

# A Roadmap for Funding Permanent Supportive Housing

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## 1. Introduction

Asociación Puertorriqueños en Marcha (APM) is a nonprofit health and human services provider in northeast Philadelphia serving thousands of individuals through education, child care, health care, housing and economic development services. Founded in 1971, APM continues to evolve to meet the changing needs of the communities they serve. APM provides a myriad of services including community development, affordable housing and childhood education to improve the quality of life among vulnerable populations. A crucial part of this portfolio is APM's permanent supportive housing (PSH) services, an evidence-based, cost-effective program that integrates affordable rental housing with community-based supportive services to ensure individuals who are homeless and/or have diagnoses of substance abuse, mental illnesses and chronic health conditions can maintain independence in a stable living environment (Technical Assistance Collaborative {TAC}).

APM operates six supportive housing programs from three funding mechanisms, four of which are funded by the local Philadelphia Office of Homeless Services (OHS). The other two projects are funded by the Department of Housing and Urban Development (HUD) and the City of Philadelphia's Department of Behavioral Health. APM's programs all serve individuals and/or families who are dual diagnosed, meaning they have a combination of substance abuse disorders and mental illness (National Alliance on Mental Illness). The programs that APM operates serve chronically homeless individuals, those living with HIV/AIDS and those with behavioral health and/or substance abuse issues. In effect, APM provides permanent supportive housing services to hundreds of the most vulnerable Philadelphians.

Yet despite APM’s success in providing essential supportive services decades, under their current funding mechanisms, the organization finds itself “gasping for financial breath” (APM, personal communication, March 26, 2020). APM reports that the grants it receives do not keep up with cost of living adjustments thus limiting its ability to increase staff, upgrade equipment and update office spaces. Meanwhile, more robust federal grants in the supportive services arena are difficult to attain given historical federal budgetary constraints. Furthermore, the impact of the COVID-19 pandemic on state and local budgets will make it even more difficult for nonprofit organizations like APM to rely on government funding sources, while also placing further strain on the populations it serves. The critical question is then, at a time of limited public funding opportunities for supportive services and when the COVID-19 pandemic will dampen public investments further, ***How can APM pursue alternative avenues of financing to grow its permanent supportive housing portfolio?***

This report will answer how APM can utilize innovative models of financing to fill its current gap in service funding. By forming partnerships with health insurers, health systems, and managed care organizations, APM could provide a more comprehensive package of supportive services to more individuals. The report highlights local examples of partnerships and details best practices and guidance from existing literature, interviews with stakeholders, and leading policy/technical assistance organizations. It also highlights the complex yet innovative “Pay for Success” model and lastly details federal and state funding opportunities as additional options. The findings suggest that given the high number of people in poverty in Philadelphia on Medicaid, a shifting policy environment that encourages health insurers to invest in PSH, a health care system that is quickly embracing value-based care, and a dynamic

health care provider environment in Philadelphia, APM has a unique opportunity to “think big” and strategically to serve more individuals with complex health and psycho-social needs.

## 2. Background

### 2.1 Why are the traditional funding streams for permanent supportive housing (PSH) inadequate?

Permanent supportive housing financing is fragmented due to the range of health and human services offered (behavioral health, case management, substance abuse treatment) that fall under various funding streams. This places PSH providers like APM in a difficult funding environment as they have to cobble resources together from federal, state and local agencies depending on the service provision (National Academies of Press {NAP}, 2018). As with other programs that mainly service the most vulnerable in society, current PSH funding is woefully inadequate to meet demand, discounting the likely increases during the COVID-19 pandemic.

Meanwhile, the Department of Housing and Urban Development program that APM operates requires multiple service offerings to comply with the program obligations. Because APM is serving homeless individuals with dual-diagnoses, they have to maximize current resources to fund their programs that fall under the purview of the Office of Homeless Services. As the Technical Assistance Collaborative (2016) indicates, “many Continuum of Care (CoC) funded PSH providers must leverage other sources of funding to sustain and expand services and, in some cases, offer more robust service packages to effectively serve chronically homeless people with serious health and behavioral health needs.” The CoC funding limitation is a clear example of why current PSH funding models do not meet APM’s needs as the funds do

not fully cover the costs services APM provides to homeless individuals with substance abuse and mental illnesses.

The NAP (2018) study confirms my client’s sponsor concerns with the current funding available for PSH; “Many of the programs allocate funds through highly competitive application processes, making it difficult to plan through reliance on specific sources. Funding allocations...often fall short of the true cost of delivering services.” Given the complex model of PSH funding and the competitive nature for a limited number of government funded programs that lack flexibility in service provision, it is evident that APM must look beyond their current funding streams for viable alternatives to experience sustainable growth in their PSH programs. The evidence shows that the most promising source of financing in the PSH space is Medicaid, which I recommend APM pursue.

## 2.2 What explains the movement towards utilizing Medicaid to fund permanent supportive housing?

The movement towards expanding PSH in integrated settings began with the Obama administration’s enforcement of the 1999 Supreme Court *Olmstead* ruling which upheld Title II from the American Disabilities Act mandating the integration of individuals with disabilities in community settings (TAC, 2016). Soon after, HUD, along with Health and Human Services and the Centers for Medicare and Medicaid Services started to leverage federal funds to promote more PSH opportunities in communities across the country by directing state housing agencies to partner with state Medicaid agencies (TAC, 2016).

The Affordable Care Act (ACA) also greatly contributed to a shift in focusing on health outcomes and targeting more resources to people living with substance abuse disorders and

mental illnesses, highlighting the importance of PSH. The ACA's enactment spurred the health care system, including health insurers, to focus on population based health and recognize social determinants of health (transportation, housing, food access) as critical factors of health outcomes (Solomon, 2018). The ACA's Medicaid expansion allowed more dual-diagnosed individuals to access care while also providing states with greater flexibility in providing home and community based services to this vulnerable population (TAC, 2016). Lastly, CMS guidance in 2015 outlined how Medicaid agencies can pay for certain housing activities and "recognized the importance of addressing housing needs to meet Medicaid programmatic goals" (Paradise & Ross, 2019).

A number of federal rules followed that allow insurers to incorporate social determinants, such as housing into their health plans. In fact, in 2019, housing initiatives comprised of the majority of insurers' spending on social determinants of health. COVID-19 has highlighted the vast inequalities of our health care system and the need for greater investments by all stakeholders to address social determinants of health (Salyards, 2020). Given this encouraging policy environment and the growing body of evidence that illustrates supportive housing improves health for individuals on Medicaid, health insurers are increasingly partnering with organizations that provide PSH. For organizations like APM that are seeking more financial resources, health care organizations are willing partners to collaborate and invest in PSH to have a greater impact in the community.

***Based on the limitations in traditional funding sources and the movement utilizing Medicaid to finance PSH, the evidence indicates that more health care organizations and community-based organizations (CBO) are embracing alternative financing models and***

*strategic partnerships to achieve cost savings and provide a broader array of services in the community.*

## 3. Discussion

As the literature indicates a growing trend of health care and nonprofit partnerships, it is important to gain a deeper understanding of best practices for initiating such partnerships, what makes them effective, and what lessons can be learned to strengthen them. The Partnership for Healthy Outcomes report (a collaboration among the Nonprofit Finance Fund, the Center for Health Care Strategies and the Alliance for Strong Families and Communities) examined 200 partnerships among health care organizations and CBOs that can inform the direction APM wants to take. While each partnership was unique in its “size, shape, and contractual and funding arrangements,” about 25% involved Medicaid financing and nearly half “provide access to healthcare, chronic disease management, or case management services, with many providing a combination of these services” which are precisely the services APM offers (NFF, 2017). Moreover, the partnerships focus on the vulnerable populations of homeless and individuals with substance abuse mental health issues, which are the target populations of APM. Lastly, roughly 65% of organizations achieved cost savings (NFF, 2017). Thus, the report services as a relevant guide to APM as it explores partnerships.

Interestingly, more than half of the partnerships were initiated by CBOs, thus offering APM the opportunity to approach a health care organization, articulate the value they would bring to a potential partnership and how they would align goals with a partner health care

organization. The Nonprofit Finance Fund (NFF) provides CBOs with a “value proposition tool” that APM can use to flesh out its vision for an ideal partnership and attract stakeholder buy-in.

Beyond having shared goals around partnership outcomes and funding models, the study also found that trust and alignment were critical to building effective relationships. In fact, over 130 respondents indicated relationship building as a critical factor for a successful partnership (NFF, 2017). Organizations spent time, energy and human capital into understanding each other’s needs and building a solid foundation for a partnership to succeed. For APM, this means finding a partner organization that shares similar values around helping families reach their fullest potential and that is equally as committed to community engagement. Moreover, “partnerships also stressed the need for project champions, buy-in from partner organization leadership, and an individual from each partnering organization with responsibility and accountability for driving the effort forward” (NFF, 2017, p. 17). ***Thus, it is essential that APM and the partner organization are committed to seeing the partnership through by incorporating accountability and reporting measures and ensuring open channels of communication and collaboration.***

### 3.1 Health Insurers

A local health insurance company making investments in PSH is AmeriHealth Caritas, which is based in Philadelphia and operates Medicare and Medicaid plans in 13 states, serving 4 million members. Keystone First (under the umbrella of AmeriHealth) is the largest Medicaid provider in Southeastern Pennsylvania with 400,000 members. In a conversation with an employee from AmeriHealth, she described two recent partnership initiatives that are prescient in light of APM’s goals, the second of which is described in the next section.

First, AmeriHealth announced a partnership with Project HOME in January 2020. Project HOME, one of the most innovative service organizations in Philadelphia, has gained city and statewide recognition for its work in supporting the homeless population. The initiative, *Keystone Connection to Wellness*, allows Project HOME to form a broad coalition with other social service organizations to increase access to job training, educational and employment opportunities. The initiative will be community driven and reliant on data to influence choices, which the Nonprofit Finance Fund documents is crucial to maintaining an effective partnership. Unlike the RHD project, the financing model consists of a financial contribution from AmeriHealth's parent foundation, Independence Blue Cross (IBC). As Daniel Hilferty, CEO of IBC said, "We cannot tackle the difficult task of improving the health of people in our region without a team effort. That is why we are so pleased to work with Project HOME to address directly the health disparities in North Philadelphia" (Project HOME, 2020). By addressing social determinants of health, in addition to supportive housing, this partnership expands beyond individual services and instead offers a systematic, community-wide approach to reduce health disparities in two targeted zip codes in Philadelphia, where more than 45% of individuals live below the poverty line (Project HOME, 2020).

As a next step, the AmeriHealth employee offered to arrange a discussion with APM to learn how they could work together enhance health outcomes to Keystone First members. Because of COVID-19's disproportionate impact on their members, she reports that there will be a greater need for health and psycho-social services which partnerships with nonprofits can strengthen (personal communication, May, 11, 2020). Since APM's clients are mostly Medicaid eligible, it is likely that many of them have Keystone First, thus providing an even greater

incentive to join forces. ***APM should take up the offer from Keystone First to have an initial discussion around a mutually beneficial partnership.***

In addition to local insurers, national health care insurance organizations have entered the Philadelphia market and see it as a market rich with opportunities for innovative partnerships given the large number of individuals on Medicaid and a shortage of affordable housing. UnitedHealth is the country's largest insurer with 6 million Medicaid members nationwide and 57,000 in Philadelphia. (Tozzi, 2019) and has made the biggest investments in housing initiative among all insurance companies (Salyards, 2020). NewCourtland is a nonprofit housing provider in northwest Philadelphia and United's first partner in the myConnections program in the city. The program, which is in a dozen states and expanding, is rooted in the Housing First model that APM operates. As the Chief Executive of the UnitedHealthcare Medicaid plan explains, "Many of the people we serve have experienced such instability that their health care becomes intractable. It compounds, it compounds, it compounds and they can't address that in a completely unstable situation" (Brubaker, 2020).

The program is designed to immediately house the most chronically ill homeless individuals and address their health and psycho-social issues intensely, in order for them to "graduate" into permanent housing after a year of the program. NewCourtland houses ten of United's members, receives a monthly rate of \$1200-\$1800 to pay for the member's rent and supportive services provided by NewCourtland. United seeks program participants who are homeless and whose medical spending exceeds \$50,000 annually (Brubaker, 2020). The scale of the problem is immense and Jeffrey Brenner, an executive of the myConnections program admits, "I don't think we've figured any of this out...We're at a hopeful moment of recognizing

how deep the problem is” (Tozzi, 2019). ***While forming partnerships with national insurers is naturally more difficult than with local insurers, it is still valuable for APM to be aware of partnerships occurring in Philadelphia and examine the recommendations outlined so that it is well prepared for when an opportunity arises with a national insurer.***

## 3.2 Health Systems

Temple Health System is engaged in a pilot with Resources for Human Development (RHD), a national nonprofit human services provider based in Philadelphia, AmeriHealth, and Health Partners Plan, another local Medicaid insurer. The four organizations are working together to house 50 homeless individuals who are frequent utilizers of Temple Hospital’s emergency room. Each party will be responsible for different aspects of the program, from providing case management, medical care and paying for housing services. The employee from AmeriHealth states that this “enhanced system of support will result in appropriate utilization of health care services and benefits all parties involved” (personal communication, May, 11, 2020). This collaborative approach is aimed to target resources more effectively and address social determinants of health. By bringing in Temple, Keystone First has partnered with a flagship hospital in a neighborhood with perhaps the greatest need for supportive housing in the city.

Temple’s participation in this pilot is part of a broader trend of health systems investing in social determinants of health, namely affordable and supportive housing services. As part of the Healthcare Anchor Network, 14 regional and national health care systems have committed \$700 million in direct investments to address health care disparities in their respective communities. As (Brey, 2019) writes, “Health systems are uniquely positioned to invest in

community development projects because improving community health is part of their mission, and because their size gives them access to a lot of resources.” Two health care systems in the Philadelphia area, Trinity Health and Einstein Healthcare Network are part of the collaborative and offer APM an opportunity to play a role in this important work. Because APM overwhelmingly serves racial and ethnic minorities with significant health issues, they would be a great community asset to health systems seeking to partner with CBOs. Beyond the health systems in this specific collaborative, there are a handful of others in the region that have the financial resources, capacity and strategic vision to form partnerships with. ***As part of its relationship-building work, APM should specifically reach out to health systems to learn more about the work they are doing around social determinants of health and gauge their interest in PSH.***

### 3.3 Managed Care Partnerships

The introduction of a new statewide managed care program, Community Health Choices, has driven health care organizations to partner with PSH providers. Individuals who are 21+, receive both Medicare and Medicaid, and receive long-term services and supports at home or in a nursing home are enrolled in the program (DHS, 2018). Three organizations – University of Pittsburgh Medical Center (UPMC), Keystone First and PA Health and Wellness are contractually obligated by the Pennsylvania Department of Human Services (DHS) to provide an array of comprehensive medical and supportive services to eligible individuals in the Philadelphia area. Because the health plans are paid on a capitation basis by the state, “they have both incentives and some flexibility to invest in measures to improve care and reduce costs” (Paradise & Ross, 2019). In fact, DHS’ five year housing strategy specifically requires CHC

plans to identify housing needs for participants and work with MCOs to expand housing opportunities (DHS, 2016).

UPMC is one of the managed care plans that recognizes housing as an essential component of population health and is committed to investing in supportive housing. Their pilot program in Pittsburgh with Community Human Services (CHS), a multi-service agency that operates a housing first model with HUD funds, serves as a model for future partnerships. CHS placed 25 homeless individuals enrolled in UPMC's health plan into scattered site housing (a model that APM operates); UPMC pays CHS to provide supportive services to its members. This "truly integrated approach" involved weekly collaboration and communication between the organizations to provide complementary supportive and medical services to individuals (Housing Alliance of PA, 2017). Importantly, as part of its *Healthy Outcomes* work, the Nonprofit Finance Fund provided consultative services to CHS to help structure the financing of the program on favorable terms by ensuring they promoted their services confidently to UPMC in initial discussions (Abrams, 2019). Moreover, the pricing structure of the contract provides CHS with a monetary incentive for reaching certain metrics. As Jeremy Carter, CHS' chief housing officer explained, "There isn't [another] model like this in the country right now" (Abrams, 2019). A five year study found that PSH reduced emergency medical costs and increased primary care utilization (Housing Alliance, 2017).

Because UPMC entered the Philadelphia market in January 2020, there are no pilots currently operating, but given 133,000 Philadelphians are eligible for CHC plans and the lack of affordable housing in Philadelphia, the environment is rich for such partnerships (Burling, 2019). UPMC is a great potential partner for APM given their resources, ability to innovate and

interest in PSH. Around the country, managed care organizations are partnering with service providers like APM. Multiple case studies are featured in a 2017 Low Income Investment Fund Health & Housing Report.<sup>1</sup> ***APM should consult this report to learn of various financial arrangements with managed care organizations that differ from UPMC’s partnership and begin a deliberative process of contacting the appropriate staff at the three managed care organizations in Philadelphia.***

## 3.4 Challenges & Key Takeaways of Forming Partnerships

### Challenges

The Center for Health Care Strategies documented relevant challenges for forming partnerships with health care organizations of all types (insurers, systems, managed care) from the *Healthy Outcomes* report (McGinnis, 2017).

1. Capacity-building: A new partnership could strain APMs employees as demand for their services increases, roles will shift and new processes introduced. ***Thus, APM should have a plan to build capacity of staff and skillsets so that they are adequately prepared to execute program operations.***
2. Costs: Estimating resource needs and costs is vitally important as “conducting comprehensive and transparent cost analyses at the onset of a program is critical to building and maintaining trust among partners” (McGinnis, 2017). Given that this

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<sup>1</sup> The report details nine case studies of health care organizations and housing providers collaborating to provide services to vulnerable populations. Three of the case studies involve managed care organizations investing in housing services. <https://www.liifund.org/wp-content/uploads/2017/08/Health-and-Housing-LIIF-Mercy-Report-2017.pdf>

partnership is a new financing model, **APM should consult with the relevant organizations (noted in #4) that will ensure they are financially prepared for this type of partnership.**

3. Data: In order for a partnership to be successful, organizations must agree on how to develop and track performance metrics. However, they are faced with “the challenge of identifying, agreeing to, accessing, and analyzing program and patient data that resonate...” (McGinnis, 2017). **Because APM and the partner organization will have different data systems and ways to measure outcomes, they will need to develop a shared understanding on what data system will work for this new venture.**

## Key Takeaways

1. Relationship-building drives partnerships between community organizations and health care organizations. In interviews with leaders of health insurers, it was evident that partnerships formed because of a recognition of the CBO’s values and strengths. Company leaders seeking partners speak with local elected officials and other stakeholders to learn what organizations are doing the most impactful work in a particular community and are the most well-equipped for a potential partnership. Thus, APM should continue to work on relationship management and connect with important stakeholders in Philadelphia, including city officials, health insurers, other CBOs and relevant state officials. Given the competitive nonprofit landscape in Philadelphia, **APM should articulate its unique value when speaking with city officials and other stakeholders to raise awareness and build the case for their supportive housing programs.**

2. Data capacity and management are critical for partnership: As the *Healthy Outcomes Report* explains, “Beyond funding, data also plays an ever-important role in prudent partnership management – to understand growth opportunities, to course-correct, and to continually improve programs and processes” (NFF, 2017). ***Given the health care system’s emphasis on outcomes, APM should ensure data systems are in place that illustrate how their supportive housing programs improve their clients’ quality of life.***
3. Partner Alignment: In seeking potential partners, APM should examine organizations that align with their values, beyond a shared interest in funding structures and program goals. ***While relationship-building requires time and energy, APM is more likely to see the benefits of an effective partnership than if they embarked on a rushed, haphazard process.***
4. Technical assistance: There are several organizations with a particular expertise in supportive housing that APM should contact. The Corporation for Supportive Housing is a prominent supportive housing technical assistance organization. The organization offers consulting, lending, and training resources for supportive housing providers. Other organizations that offer similar services (and have reports related to health care partnerships) include the Nonprofit Finance Fund, Technical Assistance Collaborative and the Local Initiatives Support Corporation. ***APM should lean on the expertise of***

*these organizations to make connections, foster collaboration and develop the necessary tools to form successful partnerships.<sup>2</sup>*

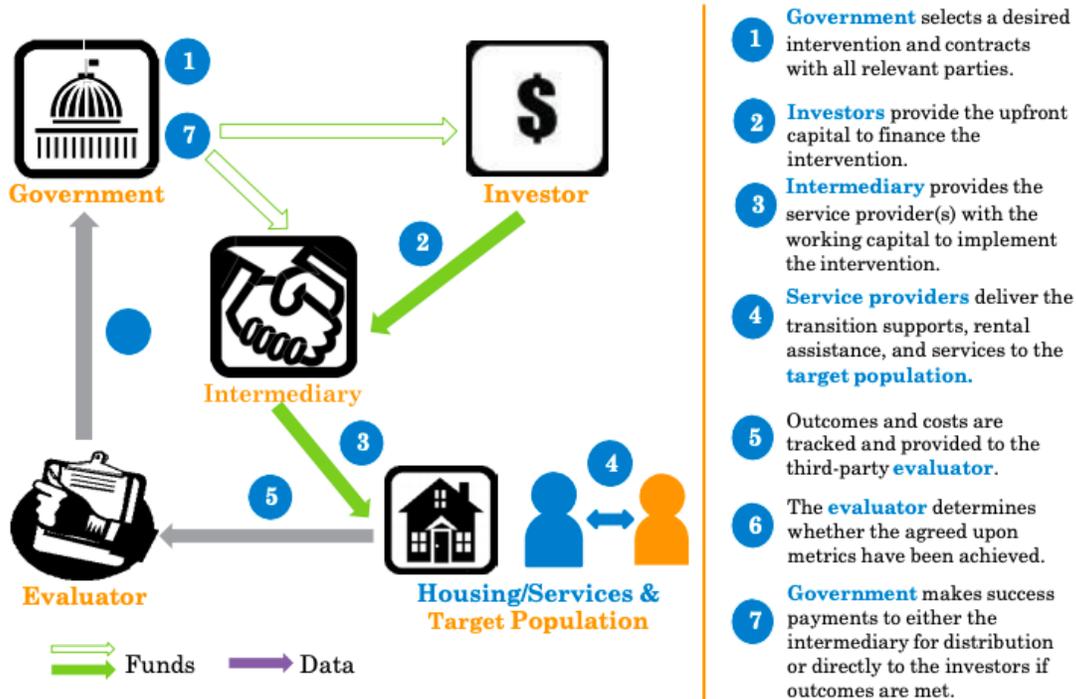
## 4. Pay for Success Model

Pay for Success (PFS) (also known as a social impact bond) is unique form of financing that is also worthy of APM's consideration. In this model, the service provider attracts upfront capital from investors to deliver social services and the project has to achieve expected outcomes for investors to be repaid (Crumley & Hamblin, 2019). The model aligns with the growing movement to linking payments to measurable outcomes, is a values-based approach and provides resource-strained CBOs with upfront capital which is typically unavailable. However, PFS is still in a "proof of concept" phase given the small sample size of projects, (75) of which most are in early stages of development (Raday & Chan, 2017). Moreover, PFS is a particularly resource-intensive, complex model involving many stakeholders that makes it difficult for nonprofits to scale effectively. As Raday and Chan from the Nonprofit Finance Fund write, "Each PFS project has required significant education, analysis, negotiation, and 'change management' at every stage of the project development process. Projects launched in California have required approximately two years to move from inception to launch." Despite these challenges, there are specific examples of projects around the country (Santa Clara County, CA and Boston, MA) that have launched PFS models around supportive housing and seen positive results.

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<sup>2</sup>The Corporation for Supportive Housing <https://www.csh.org/>, The Nonprofit Finance Fund <https://nff.org/>, Technical Assistance Collaborative <http://www.tacinc.org/>, Local Initiatives Support Corporation <https://www.lisc.org/philly/>

How PFS works (CSH, 2017)



While PFS is an innovative model of service delivery, obtaining funding is an arduous process that could hinder APM’s operations in other areas given the immense resources needed to initiate. Furthermore, APM would need integrated data systems and robust evaluation tools in place before launching PFS in order to demonstrate the effectiveness of their programs to investors (Raday & Chan, 2017). Despite these challenges, PFS exploration has propelled service providers, governments, and other stakeholders to explore collaborative partnerships develop integrated data systems and capacity, and re-frame their thinking and funding practices toward outcomes.

**Key Takeaway:** APM should utilize the Nonprofit Finance Fund’s provider readiness tool<sup>3</sup> and consider the benefits and challenges of adapting the PFS model to meet their funding needs.

<sup>3</sup> NFF Value Proposition Tool: <https://nff.org/fundamental/resources-community-based-organization-and-healthcare-partnerships>

## 5. Federal and State Funding Opportunities

After reviewing the grantmaking landscape and speaking with professionals in relevant nonprofit and research areas, it is evident that despite consensus on the broad benefits of permanent supportive housing, there remains limited public funding opportunities that CBOs like APM can directly apply for. Most grant opportunities are reserved for local and state governments which then disperse funds to CBOs through a competitive process. Furthermore, because the city of Philadelphia is facing a \$649 million budget hole due to the COVID-19 pandemic, it is unlikely that new funding opportunities will become available as the city mainly focuses on maintaining their current level of services (City of Philadelphia, 2020). Moreover, the state of Pennsylvania is also facing a multi-billion dollar budget hole due to lost revenues, making it an extremely difficult environment for nonprofits. Despite these headwinds, there are a few funding opportunities that APM should be made aware of.

**SAMHSA:** The Substance Abuse and Mental Health Services Administration (SAMHSA) is a division of the Department of Health and Human Services that is the primary source of funding for behavioral health services. Two multi-year SAMSHA grants are specific to permanent supportive housing providers. Initially only available to states, the CABHI grant allowed nonprofits to apply in 2016 to “provide evidence-based treatment services, permanent supportive housing, peer support services, and care that is accessible, comprehensive, and integrated with other services” (CSH, 2016). In the first round of awards, 30 organizations were provided an average of \$650,000 to use up to three years (SAMHSA, 2016). Given the grant’s

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focus on the chronic homeless population, it aligns with APM's targeted population. Notably, 2016 was the last year for funding awards and it is unclear when the next application period will be announced. The other grant, GBHI, is open exclusively to nonprofit organizations and "supports the development and/or expansion of local implementation of a community infrastructure that integrates substance use disorder treatment, housing services and other critical services for individuals (including youth) and families experiencing homelessness" (SAMHSA). In 2019, thirteen organizations were awarded an average of \$400,000. Benefits of the SAMHSA grants include a flexibility of three years to demonstrate program effectiveness and flexibility for service funding so that APM can adjust its program budgets as needed and roll over unused funds to the next fiscal year (CSH, 2016).

***Key Takeaway:** Because SAMHSA grants provide significant funding and are an open, competitive process and align with APM's service provision and targeted populations, APM should seriously consider applying for the grants when they become available. However, the requirement for robust data collection and evaluation tools could prove challenging to APM as well as sustaining funding when the grant period is over.*

**PA DCED:** An opportunity for immediate funding is the Neighborhood Assistance Program (NAP) offered by the Pennsylvania Department of Community & Economic Development (DCED). The NAP provides tax credits to businesses that support nonprofit-run eligible projects (such as supportive housing) to low-income populations. APM would need to design a program that is separate from its current operations as funding cannot be used to supplement funds for ongoing services. APM would also need to have an organization interested and willing to invest in the program, and have letters of commitment with a "strong

solicitation plan” (DCED). This opportunity would allow APM to collaborate with other like-minded organizations to develop a neighborhood plan that addresses community needs in a comprehensive way. Moreover, the 2020-2021 application is looking for projects that have a particular impact on those disproportionately affected by the COVID-19 pandemic and address social justice, poverty and neglect that have plagued vulnerable communities. Thus, this could be a unique opportunity for APM to design an innovative supportive housing model in a critical time for the population. The other program under the NAP umbrella is the Special Program Priorities which offers investors a 75% tax credit for projects that focus on specific needs determined by the state; supportive services for at-risk populations and integrated health and housing initiatives are program areas that would meet APM’s objectives. The program timeline is similar to the general NAP and can be selected on the same application which is due **August 31, 2020**.

*Key Takeaway: APM should look to the recommended technical assistance organizations for guidance in developing a project proposal. Given that the deadline is at the end of August, APM could take the upcoming year to closely examine the NAP program, engage with stakeholders, and determine whether to apply in 2021.*

## 6. Conclusion

At a time when the COVID-19 pandemic has upended the health, safety and economic security of the country, supportive housing services are imperative for vulnerable populations greatly impacted by the pandemic’s effects. While public funding opportunities are scarce, it is an opportune time for APM to engage in a partnership with health care organizations. Now

more than ever, collaboration and the effective use of resources is needed to provide critical services to individuals and families. The pandemic offers the chance for APM to step back and think strategically about its next steps. The pandemic's disastrous effects on vulnerable populations will last for years; thus, there will be a greater demand for APM's services, further straining their current resources. This serves as an even greater impetus for APM to leverage financing from partnerships to build capacity. Moreover, there are a growing number of exemplary partnerships in Philadelphia that illustrate creative ways to better serve homeless individuals and those with dual-diagnoses. Evidence indicates the efficacy of supportive housing and the continuing shift by health systems and insurers to value-based care that emphasizes population health outcomes. The potential for partnerships provides APM with the opportunity to grow their supportive housing services at a time when people need them most.

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