move out of a nursing home to move to the community. This recommendation is for this activity to continue in the next biennium.

- Coordinate with TDHCA on Senate Bill 7 83rd Texas Legislature

S.B. 7 passed during the 83rd Legislative session and is intended to improve the coordination of Medicaid acute care services and long-term services and supports, redesign the long-term care services and supports system to more efficiently serve individuals with intellectual and developmental disabilities, and improve the quality of Medicaid services. Section 533.03551 directs the commissioner of HHSC to work in cooperation with TDHCA, the Department of Agriculture ("TDA"), the Texas State Affordable Housing Corporation ("TSAHC"), and other federal, state, and local housing entities to develop housing supports for people with disabilities, including individuals with intellectual and developmental disabilities.

- Continue to encourage PHAs to join their local ADRC

As DADS expands the ADRCs it will be critical to encourage collaboration with local PHAs to expand Service-Enriched Housing for people served by the ADRCs.

6.3 Develop a system to cross-educate selected staff in state housing and health services agencies to increase the number of staff with expertise in both areas and to coordinate relevant staff activities of those agencies

- Coordinate with service agencies to leverage training opportunities to cross-educate housing and services agency staff

The Council recommends that housing and services staff leverage training opportunities to cross educate staff. Over the next biennium, the Technical Assistance Collaborative, HSP Academy, and other training materials created will be used to participate in training opportunities such as Relocation Specialist training, and Local Mental Health Authority monthly meetings to cross-educate staff. This recommendation includes developing these materials in various formats such as PowerPoint presentations, videos, face-to-face, Webinar, etc. to meet the needs of various target audiences.

Another target audience for training is the Area Agencies on Aging regional benefits counselors. The counselors are employees and volunteer staff who provide information, assistance and advocacy to persons over 60 years old and others who are Medicare-eligible about their benefits, entitlements and legal rights.

Benefits counselors are seeing an increase in the number of people who need assistance with housing. The training materials could be used for the benefits counselors' annual training but could also be available to them on demand, such as

videos. This format would allow the counselors to participate in the training at their convenience.

6.4 Identify opportunities for state housing and health services agencies to provide technical assistance and training to local housing and health services entities about:

The cross-education of staff;

The Council recommends several strategies to implement this charge.

- Coordinate with the Texas Apartment Association ("TAA")

Educating property managers about people with disabilities is very important in dispelling myths that may be a barrier to accessing housing in the private sector. As part of the Section 811 PRA, training will be conducted with property managers, Relocation Specialists, referral agents, and service coordinators and will include sensitivity training and accessing local services.

- Provide information to assist rural communities to identify local resources

It was evident at the HSP Academy that local communities are not always aware of housing programs that could be leveraged to serve people with disabilities and the aging in their community.

6.5 Coordination among those entities

- Continue to support interagency coordination on workgroups and councils including but not limited to:
    - PIAC;
    - CAP;
    - SILC; and
    - CRCG.

- Continue to work with DADS on the Relocation Specialist Training

DADS will be re-contracting with Relocation Contractor providers in 2015 and TDHCA staff will be available for consultation regarding the Request For Proposals ("RFP"s) related to housing expectations.

6.6 Opportunities to Increase Local Efforts to Create Service-Enriched Housing

- Continue the Capacity Building Initiative for Community Living for Texas

The first recommendation under this directive is to continue Capacity Building Initiative for Community Living for Texas. This effort has proven to be successful in encouraging Public Housing Authorities to set-aside public housing units and Section 8 Vouchers for individuals who participate in DADS Money Follows the Person Demonstration.

- Replicate the Housing and Services Partnership Academy

Another recommendation is to replicate the Housing and Services Partnership ("HSP") Academy that was held in May 2013. Based on the evaluation of the Academy, participants were very satisfied with the opportunity and reported that they learned about opportunities they could use in their local communities to serve people with disabilities.

6.7 Develop suggested performance measures to track progress

Over the next Biennium, the Council will work to develop performance measures to track progress in:

- The reduction or elimination of barriers in creating Service-Enriched Housing;
- Increasing the coordination between state housing and health services agencies;
- Increasing the number of state housing and health services staff who are cross-educated or who have expertise in both housing and health services programs; and
- The provision of technical assistance to local communities by state housing and health services staff to increase the number of Service-Enriched Housing projects.

7.0 SUMMARY

This plan provides information about what Service-Enriched Housing is and why it is important to individuals and to policy makers. Increasing efforts to expand Service-Enriched Housing in Texas has and can continue to positively impact the quality of life for aging Texans and people with disabilities and potentially lessen the fiscal impact of serving an increasing number of Texans.

While there has been an improvement in coordination and cooperation among federal, state, and local entities there are always opportunities for improvement. Over the next Biennium, TDHCA, its services partners, in coordination with its federal partner will be implementing the Section 811 PRA Demonstration Program. Coordination, training, and technical assistance will be critical to the success of the program. The Council will continue to serve as a resource to staff as the program is implemented.

The Technical Assistance Collaborative staff provided a list of recommendations to the Council, based on best practices in other states, which policy makers may consider as Texas looks to expand state efforts to increase Service-Enriched Housing for people with disabilities and aging Texans.

In addition, DSHS will be evaluating its rental assistance program and reporting on the program at Council meetings. HHSC and DADS will continue to work with TDHCA as it implements changes to services for people with IDD and the MFP Program. Evaluating and reviewing lessons learned on these projects as well as others will provide a model for future efforts.

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