

Crisis Care vs. Supportive Housing

Supportive Housing is a combination of **permanent, affordable housing** and **support services** that helps **people with special needs** achieve housing stability and improved health outcomes.

Research and national demonstrations show that supportive housing improves the experience of care and health outcomes while lowering costs for Medicaid high-utilizers.

Addressing the needs of this population is important because: 1) 5% of the American Medicaid population accounts for 25% of health costs annually, and 2) the homeless population in Kentucky has gone from 16% to 90% health coverage with Medicaid expansion.

A University of Louisville hospital demonstration focused on 24 emergency room high utilizers and making available supportive housing provided by Family Health Centers resulted in \$750,000 in annual savings. When surveyed, clients also reported a 52% decrease in physical complaints, a 50% decrease in anxiety and/or depression, a 52% decrease in ER use for physical reasons, and an 80% decrease for mental health.

Today's ask –

- To create a demonstration model where MCOs identify homeless super-utilizers and make Medicaid case rate or bundled payments to community partners for supportive housing services (this is already allowed in Kentucky as part of the managed care law.)

Tomorrow's ask –

- Expand this sustainable model to hospitals statewide identifying homeless super-utilizers in each hospital for inclusion and increasing savings statewide.

Future ask –

- Use shared savings from this program to create additional supportive housing units as demonstrated effectively in Pennsylvania and other model programs.