Health and Housing Strategy for Virginians with Serious Mental Illness:
A Report to the General Assembly

Submitted by Department of Housing and Community Development – January 2020

Table of Contents

Executive Summary

Permanent Supportive Housing (PSH) is an evidence-based practice that meets the housing preferences of many individuals with serious mental illness (SMI) and demonstrates positive outcomes such as reduced hospitalizations and homelessness, increased housing stability, and improved behavioral and physical health. In 2017, the General Assembly requested the Department of Housing and Community Development (DHCD) work with state agencies and other stakeholders to develop and implement strategies to expand PSH for individuals with SMI. This third report to the General Assembly provides the state's 2019 accomplishments as well as recommendations to continue to expand PSH to meet the long-term 5,000-unit need for PSH.

During CY 2019, the PSH Steering Committee established five goals to continue to expand PSH:

- Goal #1 - Increase Services and Supports to Assist Individuals with SMI to Gain Access to and Maintain Supportive Housing
- Goal #2 - Provide Capital Subsidies to Expand PSH
- Goal #3 - Increase Rental Assistance to make Units Affordable
- Goal #4 - Increase PSH through Preferential Access to Existing Affordable Housing Programs
- Goal #5 - Strategies to Increase PSH through Enhancing System Capacity

The Committee developed a three-year Action Plan with 57 specific strategies and action items to reach these goals. The Action Plan was approved by the Interagency Leadership Team (ILT). The lead state agencies designated for the strategies began providing quarterly updates which will be shared with the Housing Virginians with SMI Strategy Group.

Working collaboratively, the state agencies that comprise the PSH Steering Committee made significant progress towards meeting each of these goals. Highlights of the CY 19 accomplishments include:

DBHDS PSH SMI Program Outcomes: The PSH SMI Program currently has funding obligated to serve 1,027 individuals. Outcomes for the 950 individual participants in the PSH SMI program, who were housed between February 6, 2016 and July 1, 2019 include:

- One hundred forty-seven individuals were discharged from a state behavioral health hospital into DBHDS PSH, and overall, 228 individuals in PSH had a state hospital admission in the year before move-in.
- At least 95 individuals served in PSH were on the extraordinary barrier list (EBL) in the year before move-in.
- PSH providers are effectively prioritizing individuals with extensive histories of homelessness and repeated, long-term use of institutional care before move-in.
- Eighty-six percent of individuals served in PSH remained stably housed.
- Only 6 percent of those served have been discharged to an institutional setting or higher level of care.

- State hospital utilization decreased 82 percent the year after PSH move-in, resulting in avoided costs of $9.5 million.
- A DBHDS cross-system cost impact analysis identified a 29 percent decrease in private hospital, state hospital, jail, and Community Services Board (CSB) costs after one year of PSH.
- After PSH costs were included in this analysis, a total cost reduction of $1,375 was identified for each individual housed.

***VHDA Leasing Preference*:** In order to have a more significant impact, VHDA modified its CY19 Qualified Allocation Plan to require that every development awarded 9% Low Income Housing Tax Credit (LIHTC) as well as 4% tax credit funding provide a PSH leasing preference for 10 percent of its units. In 2019, this resulted in tax credit awards for 183 units through the 9% and 270 units through the 4% program.

Virginia Housing Trust Fund (VHTF): Increased FY19 funds for this program allowed DHCD to expand the number of PSH projects awarded Homeless Reduction Grant services funds in 2019 to 12 and to increase capital funds awarded for PSH to 10 projects with 347 units.

Mainstream Voucher Program: With the support of the state agencies, local Virginia Public Housing Agencies leveraged 729 federally-funded vouchers to serve non-elderly people with disabilities who are homeless, institutionalized, at risk of either condition, or who will move on from a PSH/Rapid ReHousing program

***COMPASS Waiver*:** In anticipation of CMS approval of the Waiver, DMAS initiated discussions with state partner agencies to begin defining the specific services covered by the housing supports benefit, refining member eligibility and formalizing protocols for serving High Needs members.

***Enhanced System Capacity*:** The establishment of the DBHDS Community Housing Office and the creation and hiring of a DMAS Housing Advisor will help the state move forward more quickly on the PSH housing and services goals.

Meeting the long-term need for PSH will require the continued support of leadership and the commitment of state and local public and private entities to make rental units available and affordable, to target those units to individuals in the state's priority populations, and to provide readily accessible supportive services through the ongoing development of systems capacity and sustainable funding strategies.

Annual Report on Housing Strategies for the Seriously Mentally Ill

The following report complies with the 2019 Budget Bill language Item 105 H - Commerce and Trade – Department of Housing and Community Development

"H. The Department of Housing and Community Development (DHCD) shall develop and implement strategies, that may include potential Medicaid financing, for housing individuals with serious mental illness. DHCD shall include other agencies in the development of such strategies including the Virginia Housing Development Authority, Department of Behavioral Health and Developmental Services, Department for Aging and Rehabilitative Services, Department of Medical Assistance Services, and Department of Social Services. The Department shall also include stakeholders whose constituents have an interest in expanding supportive housing for people with serious mental illness, including the National Alliance on Mental Illness Virginia, the Virginia Housing Alliance and the Virginia Sheriff's Association. An annual report on such strategies and the progress on implementation shall be provided to the Chairmen of the House Appropriations and Senate Finance Committees by the first day of each General Assembly Regular Session."

Background

General Assembly Request

Through budget language, the 2017, 2018 and 2019 General Assembly charged the Department of Housing and Community Development (DHCD) with developing and implementing strategies to increase permanent supportive housing (PSH) for individuals with serious mental illness (SMI). The General Assembly indicated that strategies could potentially include Medicaid financing and directed DHCD to include other agencies in the development of strategies, naming the Virginia Housing Development Authority (VHDA), Department of Behavioral Health and Developmental Services (DBHDS), Department for Aging and Rehabilitative Services (DARS), Department of Medical Assistance Services (DMAS), and Department of Social Services (DSS) (Item 105 H). Direction for this effort has been provided on two levels – through the Interagency Leadership Team, comprised of heads of the agencies described above and through the Permanent Supportive Housing (PSH) Steering Committee comprised of program directors and managers of the same agencies.

Further, the General Assembly required DHCD to include stakeholders whose constituents have an interest in expanding supportive housing for individuals with SMI, naming the National Alliance on Mental Illness Virginia, the Virginia Housing Alliance and the Virginia Sheriff's Association. Finally, the General Assembly required DHCD to provide an annual report on such strategies and the progress on implementation to the Chairmen of the House Appropriations and Senate Finance Committees. This report is the third DHCD report to the General Assembly in response to its charge to develop PSH strategies. The 2018 and 2019 reports can be found here:
https://rga.lis.virginia.gov/Published/2018/RD12
https://rga.lis.virginia.gov/Published/2019/RD100

Permanent Supportive Housing

What is PSH?

The U.S. Substance Abuse and Mental Health Services Administration (SAMHSA) describes PSH as "decent, safe, and affordable community-based housing that provides tenants with the rights of tenancy under state and local landlord tenant laws and is linked to voluntary and flexible supports and services designed to meet tenants' needs and preferences.[1]" PSH is affordable rental housing that may be scattered site or single site. Support services are available to tenants but not required and PSH is not a treatment setting. PSH is a cross-system approach that requires tactical use of resources.

Housing must be safe, decent and affordable. Housing affordability is a critical issue for states working to comply with Americans with Disabilities Act of 1990, as amended (ADA) requirements because most individuals with significant disabilities rely primarily on federal Supplemental Security Income (SSI) payments that average only 20 percent of median income

[1] SAMHSA (2010). Permanent Supportive Housing Evidence-Based Practices (EBP) Kit. PowerPoint Presentation: http://store.samhsa.gov/product/SMA10-4510.

nationally. Nowhere in the U.S. can a person with a disability on SSI afford housing at the Fair Market Rate[2]. Affordability is created with capital to write down the cost of acquisition, development or rehabilitation of housing and rental or operating assistance to ensure tenants pay only what they can afford for rent. The tenant's limited income also means it is difficult to save for payment of a security deposit, utility hook-ups or furnishings and tenants often need assistance with these one-time costs as well.

Services are essential to assist individuals with SMI in gaining access to and transitioning to housing, and for successfully sustaining PSH. PSH programs generally provide tenancy supports to help individuals maintain successful tenancies and connect tenants with community-based organizations for health care, mental health, substance abuse (mental health and substance abuse hereafter collectively referred to as behavioral health) and other services. States have options for how to deliver and fund PSH services. It is critical to ensure services are readily available when needed and available for a long as the individual wants and needs them.

System Supports are essential, to serve as the "glue" that makes PSH work. The delivery of housing and services requires the collaboration of systems that use different language, rely on different funding sources and have different measures of accountability. Collaboration and strategic planning at multiple levels including the state, regional, and local are critical to the development and management of system supports. Each system's roles and responsibilities need to be clear and accountable at the planning stage to ensure the needed collaboration and communication is functional when programs are ready for implementation.

An Evidence-Based Practice

SAMHSA has identified PSH as an evidence-based practice (EBP) for individuals with SMI. Research has shown the cost-effectiveness of the PSH model, particularly for people with extensive or complex needs such as those with co-occurring mental health and substance use disorder conditions who often experience homelessness, or who are frequent users of costly institutional and emergency care[3]. Research has also demonstrated positive impacts of PSH on housing stability, health, and behavioral health[4]. In one review of existing research studies, a consistent finding emerged that the "provision of housing had a strong, positive effect in promoting housing stability and reducing homelessness."[5]

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[2] Priced Out 2017, Technical Assistance Collaborative.

[3] Culhane, D. P. et al. (2002). Public service reductions associated with placement of homeless persons with severe mental illness in supportive housing. *Housing Policy Debate*, *13*(1):107–163
Larimer, M. E. (2009). Health care and public service use and costs before and after provision of housing for chronically homeless persons with severe alcohol problems. *The Journal of the American Medical Association 301*(13):1349
Chalmers McLaughlin, T. (2010). Using common themes: Cost-effectiveness of permanent supported housing for people with mental illness. *Research on Social Work Practice*, *21*(4):404–411.

[4] Rog, D. et al. (2014). Permanent supportive housing: Assessing the evidence. *Psychiatric Services 65*(3):287-294
Padgett, et al. (2011). Substance use outcomes among homeless clients with serious mental illness: Comparing Housing First with Treatment First programs. *Community Mental Health Journal 47*(2):227–232.
Wolitski et al. (2009). Randomized trial of the effects of housing assistance on the health and risk behaviors of homeless and unstably housed people living with HIV. *AIDS and Behavior 14*(3):493–503.

[5] Rog, D. et al. (2013). Permanent supportive housing: Assessing the evidence. *Psychiatric Services 65*(3):290.

Other federal agencies, including the Department of Housing and Urban Development (HUD), the Center for Medicare and Medicaid Services (CMS), the Department of Justice (DOJ), and the US Interagency Council on Homelessness (USICH) recognize PSH as a best practice. HUD and CMS for example, have programs or projects in place to promote PSH. HUD has provided funds annually to Continuums of Care serving chronically homeless individuals – the vast majority of whom have SMI - to expand PSH. As costs for institutional settings have grown, and alternative service approaches emerged, CMS recognized and promoted options for states to shift, when appropriate, the care of individuals in nursing facilities and intermediate care facilities for individuals with intellectual disabilities (ICF-IIDs) to more inclusive and less costly community-based alternatives. Initiatives such as Money Follows the Person and the Balancing Incentive Program, as well as Home and Community-Based Services (HCBS) Waivers became popular tools to assist states in reducing reliance on institutional settings. In January 2014, CMS put in place the HCBS Waiver "Settings Rule" that provided strong incentives for state Medicaid agencies and their Mental Health and Intellectual/Developmental Disabilities counterparts to develop and promote integrated community-based housing for individuals with disabilities. In June 2015, CMS issued an Informational Bulletin clarifying that while Medicaid cannot pay for room and board, the program can assist states with coverage of certain housing-related activities and services.[6] The bulletin was intended to assist states in designing Medicaid benefits, and to clarify the circumstances under which Medicaid reimburses for certain housing-related activities, with the goal of promoting community integration for individuals with disabilities, older adults needing long-term services and supports (LTSS), and those experiencing chronic homelessness.

Prioritizing the housing needs of individuals with disabilities who are institutionalized or homeless is not only the most cost-effective strategy for states and the federal government, it is also a requirement of the ADA. States are increasingly moving toward expansion of PSH within their housing and services continuums because of its alignment with the ADA's integration mandate, as well as with housing preferences and choices for many individuals with SMI in particular. This is especially true where lack of availability or lack of access to such options, due in part to a history of reliance on congregate or institutional settings, seriously limits the housing choices of individuals with disabilities.

Why is a PSH Housing and Services Strategy Important for Virginia?

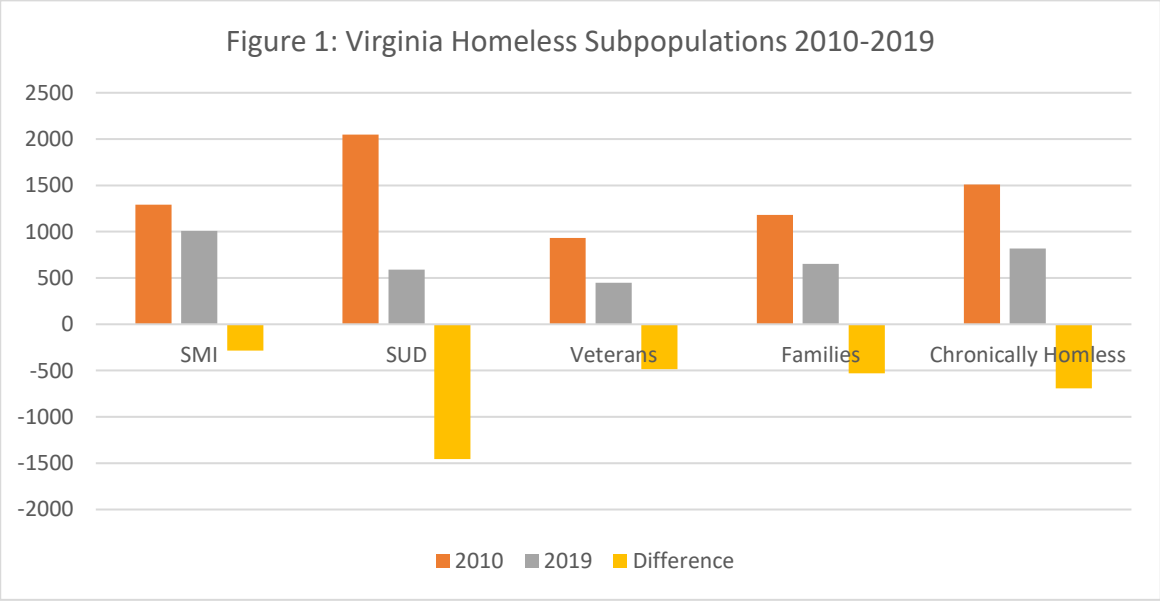
PSH can be a valuable tool to help the Commonwealth of Virginia address a number of public policy challenges. First, Virginia has implemented Medicaid expansion, affording access to health care for up to 400,000 low-income qualifying Virginia residents. Based on other states' experiences, it is estimated that as many as 35 percent of these individuals will have significant chronic physical and behavioral health conditions that have previously been un-treated or under-treated due to their lack of coverage. Many of these individuals are likely to be unstably housed, adding to the myriad of needs to be addressed to improve their health. In addition to the array of support services now available to them through Medicaid, PSH can help by

[6] https://www.medicaid.gov/federal-policy-guidance/downloads/cib-06-26-2015.pdf

improving housing stability, leading to more effective use of healthcare services for this newly covered population.

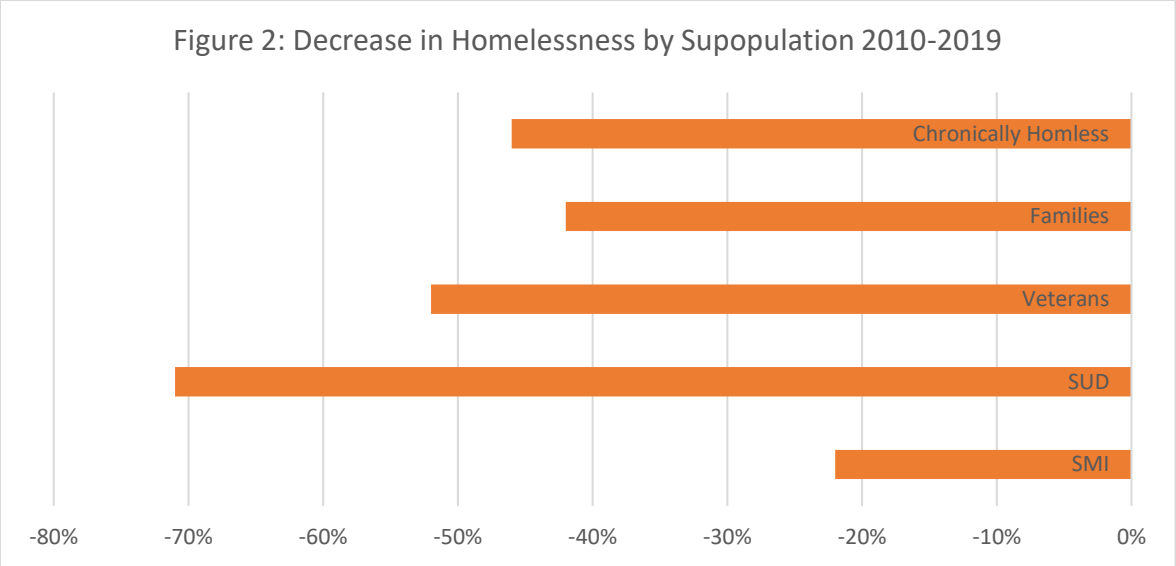
Development of a housing and services strategy for individuals with SMI is also important to the Commonwealth because it will facilitate the timely discharge of individuals from state psychiatric beds and prevent returns to inpatient care. Virginia is experiencing a census crisis in its state hospitals due to "bed of last resort" legislation, which has left those hospitals shouldering a disproportionate share of temporary detention order admissions. Lack of affordable housing with robust supportive services is a commonly cited barrier to discharge. PSH is widely recognized as a critical resource to assist states with ensuring individuals are supported in the least restrictive setting, as required by the Olmstead decision, and with reducing the use of costly inpatient care.

PSH can help the subpopulation of people with SMI exit homelessness more quickly and successfully. As illustrated in Figure 1, between CY2010 and CY2019, overall homelessness in Virginia has decreased 36 percent. Homelessness among various subpopulations including people with substance use disorders, families, veterans and people experiencing chronic homelessness has decreased between 39 and 71 percent during this time period. In 2015, Virginia became the first state in the country to be certified by the U.S. Department of Housing and Urban Development to have functionally ended veteran homelessness. For people with SMI, however, homelessness decreased only 22 percent between 2010 and 2019.



[7]

[7] The 2019 data is preliminary and has not been finalized with HUD.



Virginia's criminal justice system would also benefit considerably from additional PSH capacity. For justice system-involved individuals with SMI, and co-occurring substance use disorders (SUD), housing is critical for successful re-entry into the community and sustained recovery over time. Without safe, affordable housing and appropriate community supports, individuals with behavioral health disorders are less likely to remain in recovery and more likely to come back into contact with the criminal justice system, become re-incarcerated, or even hospitalized.

The 2019 Appropriations Act continued funding for the Jail Mental Health Pilot Program. The Act required the pilot sites to report quarterly performance data, to include the provision of appropriate services to jail mental health pilot participants after release, and the number of inmates re-arrested or re-incarcerated within 90 days after release.

Standardized recidivism data was not collected across the six pilot sites during FY 2019; however, jail staff members at some sites began collecting preliminary recidivism data. Some projects shared examples of successful re-entry by program participants, attributing these successes to individuals rebuilding support systems, obtaining housing and employment, getting needed medication and restoring benefits. Overall, provision of aftercare services improved; however, providing safe, affordable housing in the community for released inmates was identified as on ongoing challenge. The number of inmates who were provided housing post release reportedly decreased from the first quarter to the fourth quarter of FY2019. The FY19 Report indicated that "Finding safe and affordable housing remains one of the biggest challenges facing many participating sites," and recommended improving housing options for program participants released into the community. The Report concluded that…" housing is a crucial element in assuring successful re-entry and reducing recidivism." All sites are now collecting recidivism data, which will be analyzed and presented in the FY20 program evaluation to be reported to the Chairmen of the House Appropriations and Senate Finance Committees by June 30, 2020.

Assessing Cost Avoidance

A housing and services strategy is also important because national and state data suggest that PSH results in some public cost avoidance.

Opportunities for Cost Avoidance for Virginia as a Result of Increased PSH Data Reflecting the National Experience

Studies demonstrate that providing PSH can help achieve significant savings by reducing avoidable emergency department (ED) visits, hospitalizations, readmissions, and other health care costs – particularly when the assistance is targeted to the most high-cost and highly vulnerable Medicaid beneficiaries experiencing homelessness.[8] Combining affordable housing with intensive services, including help finding housing, working with a landlord, accessing physical and behavioral health care, and finding employment, for a high-needs group saved an average of $6,000 a year per person in health care: 23 percent fewer days in hospitals, 33 percent fewer ED visits, and 42 percent fewer days in nursing homes.[9]

Data Reflecting Virginia Experiences

Virginia has also conducted evaluations of its own PSH programs and generated findings consistent with national research. DBHDS has been operating PSH for adults with serious mental illness with targeted state general funds since 2016.

Before moving into DBHDS PSH, individuals have had long histories of homelessness as well as crisis contacts and institutional care resulting in multi-system involvement, poor outcomes, and failed interventions. After move-in into DBHDS PSH, individuals experienced dramatically improved housing stability and reduced utilization of inpatient care.

Outcomes for the 950 individual participants in the PSH SMI program, who were housed between February 6, 2016 and July 1, 2019 include:

- One hundred forty-seven individuals were discharged from a state behavioral health hospital into DBHDS PSH, and overall, 228 individuals in PSH had a state hospital admission in the year before move-in.
- At least 95 individuals served in PSH were on the extraordinary barrier list (EBL) in the year before move-in.
- PSH providers are effectively prioritizing individuals with extensive histories of homelessness and repeated, long-term use of institutional care before move-in.
- Eighty-six percent of individuals served in PSH remained stably housed.

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[8] See The Commonwealth Fund (2014) *In Focus: Using Housing to Improve Health and Reduce the Cost of Caring for the Homeless* *http://www.commonwealthfund.org/publications/newsletters/quality-matters/2014/october-november/in-focus* and *http://aspe.hhs.gov/daltcp/reports/2011/ChrHomlr.pdf*

[9] Building the Case: Low-Income Housing Tax Credits and Health, Bipartisan Policy Center, Anand Parekh, M.D., and Caitlin Krutsick, November 2017.

- Only 6 percent of those served have been discharged to an institutional setting or higher level of care.
- State hospital utilization decreased 82 percent the year after PSH move-in, resulting in avoided costs of $9.5 million.
- A DBHDS cross-system cost impact analysis identified a 29 percent decrease in private hospital, state hospital, jail, and CSB costs after one year of PSH.
- After PSH costs were included in this analysis, a total cost reduction of $1,375 was identified for each individual housed.

The 2018 Mental Illness in Jails Report analyzed data on the 27,044 individuals incarcerated in Virginia's jails in June 2018. Nearly twenty percent were known or suspected to have a mental illness. Further, 10.42 percent of inmates had an SMI. The reported percentage of inmates with SMI has increased nearly 74 percent since 2011. Jails also identified 875 inmates who were homeless, 377 of whom had a mental illness and 277 of whom had a mental illness and co-occurring substance use disorder. Fiscal Year 2018 jail behavioral health costs were reported at $23.2 million for the jails that responded to the Compensation Board's survey.

Estimates of PSH Need for Virginians with SMI

Both the General Assembly and Governor Northam recognize the benefits of PSH. In 2017, the General Assembly requested the Department of Housing and Community Development (DHCD) work with state agencies and other stakeholders to develop and implement strategies to expand PSH for individuals with SMI. By including the High Needs Support Benefit, which includes supportive housing as well as supportive employment, as part of Virginia's Medicaid expansion, the General Assembly acknowledged the important role PSH does and can play for Virginian's with disabilities, including SMI.

In November 2018, Governor Ralph Northam issued Executive Order 25, recognizing Virginia's unmet housing needs and highlighting the need for PSH as one of his three top priorities. At the request of the Deeds Commission, DBHDS assessed the number of adults with serious mental illness who need PSH to address extreme crises such as long-term homelessness, institutionalization, and frequent use of emergency services and criminal justice interventions. DBHDS's assessment established a need for 5,000 PSH units. This is consistent with Executive Order 25 and is supported by the Administration's Housing and Supportive Services Interagency Leadership Team (ILT).

Table 1 illustrates how DBHDS arrived at the need for estimated 5,000 additional PSH units for Virginians with SMI. It is important to note that while many individuals with SMI would benefit from PSH, DBHDS' estimate of need below includes only those who need PSH to address extreme crises such as long-term homelessness, institutionalization, and frequent use of emergency services and criminal justice interventions.

Table 1: DBHDS Estimates of Need for PSH for Persons with SMI

Current Status of Individual	Number of Persons with SMI	Data Source
Homeless	516[10]	The State of PSH in Virginia, 2015 (Virginia Housing Alliance)
Jail	1,056	Mental Illness in Jails Report (Virginia Compensation Board, 2015)
Assisted Living Facility	824	Auxiliary Grant payments to localities (2016 Estimate of SMI based on AG recipients in one month as provided by DARS)
Unstably Housed - Top 20 percent highest utilizers of crisis and emergency services	2,684 (including 464 individuals with a state psychiatric facility stay)	Community Services Board (CSB) CCS_3 data submissions (DBHDS, 2016)

PSH as of December 2019

As of December 2019, the state has developed 1,162 or 23 percent of the approximately 5,000 PSH units needed. This includes

- 1,027 PSH SMI units
- 90 AGSH units
- 44 leveraged Mainstream vouchers

Note that the 5,000-unit estimate of need is based on 2016 data that has not yet been updated to reflect the impact of PSH investment or changes in the population of individuals with SMI in need of PSH.

[10] The 2017 PIT for the State of Virginia (combined data from all Virginia Continua of Care) is 611 persons in shelters and 251 unsheltered persons for a total of 862 homeless individuals with SMI.

Progress and Accomplishments

As described above, since the submission of the 2019 report to the General Assembly, DHCD has been working with its state partners and the Housing People with SMI Strategy Group comprised of stakeholders to implement the report recommendations. PSH expansion requires the identification of new or redirected resources for supports and housing as well as systemic infrastructure such as staffing, policies and procedures. Together, these all must align for successful expansion.

PSH Services and Supports - Accomplishments

Services are essential to assist individuals with SMI in gaining access to and transitioning to housing, and for successfully sustaining PSH. PSH programs generally provide tenancy supports to help individuals maintain successful tenancies and connect tenants with community-based organizations for health care, mental health, substance abuse (mental health and substance abuse hereafter collectively referred to as behavioral health) and other services. Like many other states, Virginia has historically covered housing acquisition and tenancy supports for individuals with behavioral health disorders using state funds, more specifically through continued investment of state general funds in DBHDS' PSH program.

While most of the DBHDS' PSH program funds are directed to long-term rental assistance, more than thirty percent of these funds have been used for housing stabilization services, one-time client assistance, or staff time to administer the rental assistance. Following CMS Guidance to explore the use of Medicaid Authority to cover certain housing related-services and supports, Virginia determined it was in the state's interest to seek Medicaid coverage for many of these state-funded services, freeing up state dollars to fund additional rental assistance.

On June 7, 2018, Governor Northam signed the 2018 Virginia Acts of Assembly Chapter 2 (2018 Appropriations Act) directing DMAS to submit a Medicaid Section 1115 Demonstration Waiver seeking federal approval for new Medicaid program features "designed to empower individuals to improve their health and well-being…," including a housing supports benefit.

Housing Support Benefit in the Medicaid 1115 Demonstration Waiver

On November 20, 2018, DMAS submitted the application, known as "Creating Opportunities for Medicaid Participants to Achieve Self Sufficiency" (COMPASS) waiver. The Waiver proposed a housing supports benefit for a targeted group of high-need Medicaid eligible members, including individuals with SMI. The Centers for Medicare and Medicaid Services (CMS) then posted the waiver submission for a 30-day comment period, ending on January 6, 2019. DMAS began, and as of the writing of this report, continues negotiating the COMPASS waiver Special Terms and Conditions (STCs) with CMS; the STCs serve as the agreement between the federal government and the state on the policy for the waiver programs. The extent of the negotiations has caused DMAS to re-evaluate the process and timeline originally proposed for implementation of the waiver, including the housing supports benefit.

In anticipation of CMS approval of the Waiver, DMAS recently initiated discussions with the HSS Interagency team to begin defining the specific services covered by the housing supports benefit, refining member eligibility and formalizing protocols for serving High Needs members.

Interim Strategies Using Existing Medicaid Services and Authorities

As a result of Medicaid Expansion, more than 330,000 Virginia residents now have access to Medicaid. As of September, 2019, 30,000 of these new members were receiving services related to a behavioral health diagnoses. An additional 15,000 members were receiving treatment for a substance use disorder. Absent stable housing, these members can incur significant costs to the Medicaid program through frequent and extended inpatient admissions, emergency department visits and use of crisis intervention services.

Since Medicaid expansion occurred prior to the statewide implementation of the housing supports benefit, the PSH Steering Committee determined that the Commonwealth could benefit from exploring opportunities to cover housing related services and activities using existing Medicaid covered services as an interim strategy. The availability of housing support services helps to ensure successful community integration for individuals with serious mental illness, including individuals transitioning or being diverted from institutional settings and individuals experiencing or at risk of chronic homelessness, until the Medicaid housing supports benefit is in place.

Earlier in the year, DMAS was selected to participate in CMS's Innovation Accelerator Program (IAP) focused on promoting community integration through long term services and supports. IAP provides opportunity for technical assistance through peer states, subject matter experts, technical assistance and coaching. The coaches assigned to Virginia were the Technical Assistance Collaborative (TAC), a firm already under contract with VHDA to support the PSH Steering Committee.

Through the IAP, DMAS and DBHDS identified that Care Coordination (CC), Targeted Case Management (TCM), Mental Health Skill-building Services (MHSS), Intensive Community Treatment (ICT) and Peer Support services could *potentially* be used to deliver some housing acquisition, transition and tenancy support services until the housing supports benefit is implemented under the COMPASS Waiver. With the expansion of Medicaid, even more individuals now have access to those supportive services.

Continued Work on Behavioral Health Redesign

As referenced in the 2019 Annual Report, DMAS and DBHDS in partnership with others, have initiated efforts to improve the quality of behavioral health services, thereby improving outcomes for Medicaid recipients. Behavioral Health Redesign was initiated in July 2018, intended to establish a continuum of Medicaid funded mental health services, and a redesigned continuum of mental health services that is trauma-informed, evidence-based, and focused on early intervention and prevention. The initiative intends to improve access to services in Virginia's publicly funded behavioral health system, the outcomes of services for recipients and

the rising cost of behavioral health services by building on system strengths while addressing gaps in the continuum of community-based behavioral health services.

A proposed continuum of services was developed with stakeholders and released in January 2019 to serve as a guide post for movement forward. Community Mental Health and Rehabilitation Services will become Intensive Community-Based Supports that are tiered based on the intensity of an individual's needs and include evidence-based best practices. This approach is well aligned with evidence-based PSH.

While more individuals are now eligible for or accessing existing behavioral health services that support individuals to acquire and maintain housing stability, providing effective housing acquisition, transition and tenancy sustaining services presents several challenges that both DMAS and DBHDS acknowledge. Provider capacity is already insufficient for certain behavioral health services in some regions. Other services appear to be over-utilized with minimal outcomes for recipients. Until the Behavioral Health Redesign effort is completed and fully implemented, a consistent, effective, thorough supportive approach to PSH is limited.

If redesign is approved, DBHDS will prepare existing providers to deliver effective, high quality services that will support the delivery of supportive housing. The agency has held a number of training sessions on a Community Housing supplement to Wellness Recovery Action Plans, a tool that is designed to assist individuals in to be more involved, and ultimately successful, in their recovery as it relates to housing. DBHDS is also planning to partner with a CSB to secure provider education and training that will support individuals to successfully transition from structured settings to independent living.

Building on Community Guide as a Successful Model for the Housing Supports Benefit

Community Housing Guide (CHG) is a new service offered in Virginia's redesigned Medicaid Waivers for people with developmental disabilities. The service is intended to provide direct assistance to promote individuals' self-determination through brokering specific community resources that enable individuals to access and participate in integrated, independent housing. Community Housing Guides:

- Support an individual's move to independent housing by helping with transition and tenancy sustaining activities;
- Collaborate with the support coordinator, regional housing coordinator, and others to enable the individual to achieve and sustain integrated, independent living; and
- Promote people's self-determination by brokering community resources to help individuals connect to and participate in integrated, independent housing.

In April, DBHDS engaged TAC's assistance with developing a training curriculum for CHGs. DBHDS staff drafted training modules and developed a process to pilot the training with potential CHG providers. The training was piloted in late November/early December 2019 with provider agency staff representing all five DBHDS regions. DBHDS and DMAS envision building on the feedback from the training pilots to improve both the CHG training as well as future training for providers of the housing supports benefit.

Non-Medicaid Supportive Housing Services

Medicaid Expansion has afforded many more individuals with behavioral health disorders access to healthcare coverage, however there will continue to be some Virginians who may not qualify for the COMPASS Waiver Housing Support benefit. The PSH Steering Committee identified and focused on increasing other key resources that can be used to support individuals with SMI in accessing and sustaining successful independent living.

Expansion of PSH Supports through DBHDS's PSH Program

Almost all of the growth in individuals with SMI served in PSH has been made possible through continued investment of state general funds in DBHDS' PSH program. The $17.2 million invested in FY20 is expected to serve at least 1,200 individuals. DBHDS has already awarded funding to nineteen agencies (18 CSBs and one non-profit), including 4 new providers in FY20. An additional round of funding intended to align with HUD awards for new Mainstream Vouchers is expected later this fiscal year. To date, individuals use state-funded rental assistance to secure rental housing available on the private market.

While most DBHDS PSH funds are directed to long-term rental assistance, more than thirty percent of these funds are used for housing stabilization services, one-time client assistance, or staff time to administer the rental assistance. Once the COMPASS Waiver is approved and the Medicaid housing benefits are phased in, many of these state-funded supports will be reimbursable under the waiver. It is estimated that the newly established Medicaid PSH benefit will then allow DBHDS to provide rental assistance to serve approximately 200 individuals with state funds for services that could be re-purposed as rental assistance.

Table 2: PSH SMI Units by Region

PSH Provider	DBHDS PSH Unit Count	AGSH Unit Count	Leveraged Voucher Count	Total Units
Region 1 - Northwest	**173**	**0**	**20**	**193**
Northwestern	30	0	0	30
RACSB	30	0	0	30
Rapp-Rapidan	28	0	20	48
Region Ten	55	0	0	55
Valley	30	0	0	30
Region 2 - Northern	**182**	**0**	**0**	**182**
Arlington	44	0	0	44
Pathway Homes	138	0	0	138
Region 3 - Southwest	**168**	**90**	**4**	**262**
BRBH	75	40	0	115
DPCS	42	0	0	42
Mt Rogers	45	35	4	84
Southside/Piedmont	6	15	0	21
Region 4 - Central	**172**	**0**	**0**	**172**
D19	30	0	0	30
Henrico	30	0	0	30
RBHA	112	0	0	112
Region 5 - Tidewater	**330**	**0**	**20**	**350**
Chesapeake	15	0	10	25
Hampton NN	114	0	0	114
Norfolk	131	0	10	141
Virginia Beach	72	0	0	72
Grand Total	**1,027**	**90**	**44**	**1,161**

Expansion of PSH Supports through State Housing Trust Fund

Up to 20 percent of the Virginia Housing Trust Fund (VHTF) may be used for competitive grants to help reduce homelessness through Homeless Reduction Grants. These grants may be used to provide temporary rental assistance not to exceed one year, housing stabilization services in supportive housing for chronically homeless households, and predevelopment assistance to support long-term housing opportunities for chronically homeless households. Because these grants rely on annual state appropriations, there is some concern that providers are reluctant to request funding for on-going services. Through the FY18 competitive process, DHCD selected 13 projects for funding; five of these were existing PSH providers seeking new support services. During calendar year 2018, these five programs served 233 people experiencing chronic homelessness.

With increased VHTF funding in the FY19 and FY20 budgets, DHCD was able to expand the number of PSH projects awarded funds in 2019. DHCD awarded funding to 12 PSH projects as well as pre-development funds for two PSH projects. These projects are currently being implemented.

Virginia Department of Veterans Services

Virginia has long made it a priority to reduce the number of Veterans' experiencing homelessness, targeting resources to reduce chronic homelessness since 2013. These efforts have proven successful, reducing Veterans' homelessness by 51 percent in 2019, with an even greater reduction in chronic homelessness. The Virginia Department of Veterans Services (DVS)attributes its success to aligning services and housing resources, both internal to the department as well as external partners:

- DVS, through the Virginia Veteran and Family Support (VVFS) Program, employs approximately 40 Resources Specialists statewide that serve as navigators to assist Veterans in need of services including those with SMI in connecting to Continua of Care (CoCs), PSH programs, and BH services. Some Resource Specialists are located with Community Service Boards, strengthening their ability to connect veterans with needed services and supports.
- DVS also administers the DVS Homeless Veterans Fund through donations provided by the Veteran Service Foundation. These funds assist in covering "gap" expenses such as security deposits for homeless veterans and prevention resources (rent arrears, utility assistance, etc.) for previously chronically homeless veterans.
- Fifteen PHAs and the VHDA have a total of 1,600 Veterans Affairs Supportive Housing (VASH) vouchers.

Provider Capacity Development

In Virginia, existing providers of PSH vary and include CSBs as well as non-profit agencies. Some of these agencies have history providing PSH, but their services may not meet the standards for evidence-based practice. Others may be aware of the expectation to provide housing for individuals with SMI but have no history of service provision outside of 24-hour, structured residential programs. Still other agencies may be delivering PSH but are not enrolled as Medicaid providers and lack the infrastructure and the expertise to bill Medicaid for services.

In order to begin enhancing existing provider capacity in anticipation of the approved housing supports benefit, DBHDS partnered with the Virginia Housing Alliance and the Corporation for Supported Housing to conduct two PSH capacity-building trainings. Trainings were held in Fairfax and Henrico, and the audience included CSBs, non-profit supportive housing providers, and property managers. Training topics included fidelity to the evidence-based practice standards for PSH and organizational capacity building to bill Medicaid for a potential housing supports benefit.

Capital Investment in PSH - Accomplishments

Given low vacancy rates and strong demand for rental housing across much of the state, it will be difficult to scale up PSH without new production of PSH units. At the state level, there are two capital programs that are primarily responsible for new affordable rental production that benefit people with SMI - the Affordable and Special Needs Housing (ASNH) and the Low Income Housing Tax Credit (LIHTC) programs.

Expansion of PSH through DHCD's Affordable Housing and Special Needs Program

With the ASNH program, developers can apply to access any of four funding sources through a single competitive application process: federal HOME and National Housing Trust (NHTF) programs as well as VHTF and DHCD's state funded PSH program. Combining the funds into one proposal process makes requesting funds significantly easier for developers, especially smaller, nonprofit developers who are more likely the to be seeking these sources.

In 2018-2019, the General Assembly increased funding for the VHTF. These additional funds, combined with increases in the federal HOME and National Housing Trust Fund programs, resulted in increased funding for the ASNH program. In addition to the 10 projects funded in the most recent round, the Homeless Reduction Grant program funded pre-development for two PSH projects. It is important to note that from 2013 to 2019, of all the affordable housing units (3,017) funded through VHTF, 45 percent (1,344 units) are PSH units.

Table 3: PSH Funded by Virginia Housing Trust Fund 2013-2019

Year	Number PSH Projects	Number PSH Units
2013-2014	6	203
2015-2016	8	373
2016-2017	6	346
2017-2018	4	75
2018-2019	10	347
Total	**34**	**1344**

Expansion of PSH through VHDA's Low Income Housing Tax Credit Program

The LIHTC program is considered the driver of affordable rental housing production (as well as rehabilitation) across the country. This is also the case in Virginia. Since VHDA's inception in 1972, the organization has financed nearly 160,000 rental units.

Since 2015, VHDA has committed to assisting DBHDS in meeting its housing goals for people with intellectual and/or developmental disabilities under the state's settlement agreement with the U.S. Department of Justice (DOJ). This commitment has resulted in LIHTC allocations to projects in which owners committed a marketing preference for the Settlement Agreement population.

As discussed in the last report to the General Assembly, VHDA reviewed the need for PSH for people with SMI and other populations. In order to have a more significant impact, VHDA modified its CY19 Qualified Allocation Plan to require that every development awarded LIHTC funding provide a PSH leasing preference for 10 percent of its units. No specific population is tied to the leasing preference. Rather, VHDA has linked the leasing preference to populations covered by a Memorandum of Understanding (MOU) entered into by the state agencies

represented on the PSH Steering Committee. Such an arrangement will allow the state to modify its target populations as needs may change over the project's compliance period. VHDA is in the process of putting the MOU in place. The initial populations that will be covered by the MOU are persons with Intellectual or other Developmental Disabilities (I/DD) who are eligible under the state's Settlement Agreement with DOJ and people with SMI prioritized by DBHDS.

The 29 properties funded in the 2019 competitive tax credit round will produce approximately 183 units required to provide the leasing preference[11]; this is close to the estimated annual 200 units anticipated in the last report to the General Assembly. Another 18 properties receiving 4 percent credits will be producing an additional 270 anticipated units. It should be noted that this level of 4% credit activity is unusually high and not likely to continue in future years. Units funded in CY19 will most likely not begin to become available for occupancy until later in 2020. It should also be noted that some affordable rental developments receive funding through both VHDA's tax credit and DHCD's ASNH programs. Given the high costs of developing rental housing in Virginia, it is not surprising the additional capital would be necessary to provide the deep affordability needed by people with significant disabilities whose sole source of income is SSI.

Rental Assistance for PSH - Accomplishments

Rental assistance is critical to ensure PSH can serve people with disabilities who are extremely low-income (ELI), including people with disabilities whose sole source of income might be SSI. Beginning in January 2020, an individual whose sole income is SSI will receive $781 per month. The FY20 HUD Fair Market Rents for an efficiency unit range from $482 per month in Lee and other rural areas to $1,457 in the Arlington and Alexandria. Whether 62 percent of an individual's income in rural Virginia or 187 percent in the metropolitan area, these rents are unaffordable without state or federal rental assistance.

Expansion of PSH through DBHDS's PSH Program

As described above, almost all of the new PSH units for individuals with SMI have been created through continued investment of state general funds in DBHDS' PSH through its rental assistance component. The $17.2 million invested in FY20 is expected to serve at least 1,200 individuals in PSH. Even with this expansion, some CSBs will not have access to this resource, and no communities have been funded at a level to fully meet their assessed PSH need.

Expansion of PSH Supports through the Auxiliary Grant Program

Virginia's Auxiliary Grant (AG) Program is an income supplement for recipients of Supplemental Security Income (SSI) and certain other aged, blind, or disabled individuals residing in an assisted living facility (ALF), in an adult foster care (AFC) home, or in a supportive housing (SH) setting through a licensed service provider that is approved by DBHDS and certified by DARS.

[11] The 29 funded properties include forward funded deals from innovation, new construction and ASH.

Supportive housing was added as an approved setting to the AG Program in 2016 and emergency regulations for the new setting were issued in 2017, followed by final regulations in 2019. In the AG Program, supportive housing is defined as "a residential setting with access to supportive services for an AG recipient in which tenancy … is provided or facilitated by a provider licensed to provide mental health community support services, intensive community treatment, programs of assertive community treatment, supportive in-home services, or supervised living residential services..." In July 2019[12], the General Assembly made modifications to the program intended to enhance use of the AG Program for PSH. As a result of the legislative change, eligibility for Auxiliary Grant in Supportive Housing (AGSH) no longer requires the individual to first be an ALF resident. The legislation also increased the number of allowable PSH participants from 60 to 90, and, if there are a minimum of 30 persons on the AGSH waiting list as of October 2020, the AGSH program cap will increase to 120 persons.

DBHDS has entered into AGSH provider agreements with Mt. Roger's CSB, Blue Ridge Behavioral Healthcare, Southside CSB, and Piedmont CSB. In December 2019, AGSH providers were serving a total of 29 individuals.

Table 4: AGSH Program and PSH SMI Program Providers

Provider	AGSH	PSH	Date Est.	Provider	AGSH	PSH	Date Est.
Arlington		✓	FY 2016	Pathway Homes (Alexandria, Fairfax, Prince William)		✓	FY 2016
Blue Ridge	✓	✓	FY 2018	Piedmont	✓	✓	FY 2020
Chesapeake		✓	FY 2020	Rappahannock - Rapidan		✓	FY 2018
Danville-Pittsylvania		✓	FY 2018	Rappahannock Area		✓	FY 2020
District 19		✓	FY 2018	Region Ten		✓	FY 2018
Hampton-Newport News		✓	FY 2016	Richmond BHA		✓	FY 2017
Henrico		✓	FY 2018	Southside	✓	✓	FY 2020
Mt. Rogers	✓	✓	FY 2018	Valley		✓	FY 2019
Norfolk		✓	FY 2016	Virginia Beach		✓	FY 2017
Northwestern		✓	FY 2019				

Expansion of PSH through the Mainstream Housing Choice Voucher Program

The FY17 and FY18 HUD Appropriations included a total of $400 million for new federal rental assistance under the Mainstream Housing Choice Voucher (HCV) program. Only persons with disabilities between the ages of 18 and 61 are eligible for these vouchers. In spring 2018, HUD

[12] C.657 and C.658 of the 2019 Acts of the Assembly.

issued a Notice of Funding Availability (NOFA) for $100 million of the $400 million appropriated to the program; 10 Virginia agencies were awarded $3,443,153 to fund 412 Mainstream vouchers. In spring of 2019, HUD issued a second NOFA for $150 million. In order to increase the number of Virginia PHAs responding to the NOFA, the PSH Steering Committee held two outreach and engagement events. The first was a webinar prior to the NOFA release, featuring several Virginia PHAs already administering the program. An in-person event, held after the NOFA was released, was attended by over 70 PHAs, cities, nonprofit housing and CSBs. The ILT offered a support letter to those PHAs that would commit to serving the state's target populations; nine PHAs requested and were provided with such a letter.

As illustrated in Table 5, these outreach efforts were successful. Sixteen PHAs were awarded 729 Mainstream Vouchers. Seven of the nine PHAs requesting an ILT support letter were awarded Mainstream Vouchers. This letter commits the housing agencies to prioritize the vouchers for the state's target populations including persons with disabilities who are residing in institutions or at risk of institutionalization and those who are homeless; many of these individuals will be persons with SMI.

Table 5: Virginia Agencies Awarded FY19 Mainstream Funding

Agency Awarded Mainstream Funding	Number Vouchers	Funding Awarded
Alexandria Redevelopment and Housing Authority	36	$ 524,669
Bristol Redevelopment and Housing Authority	30	$ 131,012
County of Albemarle/Office of Housing	15	$ 113,312
Danville Redevelopment and Housing Authority	100	$ 466,776
Fairfax Redevelopment and Housing Authority	41	$ 619,409
Hampton Redevelopment and Housing Authority	50	$ 386,856
Harrisonburg Redevelopment and Housing Authority	50	$ 276,774
James City County Office of Housing and Community Development	20	$ 147,996
Lynchburg Redevelopment and Housing Authority	30	$ 144,443
Newport News Redevelopment and Housing Authority	63	$ 467,307
People Inc. of Southwest Virginia	24	$ 83,238
Portsmouth Redevelopment and Housing Authority	60	$ 500,962
Prince William County Office of Housing and Community Development	60	$ 840,514
Richmond Redevelopment and Housing Authority	60	$ 491,285

Roanoke Redevelopment and Housing Authority	30	$ 165,046
VA Beach Dept. of Housing and Neighborhood Pres.	60	$ 516,017
Total	**729**	**$ 5,875,616**

Enhancing System Capacity - Accomplishments

While affordable housing, tenancy supports and community-based services are critical to expanding PSH for individuals with SMI, even these resources are not sufficient to ensure an expanded PSH system will be successful. State and local/regional structural systems supports are key to ensuring an effective PSH system, one that provides a fidelity-based service, targets the state's priority populations, fills units in a timely manner and maintains owner confidence by addressing tenant issues that arise.

PSH Tracking and Metrics

During 2019, the PSH Steering Committee put into place several frameworks to track activities and outcomes related to the Steering Committee work.

Action Plan

The PSH Steering Committee developed a detailed, 19-page Action Plan with goals, strategies and action steps to achieve the goals, agency responsibilities and timeframes. The five goals are:

- Goal #1 - Increase Services and Supports to Assist Individuals with SMI to Gain Access to and Maintain Supportive Housing
- Goal #2 - Provide Capital Subsidies to Expand PSH
- Goal #3 - Increase Rental Assistance to make Units Affordable
- Goal #4 - Increase PSH through Preferential Access to Existing Affordable Housing Programs
- Goal #5 - Strategies to Increase PSH through Enhancing System Capacity

A current version of the complete Action Plan is provided in Appendix A.

Executive Order 25 Metrics

As described above, in November 2018, Governor Northam issued Executive Order 25, recognizing Virginia's unmet housing needs and highlighting the need for PSH as one of three top housing priorities. DBHDS's conducted an assessment of need for PSH; the assessment established a need for 5,000 PSH units. The PSH Steering Committee developed a comprehensive plan to put as many PSH units in place as efficiently as possible. This thoughtful, realistic plan relies on a combination of new federal and state funding for both capital and rental assistance as well as strategies to redirect or prioritize existing resources for the target population. The ILT voted its support for the plan, and state agency budget requests have aligned with plan goals.

State Level Systems

DHCD working with its partners made a number of enhancements to strengthen PSH systems at the state level.

First, the existing interagency PSH Steering Committee was expanded to include the DSS and the VDVS. See PSH Steering Committee member list in Appendix B. The Housing individuals with SMI Strategy Group membership was also expanded. The goal with expansion was to enhance stakeholder input especially from the criminal justice sector. The expanded member list is in Appendix C.

DBHDS began to implement its new Office of Community Housing. The new cross-disability office reports directly to the Chief Deputy for Community Behavioral Health Services, highlighting both the importance the Administration places on housing for people as well as providing opportunities to ensure Secretariat leadership is fully aware of housing challenges and opportunities. This new formation provides an excellent opportunity to continue to coordinate resources and activities across the Division of Community Behavioral Health Services and the Division of Developmental Services including but not limited to two areas described above - referral systems and outreach/marketing to developers.

DMAS has hired a Housing Advisor with experience in affordable housing and affordable housing policy in both New York and Virginia. The Housing Advisor provides technical advice on the COMPASS waiver and will oversee the implementation of support services to access and maintain independent living options. The role also works closely with several state agencies and six MCOs to develop and implement strategies that allow for the growth of PSH across the Commonwealth.

The state agencies and VHDA also began to revise an existing MOU to reflect new activities of the PSH Steering Committee including the leasing preference in tax credit units. DBHDS and VHDA also began to design a referral protocol for the units with leasing preferences anticipated to become available beginning in later 2020.

Local/Regional Level Systems

DBHDS's PSH program has demonstrated the importance of local/regional housing specialists in developing and maintaining tenant-landlord relationships and ensuring their region has as an effective system in place to identify interested, eligible applicants and to assist these individuals to locate and apply for housing, including making requests as needed for reasonable accommodations. Currently, all regions have some housing specialist capacity – however limited. DBHDS has continued to expand local PSH Program Housing Specialists to ensure all consumers in DBHDS PSH-funded programs have access to this service.

In 2019, DHCD conducted five sessions around the state to secure community input into HUD's Consolidated Plan's Annual Action Plan which includes the Community Development Block Grant, HOME and the National Housing Trust Fund. The sessions included a focus on PSH during which DBHDS co-presented with DHCD on PSH efforts and needs in Virginia. The feedback from the input sessions related to PSH including increasing the maximum amount for

ASNH awards, making more funds available for services, and more training for "how to do" PSH for developers.

As described above, the state also conducted outreach and training sessions to inform PHAs of the need for PSH and the ways they could participate, including but not limited to applying for Mainstream Vouchers.

Alignment with other State Activity

During CY19, the PSH Steering Committee continued working to align PSH funding, policies and systems across partner agencies.

Evictions

While the issue of evictions is not included in the scope of this effort, some of those individuals who get evicted are people with serious mental illness. The 2019 General Assembly included in its budget funding for DHCD to conduct an analysis of the high rate of evictions in Virginia which will include a review of best practices of eviction prevention and diversion programs, an assessment of the communities with the highest eviction rates, an assessment of existing resources to assist those who are struggling to pay rent and an assessment on legislation passed during the 2019 General Assembly Session that made policy changes at the state level which went into effect July 1, 2019 including an assessment of the mandatory eviction diversion program to be implemented on July 1, 2020. At the time this annual report was being compiled, DHCD was in the process of developing an update to the General Assembly.

Governor's Coordinating Council on Homelessness

The Governor's Coordinating Council on Homelessness (GCCH), co-chaired by the Secretary of Commerce and Trade and the Secretary of Health and Human Resources, is focused on ending homelessness in the Commonwealth of Virginia. Several populations have been identified as priorities including people who are chronically homeless many of who have serious mental illness. The GCCH tracks trends in homelessness overall and within specific populations. Based on preliminary numbers of the 2019 Point in Time Count, the Commonwealth has reduced overall homelessness since 2010 by 36.3 percent and homelessness among people with serious mental illness by 21.9 percent. Compared to 2018 the number of people with serious mental illness increased slightly by 4 percent. The GCCH focus on reducing homelessness among those who are chronically homeless aligns with the work of the PSH Steering Committee, and in order to maximize this alignment, the GCCH meets periodically with the ILT – the most recent meeting was held on November 4, 2019. Appendix D includes additional information regarding these committees and their coordination.

Olmstead Strategic Plan

Olmstead Strategic Plan has been updated to support partner requests to HUD for preferences in HCV or PH for persons with SMI as part of voluntary affirmative Olmstead planning and implementation efforts.

Discharge Planning for Successful Reentry

A number of different initiatives whose goals are to facilitate reentry of people with psychiatric disabilities from jail have been funded by the General Assembly. The DCJS's Jail Mental Health pilot program described above is one example. CSBs have also been funded with Forensic Discharge Planning Grants to provide reentry in jails. Provided in conjunction with internal service delivery at the jail, forensic discharge planning begins with the screening and assessment of psychiatric, medical, social services, employment, and residential needs, as well as risk factors, as soon as possible after an individual's admission to jail. Discharge planning includes the development of discharge plans which prioritize goals and objectives that reflect needs. It also consists of care coordination with community providers and community supervision agencies, including the exchange of treatment records, communication of treatment needs, and linkage of clients with available services and support options upon release. Discharge planning begins as soon as possible upon entry into the jail and prior to release, and it should continue into the community until the individual is connected with the appropriate services and supports. Forensic discharge case management services are provided for no less than 30 days following an individual's release to the community, and up to 90 days until that individual is stable and connected with community based services.

Forensic Discharge Planning utilizes the APIC [*Assess, Plan, Identify, and Coordinate]* and RNR [*Risk, Need, Responsivity]* models, which have been shown to improve clinical and legal outcomes for individuals being released from jail who have behavioral health disorders. In collaboration with DCJS, all staff from the Chesapeake and Highlands programs have also been trained in the Offender Screening Tool risk assessment. Further, with the support of DBHDS staff, the majority of forensic discharge planners have undergone training for the SOAR, to increase access to the disability income benefits program.

These programs are only in their first year of operation and therefore do not yet have outcomes to report; outcomes are expected to be included in next year's report.

Alignment with SDOH activity

During CY19, the PSH Steering Committee began to increase its focus on alignment with partners implementing social determinants of health (SDOH) projects. There are numerous emerging efforts to secure the hospital/health care sector interest in housing including Partnering for a Healthy VA Initiative with the Virginia Hospital and Healthcare Association, Pew Calling All Sectors and VDH's Community Paramedicine/Mobile Integrated Healthcare. These population health initiatives have the potential to impact individuals with SMI by building a housing-informed safety net further upstream to prevent vulnerable individuals from losing their housing.

Strategies for Continued Progress

Even with the significant accomplishments over the last year, people with SMI continue to live on the streets and in shelters and languish in jails and other institutions for lack of PSH. In order to scale up the housing component of PSH, the following three elements are key:

- **Effective, reliable housing supports**: Many affordable housing providers are willing to discuss the possibility of PSH preferences or projects when reliable services are made available to help ensure lease compliance. While already discussed above, we cannot over-emphasize the importance of support services as the state's best selling point to engage housing agencies.
- **Increased capital funding**: Lack of rental housing stock and/or tight markets have inhibited use of vouchers both in rural parts of VA as well as high cost areas such as Northern Virginia. Significant capital investment in affordable housing stock generally and PSH specifically is as critical, if not more so than rental assistance at this time.
- **Increased rental assistance:** Project-based rental assistance is needed to ensure new place-based PSH is affordable to people with SMI who are extremely low-income (ELI). Tenant-based rental assistance is needed because time to acquire and construct or rehabilitate affordable rental housing can be lengthy, and rental markets are more accessible in some parts of the state – and are likely to become more accessible with increased development.

Outlined below are the strategies the PSH Steering Committee members will utilize in the coming year to continue to secure the necessary capital and rental assistance from a variety of existing and new state and local resources.

Strategies to Continue to Expand PSH Housing Supports

Obtain CMS approval of the Housing Supports Benefit

Though Virginia has made considerable state investments in the PSH-SMI program, there continues to be more demand than capacity. To maximize the use of state resources to increase access to affordable housing, the Commonwealth will best be served by securing CMS approval of the COMPASS Waiver. Following approval of the Special Terms and Conditions, DMAS and CMS will negotiate formal documentation outlining how the demonstration's programs will be implemented, operationalized, monitored, and evaluated.

During this time, DMAS and DBHDS will continue to work collaboratively to strengthen the system's capacity to implement the housing supports benefit. The Governor's budget proposes additional implementation funding to support the high needs support benefit.

DMAS and its state partners will also continue to participate in IAP. The Commonwealth was selected to continue to participate in the IAP Partnerships Implementation Track. DMAS requested coaching and technical assistance focusing on the following areas for the six-month extension period.

COMPASS:

- Engaging stakeholders in the design and development of the housing supports benefit
- Aligning outcome measures to assess the impact of housing supports benefit including data elements related to healthcare outcomes
- DMAS working with partners to establish implementation schedule
- Assessing provider capacity to deliver housing supports benefit
- Providing resources to care coordinators to identify members with housing need and make initial referral to address, e.g. what an assessment looks like and what the critical factors are that we need to capture in the assessment

Data Sharing: Peer learning with Michigan, Oregon, Delaware and Louisiana.

Engage Stakeholders in the Design and Development of the Housing Supports Benefit

As with any attempt to implement a major system's change, there is considerable value in engaging the persons most impacted to be part of the change process. DMAS has experienced the positive impact that stakeholders bring to the table with Behavioral Health Redesign. Not only will engaging stakeholders provide a better product, it will also garner stakeholders' support for implementing the services.

Assess and Strengthen Provider Capacity to Deliver the Housing Supports Benefit

DBHDS has been working to increase the number of PSH providers and quality of services to deliver a high quality housing support benefit. This work is time well-spent and should continue to expand provider capacity in areas of unmet need, identify existing providers' strengths in, as well as their needs for, supporting individuals with SMI towards greater independence. Alternative providers should also be explored to address not only service demand, but also to address the need for additional Human Resources. The PSH Steering Committee recognizes the value of certified Peer Recovery Specialists in the provision of housing supports.

In 2020, DBHDS anticipates increasing the number of individuals served by existing providers and establishing additional PSH providers in the Chesapeake, Piedmont, Rappahannock Area, and Southside CSB catchments. In addition, DBHDS Office of Community Housing plans to partner with a CSB to secure technical assistance from national experts to provide training and technical assistance (TA) to DBHDS PSH providers across the state to ensure implementation of high fidelity PSH that demonstrates positive outcomes and maximizes the use of resources. Focus areas for TA will include an examination of best practices in transitions of care from hospitals and jails to PSH.

Align outcome measures to assess the impact of the Housing Support benefit including data elements related to healthcare outcomes

Virginia is preparing to implement the COMPASS Housing Support benefit as part of a much larger systems' enhancement. STEP-VA, Behavioral Health Redesign and Medicaid Expansion are all intended to improve services and access to care for highly vulnerable individuals with

SMI. The Commonwealth has stated the intended outcomes of each effort, and not surprisingly, these initiatives are intended to improve access to care, the quality of care and to reduce the overall cost of care. Measures assessing the impact of the Housing Support benefit must be consistent.

The impact of PSH has been researched both nationally and in Virginia. People with SMI living in PSH are more likely to use behavioral health services routinely as opposed to when in crisis, are more likely to use primary care as opposed to emergency department visits, to have fewer days spent in a state psychiatric hospital, to have overall lower costs for care, to have fewer days spent homeless which also leads to improved health outcomes. Assessing the outcome of the COMPASS Housing Support benefit should include these measures.

Continue Exploring Interim Strategies to fund Housing Supports via Existing Medicaid Covered Services

It can be challenging to promote the use of "existing Medicaid services" to provide housing acquisition, transition and tenancy sustaining services at the same time that DMAS and DBHDS are involved with services redesign. Housing units are coming on line and the availability of supportive services will be essential for the successful transition to PSH for individuals with SMI. PSH-SMI program funds can continue to fund support services, but at the expense of less rental assistance, meaning fewer individuals will secure housing. Using existing Medicaid services, even conservatively, can free up PSH program funds to serve as additional rental assistance. The Governor's budget provides additional implementation funding and language to support behavioral health redesign to achieve these goals. The Governor's budget proposes an additional $3,028,038 the first year and $10,273,553 the second year from the general fund and $4,127,378 the first year and $14,070,322 the second year from nongeneral funds to effect the changes required

Virginia has a number of Managed Care Organizations (MCOs) that are known nationally for their interest and investment in supporting high risk/high need individuals in stable housing including United Healthcare, Magellan and Anthem. DMAS will continue to explore how to tap into this experience and expertise to better meet the needs of their members. DMAS will continue to work with the MCOs to explore greater flexibility in using existing services, encouraging the MCOs to provide guidance on how services can be utilized to support individuals in independent living. MCOs will also continue to provide oversight and monitoring to ensure quality services are delivered that will improve member outcomes.

DMAS will continue their work with care coordinators and housing specialists at the MCOs to provide resources to identify and support members with housing needs and make initial referrals to address the identified needs. Through the ongoing involvement in the IAP Partnerships' track, DMAS and its partners will gain access to tools and best practices to support the assessment of housing needs and enhanced care coordination.

Strategies to Expand Capital and Rental Assistance for PSH

Outlined below are the strategies the PSH Steering Committee members will utilize in the coming year to continue to secure the necessary capital and rental assistance from a variety of existing and new state and local resources.

Strategies to Increase Capital Investment in PSH

HUD S. 811 Capital Advance NOFA

In October 2019, HUD issued a NOFA for the Section 811 Capital Advance Program. Under this competitive program, nonprofits can apply for capital funds for supportive housing for people with disabilities between the ages 18 and 62. Funded units will also be provided with operating support (PRAC). These funds may be a good match for nonprofit developers awarded 4 percent or 9 percent tax credits and which have leasing preferences[13]. These funds are also a good match for any nonprofit developer interested in the development of integrated PSH for this population. VHDA will conduct outreach to developers to ensure they are aware of this opportunity.

VHDA Low Income Housing Tax Credit Program

As discussed earlier in this report, low vacancy rates and strong demand for rental housing across much of the state make it challenging to scale up PSH and reach the 5,000 goal without production of new PSH units. VHDA's 9 percent and 4 percent tax credit programs are some of the primary tools developers rely on for the production of new affordable rental housing.

As described above, beginning with the FY19 Qualified Allocation Plan (QAP), VHDA has committed that all 9 percent and 4 percent tax credit projects will be required to provide a leasing preference for PSH in 10 percent of units. No specific target population is named. Rather, VHDA has linked the leasing preference to populations covered by the Memorandum of Understanding (MOU) entered into by the state agencies represented on the PSH Steering Committee. Such an arrangement will allow the state to modify its target populations as needs may change over the project's compliance period. This also means the state agencies and departments serving each target population must collaborate to develop a protocol for referral to these housing units; the development of a referral protocol is discussed further below.

[13] Note that if funded, these units would not expand the number of PSH units as the developer is already obligated to provide the leasing preference. However, the program does make the units affordable to the tenant and decreases financial risk to the owner.

In CY20, VHDA estimates 200 units with a leasing preference will be created through the 9% tax credit program, and estimate another 100 will be created through the 4 percent tax credit program. As described above, the 4 percent volume was unusually high in CY20 and is expected to be lower next year.

Virginia Housing Trust Fund

The VHTF impacts PSH growth in two ways. First, services and pre-development costs for PSH targeted to persons who are chronically homeless are funded through a competition for no more than 20 percent of the VHTF allocation, generally around $1 million.

Second, the majority of the remaining funds are combined with federal HOME and National Housing Trust funds to make up the ASNH program competition. The limited allocation of funds is shared between homebuyer and rental projects, with rental projects making up approximately 90 percent of the allocated funds.

A substantial increase in VHTF funding will be necessary for the ASNH program to contribute significantly to scaling up PSH for people with SMI. Governor Northam and the 2019 General Assembly included in the FY 19 budget an additional $5.5 million and an additional $1.5 million in the FY 20 for a total of $18 million for the FY 2018-2020 which was a significant boost to help meet the PSH and affordable housing needs in the state. However, there remains great need for additional PSH and affordable housing units. To address that need, Governor Northam has included in his proposed biennium budget an additional $63 million in the VHTF. The proposed budget calls for an additional $7 million in the current fiscal year (FY20), an additional $23 million for FY 21, and an additional $33 million for FY 22. This funding would bring the total VHTF allocation to $84 million over three years. Announcing his proposed budget, Governor Northam stated, “We will continue to work with our partners to address housing instability and homelessness, provide permanent supportive housing for our most vulnerable citizens, and expand the supply of quality, affordable living options to meet the needs of a growing and diverse Virginia workforce.”

Behavioral Health and Developmental Services (BHDS) Trust Fund

Virginia has a special non-reverting fund called the Behavioral Health and Developmental Services Trust Fund. This Trust Fund consists of the net proceeds from the sale of vacant buildings and land held by DBHDS and any General Assembly appropriations to the fund. The DBHDS Commissioner administers this Trust Fund. Among other approved uses, current Virginia code allows for these funds to be used for financing of "appropriate community housing, for the purpose of transitioning individuals with intellectual disability from state training centers to community-based care." Trust Fund moneys have been used for a range of community-based services, primarily for individuals in the DOJ Settlement Agreement population. DBHDS will continue to identify opportunities to increase funding allocations to the Trust Fund and include individuals with serious mental illness as a population eligible to be served in community housing financed by the Trust Fund.

Enhance Housing Development Capacity

Increased resources alone may not be sufficient, however, to scale up PSH. DHCD staff indicated that competition for affordable housing resources is fierce and that some of the mission-driven developers who might consider PSH development do not have the capacity to produce projects that are always competitive.

Developed by VHDA, the "Fundamentals of Affordable Housing Development" class is a two-day workshop designed to walk housing and community development professionals through the development process and best practices. These best practices include but are not limited to organizational and developer capacity, asset mapping, intervention strategies, plan development, key partnerships, homeownership financing and qualifications, rental financing and compliance, and evaluation. The class includes hands-on activities including community design activities and development pro-forma work. This course is intended for beginner and mid-level professionals in the field of housing planning and/or development. Most recently, VHDA conducted the class in Southwest Virginia with more than 30 participants from a variety of organizations including PHAs, Community Action Agencies, Planning District Commissions (PDCs), non-profit housing organizations, for-profit developers and local governments.

The PSH Steering Committee will explore whether a version of this class could be focused on PSH development and targeted for CSBs, nonprofit mission-driven developers and other organizations interested in PSH development.

Strategies to Secure Local Capital for PSH

Thirty localities in Virginia receive an allocation of CDBG and/or HOME funds directly from HUD; some of these communities also provide local general funds for affordable housing development. Many PSH projects require multiple sources of grants or deferred payment loans to make a project affordable. Local HOME or CDBG funding is often one of these sources. Piecing together funding for projects can be challenging. If DBHDS is able to make additional capital, rental assistance and/or supports available[14] for projects under consideration, the developer and local funders are likely to be much more receptive to creating projects.

DBHDS has explored such partnership with several local communities. The Virginia Beach Department of Housing and Neighborhood Preservation, for example, has issued an RFP for affordable housing that includes investment of DBHDS PSH funds from the Virginia Department of Human Services for developments that include PSH units. DBHDS will continue to work with individual communities where there is the possibility of leveraging local funding for PSH for individuals with SMI.

DBHDS will also continue to participate in DHCD's statewide input sessions to provide education to local governments on the need for PSH and the PSH resources available through the state for communities interested in PSH development.

[14] Either directly or through CSBs or another local entity.

Strategies to Increase Rental Assistance for PSH

DBHDS PSH SMI Program

PSH SMI capacity is now at approximately 1,027 units. Continuing to grow this demonstrated successful program will be an essential component to meeting the need for 5,000 PSH units and receiving all the benefits that accrue to PSH programs including moving people from institutionalization and homelessness into housing and avoiding associated costs. A continued increase in the PSH SMI program will be especially important as the VHDA LIHTC units come on-line starting in 2020; the majority of these units will not have project-based funding and will need rental assistance to be affordable to clients.

Governor Northam has proposed an additional $22.4 million in his biennial budget for housing efforts targeted to individuals with behavioral health or developmental disabilities. This includes $8.5 million for PSH for individuals leaving state behavioral health facilities, $8.9 million for the state rental assistance program serving individuals with developmental disabilities, and $5 million to acquire or develop clinically appropriate housing options for individuals leaving state hospitals.

DBHDS will also continue to explore project-basing some portion of the PSH program. Project-basing has a number of advantages including long term access to high cost area such as Northern Virginia and better access to housing for persons with criminal backgrounds or poor tenancy histories.

Section 811 Project Rental Assistance (PRA) Program

In October, HUD released a NOFA for PRA funding; applications are due early February 2020. This NOFA will provide project-based rental assistance funding to state housing agencies. Funds are available to be used as project-based rental assistance for housing units integrated within multifamily properties that are set-aside for extremely low-income persons with disabilities who are eligible for community-based long-term care services and supports provided under a State Medicaid Program or other comparable long-term services program. VHDA will be the applicant with participation of the PSH Steering Committee members. The state applied unsuccessfully in 2013. A number of critical factors have changed since then, such as increased collaboration across state agencies and with community partners, better alignment of resources and VHDA's tax credit program leasing preference that will improve the likelihood of a successful application.

The PSH Steering Committee set a goal of 50 PRA units for FY20; the full request will be for 200 PRA or as many as can be secured within the NOFA's funding cap of $7 million.

Mainstream Housing Choice Voucher (HCV) Program

As described above, in the first round, the state was successful in securing over 400 Mainstream vouchers for people with any disability including people with SMI. DBHDS knows that at least 10 percent of these went to individuals with SMI who will be served by a DBHDS PSH provider. In the second round, the state secured 729 vouchers. These vouchers have only recently been awarded to PHAs, so are not yet issued to participants. Seven of the nine PHAs

that were provided ILT support letters and are expected to provide preferences for the state target populations of people who are institutionalized, homeless or ready to move on. If case managers actively assist DBHDS clients to apply for these vouchers, they should yield at least as many PSH units as the last rounds. In FY20, the PSH Steering Committee hopes to secure 50 Mainstream vouchers from local PHAs.

A final HUD Mainstream voucher NOFA is anticipated in early 2020. The PSH Steering Committee will continue to outreach to PHAs and provide support and incentives for responses to the NOFA that provide preferences for the state's target populations. DBHDS intends to award additional PSH funds in FY20 to communities that are able to use newly awarded Mainstream Vouchers to create PSH for individuals with SMI. Leveraging these federal resources expands the impact of state PSH investment.

Not all PHAs or VHDA regions have access to funds for move-in costs such as security deposits, landlord mitigation funds or furnishings. The PSH Steering Committee will explore ways to assist local programs in securing such funding where it is not available.

Auxiliary Grant Supportive Housing (AGSH) Program

As described above, the state has expanded the number of AGSH providers. With the expanded capacity and program eligibility, DBHDS expects to meet the goal of serving 90 persons in SFY20 and to develop a waiting list of at least 30 by October 2020.

The Governor's budget proposes an increase to the Auxiliary Grant rate of $80 per month per recipient on July 1, 2020. The increase is expected to be offset by balances in the program. An increase to the rate benefits individuals in the AGSH program by improving housing affordability and potentially increasing the number of communities that can use the AGSH.

Continuums of Care Rental Assistance

There are 16 Continuums of Care (CoCs) across the state, including 15 independent CoCs and 12 local planning groups (LPGs) of the Balance of State CoC. CoCs and LPGs are tasked with creating effective community-wide emergency crisis response systems that will ensure homelessness is rare, brief, and non-recurring. This requires the coordination of federal, state, local, and private funding. CoCs will be encouraged to apply for specialized resources for PSH when available from HUD. Many CoCs in Virginia have developed PSH programs available to people who are experiencing homelessness – generally chronic homelessness – through their CoC Coordinated Entry System.

TAC anticipates that the FY20 HUD Appropriation will include CoC funds for the development of new PSH. DBHDS could use the availability of supports to incentivize CoCs to continue to apply for new PSH projects. The PSH Steering Committee set a goal of 40 CoC-funded PSH units (new or existing) to serve people with SMI experiencing homelessness in FY20.

Strategies to Increase PSH through Existing Affordable Housing Programs

The production of new units and bringing new rental assistance resources into the state are the preferred strategies for expanding PSH for Virginians with SMI. However, given limitations on state and federal budgets, and the length of time for new production, increasing access to existing affordable housing resources is also an important strategy to meet the state's need for 5,000 PSH units for individuals with SMI.

Public Housing Agency Resources

There are 41 PHAs in Virginia. Of these, two administer only public housing units, 13 administer only vouchers, and 26 administer both the HCV and public housing programs. The PHAs in Virginia administer over 52,200 HCVs[15] and own and operate a total of 17,897 units of federally funded public housing[16]. PHA resources are generally made available to eligible applicants on a first-come, first-served basis but are allowed to use preferences or priorities to serve local needs or public policy priorities, as long as these are nondiscriminatory. For example, PHAs are allowed to offer preferences for people who are homeless, people with disabilities (broadly defined) and people who are institutionalized. According to the Center for Budget and Policy Priorities, 17 percent of federal rental assistance (largely housing choice vouchers but also public housing and HUD-Assisted developments) goes to single adults in Virginia who have disabilities, compared to the national average of 19 percent.

Per federal regulation (24 CFR Part 982), PHAs may not direct their resources towards people with specific disabilities, such as ID/DD and SMI, except in accordance with HUD guidance and as a HUD approved remedial preference.[17] Over the next year, the PSH Steering Committee will explore Virginia's options for housing preferences to address specific populations, like SMI, and the opportunities and implications for including such preferences now that SMI has been included in the Olmstead Strategic Plan. In the meantime, with sufficient marketing and outreach by CSBs, people with SMI can be well represented in any applicant pool that targets people who are homeless or who are coming from institutions, both general preferences acceptable to HUD.

Project-basing HCV offers DBHDS a unique opportunity to target federal funding for PSH for people with SMI. The regulations covering the project-based component of the HCV program (24 CFR Part 983), allow PHAs to target resources to persons needing certain services including disability-specific services. DBHDS should consider identifying PHAs already project-basing or interested in project-basing this resource and reach out to these agencies to determine whether there are opportunities to develop PSH for people with SMI. For PHAs with low leasing

[15] This estimate does not include the newly awarded Mainstream Vouchers.
[16] Data from the state's IAP Housing Assessment (March 2018).
[17] HUD currently limits disability-specific preferences to HUD-approved remedial actions. According to HUD, such remedial actions must be provided in response to" Olmstead-related litigation or enforcement, including a settlement agreement, court order or consent decree, or in response to a public entity's documented, voluntary affirmative Olmstead planning and implementation efforts." https://www.hud.gov/sites/documents/PIH2012-31.PDF

rates, project-basing vouchers can offer a way to improve leasing rates. The PSH Steering Committee has set a goal of securing 100 PBV from local PHAs in FY20.

HUD Assisted Housing Resources

There are over 22,000 units of HUD-assisted housing in Virginia that have a project-based subsidy allowing the tenant to pay only 30 percent of their income for rent. In 2013, HUD determined that it was permissible for these owners to provide a homeless or move-on preference[18]. There has been some effort in Virginia to interest owners in implementing this preference with limited success. A renewed effort led by DBHDS that includes a discussion of the array of services made available to DBHDS clients might meet with more success. Helping clients access even 1 percent of these resources will result in over 200 affordable housing options. The PSH Steering Committee has established a goal of securing 50 units in FY20 through such a process.

Strategies to Increase PSH through Enhancing System Capacity

As described above, state and local/regional structural systems supports are key to ensuring an effective PSH system, one that provides a fidelity-based service, targets the state's priority populations, fills units in a timely manner and maintains owner confidence by addressing tenant issues that arise.

Outreach to Hospitals and Healthcare Systems

The PSH Steering Committee will continue to conduct outreach to educate and incentivize the health sector partner interest in PSH. Outreach will continue to the Virginia Hospital and Healthcare Association and some of VHHA's members to identify common beneficial outcomes of collaboration. DMAS will begin exploring how MCOs may partner with the housing and supportive services sectors that could result in improved health outcomes. These initial contacts will be followed up with proposed pilot projects that would demonstrate the value of the sectors - healthcare, housing and supportive services - collaborating to improve health outcomes of vulnerable populations.

PSH Inventory

The PSH Steering Committee has identified a strategy for developing a comprehensive PSH inventory. An inventory would list existing properties that operate as supportive housing, their owners, number of units, special populations served, and other key features. Such an inventory would better permit the state to assess provider capacity and to identify existing PSH resources that might assist with meeting the state's priorities.

Over the next year, the Committee will take the next steps toward implementation including finalizing the survey tool, identifying contact information for projects and programs to be surveyed, piloting the tool, determining the data base format and surveying all identified

[18] https://www.hudexchange.info/news/hud-releases-resources-on-homeless-preferences-for-multifamily-property-owners-and-agents/

projects and programs. The inventory will build on the work started by the Virginia Coalition to End Homelessness (now named the Virginia Housing Alliance) in its 2015 report[19].

Finalize Shared Referral Protocol

Under the DOJ Settlement Agreement, referrals of persons with Intellectual/Developmental Disabilities (I/DD) to PSH resources are made through the DBHDS Central Office, but referrals of people with SMI are made at the local level through CSBs. The expanded target population for units developed through DHCD or VHDA's tax credit programs will require additional coordination on referrals. DBHDS will continue to work internally as well as with VHDA and DHCD on a streamlined protocol and written policies for referring priority populations to set-asides and units with leasing preferences. DBHDS will also pilot the referral system with a housing development that volunteers to participate in such a pilot.

Currently, VHDA initiates contact with properties in the VHDA portfolio as properties commence lease-up. In doing so, VHDA communicates with the owner and management agent the requirements for communicating with DBHDS regarding upcoming or current vacant units. The DBHDS Housing Coordinator and management agent representative are communicating on an on-going basis. This continues to be an on-going process as the SMI and other targeted populations are introduced into the process. VHDA and DBHDS have bi-weekly calls regarding the process and are continuously addressing any issues and concerns.

It is important to note that the LIHTC units are either open to the "general" population or are targeted for elders. DBHDS will review the pool of potential tenants to specifically identify elders who are interested in the funded locations. Using a targeted outreach or marketing strategy will decrease the number of applicants who reject units or are rejected by the owner for lack of eligibility. DBHDS will collaborate with CSBs and other local entities to develop strategies to market units to eligible people with SMI prior to the availability of the units.

Occupancy Training

The PSH Steering Committee will explore an effective, efficient way to make training available to the property managers, case managers and providers in the regions where the tax credit leasing preference will first roll out. Reasonable accommodation training for property managers as well as providers has been demonstrated to improve access to housing for people with disabilities and to decrease conflict among the parties. Training on other topics such as how to access supportive services, strategies to address hoarding and other common challenges would also be beneficial and help to prevent eviction.

Continue PSH Alignment with Related Activities

The state has a number of initiatives that have some overlapping goals and strategies. The PSH Steering Committee will continue to align efforts to house people with SMI with efforts to house people with I/DD and people who are experiencing chronic homelessness. Each of these populations has an advisory or coordinating body overseeing or guiding the work. The PSH

[19] http://vahousingalliance.org/wp-content/uploads/2015/12/State-of-Permanent-Supportive-Housing.pdf

Steering Committee will also seek to coordinate with eviction prevention efforts and general affordable housing development activities.

Leadership Key to PSH Strategy

As described above, there are many opportunities to leverage supports, capital, and rental assistance resources to expand PSH for Virginians with SMI. No single state or federal resource is enough to help Virginia meet the need for 5,000 PSH units. Scaling up PSH will require coordinating multiple housing and service funding mechanisms at both the state and local levels. This is a challenging task that is likely best achieved when leadership understands and is willing to support such a task. Leadership is necessary to ensure state agencies collaborate effectively. Leadership will be necessary at key points such as calling for owners to step up to serve the state's most vulnerable populations while guaranteeing that the state will provide supports to tenants and be available to owners when issues arise. Over the last year, the ILT as well as the PSH Steering Committee have provided such leadership. However, such leadership must be sustained over the multi-year period in which resources must be identified, programs and projects developed and then occupied by the target populations.

On November 15, 2018, Governor Northam signed Executive Order 25, establishing housing policy priorities to enhance the quality, availability and affordability of housing in the Commonwealth of Virginia. Permanent supportive housing was one of the three policy initiatives called out in the Executive Order and is supported by the Governor's proposed budget. It is this leadership at the highest levels of the Executive Branch combined with support from the General Assembly that will provide the tools and continue the momentum to ensure the state can address the supportive housing needs of people with serious mental illness, ending homelessness and institutionalization, helping these citizens of Virginia to lead stable, independent lives in their community of choice.

Appendices

Appendix A Action Plan

Goal #1 - Increase Services and Supports to Assist Individuals with SMI to Gain Access to and Maintain Supportive Housing						
Strategy 1.1: Obtain CMS approval of a supportive housing benefit as part of the renewal of Virginia's 1115 Demonstration Waiver						
Action	**Lead Agency(s)**	**Others Involved**	**CY19 Goal**	**CY20 Goal**	**CY21 Goal**	**Resources $$$**
1.1.1 Respond to CMS concerns as necessary to obtain waiver approval	DMAS		None	Obtain CMS approval of SH and SE benefits	Begin phase-in of benefits within at least one region	
1.1.2 Engage stakeholders in the design and development of the Supportive Housing (SH) benefit	DMAS	DBHDS	Begin to identify key stakeholders	Convene stakeholder meetings to gain input on benefit implementation	Continue stakeholder sessions to gain input on benefits implementation	
1.1.3 Issue service definitions, Member eligibility criteria, provider eligibility criteria, rates	DMAS	DMAS/MCOs	None	MCOs, providers receive necessary guidance for service provision/payment	Providers enroll to provide SH benefits	
1.1.4 Align DBHDS, DMAS and other outcome measures to assess the impact of the Supportive Housing benefit	DMAS	DBHDS	Begin identification of outcome measures possibly including: • State hospital bed days • Local inpatient bed days • # days incarcerated • Medicaid costs • CSB data: community services, PSH-SMI service costs • CoC data	Rates are determined for outcome measures, if applicable, and Medicaid expenditures 6-12 months prior to supportive housing to establish baseline	Outcomes are assessed 6-12 months after placement in supportive housing	
1.1.5 DMAS works with partners to establish implementation schedule.	DMAS	DBHDS VHDA DHCD MCOs	None	If applicable, region(s) identified for initial phase-in where SH expansion is anticipated and/or	Phase-in of SH continues until SH is implemented statewide	

				there are strong service providers		
1.1.6 Explore opportunity to create new provider type(s) and credentialing process for housing transition and housing support services	DMAS	DBHDS	Continue exploration of services and provider opportunities to include research from other states	New Medicaid provider type established for housing transition and/or housing sustaining services that reflects the needed skills and expertise and providers are credentialed	SH providers are enrolled/credentialed to support individuals with SMI in successful Transition/SH tenancy	
1.1.7 Assess provider capacity to deliver SH benefit services	DMAS	DMAS/MCOs DBHDS	None	Assess current provider pool for new services Develop training and provider enrollment process	Region(s) for phase-in have sufficient providers to deliver SH benefit to high need, high risk members	
1.1.8 Engage MCOs in promoting and supporting access to the SH benefit. Encourage MCOs to support housing transition and housing sustaining services	DMAS	DBHDS	• Educate MCOs as to state's SH plans • Provide MCOs with data for need in their area and how state would like to see need addressed	• MCOs begin to support high risk/high need members with SMI in need of housing through SH benefit, if available • Develop quality measures. • Assess measures	• Assess results of MCO targeting. • Evaluate MCO efforts in addition to support high risk/high need members with SMI in need of housing through PSH benefit.	

<u>Strategy 1.2</u>: Maximize use of existing Medicaid services and authorities to fund housing transition and housing sustaining services until SH benefit is available						
Action	**Lead Agency(s)**	**Others** Involved	**CY19 Goal**	**CY20 Goal**	**CY21 Goal**	**Resources $$$**
1.2.1 Community mental health services are strengthened, to incorporate evidence-based practice per BH Redesign	DMAS	DBHDS	DMAS issues report on BH Redesign and planning process.	• Providers begin to receive training in evidence-based practices	Providers continue to receive training in evidence-based practices	
1.2.2 Provide clarification to identify the roles and responsibilities of existing Medicaid services related to housing transition and support services	DBHDS	DMAS	Jointly issue information to providers on how existing Medicaid services can be used to provide Housing Transition and Sustaining Services to individuals with SMI	• Agencies provide CMHRS to support individuals w/ SMI in attaining and sustaining tenancy in PSH • Determine how to measure impact of agency efforts	Agencies provide CMHRS to support individuals w/ SMI in attaining and sustaining tenancy in PSH	DBHDS staff
1.2.3 Provide staff training to support appropriate delivery of services	DBHDS	DMAS	Pending identification of funds, trainings developed	Regional trainings offered for staff, clarifying their roles and responsibilities in providing housing transition and support services	Training is repeated at least annually	DBHDS staff
1.2.4 Address emerging need for additional service provider capacity	DMAS/ MCOs	DBHDS	None	Identify and address needed provider capacity	CSBs/provider communities are identified for targeted service expansion/development	
1.2.5 Monitor to ensure the provision of the full array of housing supports across multiple staff/providers	DMAS	DMAS/ MCOs	Care Coordinators (CCs) will routinely monitor individuals with SMI in CCC+ for access to housing	CCs will routinely monitor individuals with SMI in CCC+ for access to housing transition and	Individuals with SMI in CCC+ will receive the full array of services and supports to meet	CSBs Private providers MCOs

			transition and sustaining supports seamlessly to meet their individual needs	sustaining supports seamlessly to meet	their individual needs to access and successfully sustain housing, if eligible	
1.2.6 Individuals are transitioned to a non-Medicaid funding source if CMHRS are still wanted/needed but determined to no longer be "medically necessary."	DMAS/MCOs	DBHDS	• Understand current process of transitioning individuals who are no longer eligible for Medicaid funded supports • Individuals with SMI receive housing supports as long as the supports are needed to sustain successful tenancy in PSH	• Develop a best practice process for transitioning individuals to a non-Medicaid source • Individuals with SMI receive housing support services as long as the services are needed to sustain successful tenancy in PSH	Individuals with SMI receive housing support services as long as the services are needed to sustain successful tenancy in PSH	
1.2.7 Provide resources to care coordinators to identify members with housing need and make initial referral to address. DMAS to establish policy, process and then train staff	DMAS DBHDS		• Begin to develop policy, procedure and training that may require MCOs to assess members' housing status at least annually • Implement policy and training	• Incorporate training or resource information so this is part of general CC training. • Monitor and assess implementation of policy and procedures. • Make adjustments as needed	Provide on-going training	
1.2.8 Explore with MCOs the role of Health Homes/Behavioral	DMAS	MCOs DBHDS	• Identify at least 1 MCO willing to	Explore the opportunity to		

Health Homes to promote access to supportive housing and to sustain successful tenancy for hi need/hi cost members.			test BH Health Home implementing housing supports • Assess potential rates or payments	implement a pilot project testing/ evaluating the impact of a BH HH on housing stability and healthcare service utilization and costs		
<u>Strategy 1.3</u>: Explore non-Medicaid options for funding housing transition and housing sustaining services						
Action	**Lead Agency(s)**	**Others Involved**	**CY19 Goal**	**CY20 Goal**	**CY21 Goal**	**Resources $$$**
1.3.1 Continue to include support services in PSH as an eligible activity for the Homeless Reduction Grants portion of the Housing Trust Fund (HTF) (up to 20%).	DHCD		• Develop and issue a Request for Proposal • Select grantees. At least 50 persons served, some of whom will have SMI. • Explore SMI data collection as part of required reporting	• Develop and issue FY21 Request for Proposal • Select grantees • At least 50 persons served, some whom will have SMI. • Projects implemented.	• Develop and issue FY22 Request for Proposal • Select grantees • Projects implemented	$1.4 million for FY19 and $1.4 million for FY20
1.3.2 Establish public/private partnerships in investing in housing and services in areas of high need for PSH including support for capacity building, e.g. housing development institute	DHCD	DMAS DBHDS VHDA VDH	Pursue funding from health-related stakeholders to support a position that would work with the PSH Steering Committee to coordinate and monitor at least one pilot project that would expand housing and/or services capacity, ensuring an	Initiate at least one pilot project to expand housing and/or services capacity to fill needs where other funding (state and federal) is not available	At least one new pilot project is initiated to expand housing and/or services capacity to fill needs where other funding (state and federal) isn't available	• Foundations • Health Systems • MCOs • Hospitals

			evaluation of the project that will assist others in learning from the experience			

<u>Strategy 1.4:</u> Build understanding and awareness of the positive outcomes associated with independent housing options for individuals preparing for state hospital discharge and the availability of those housing options						
Action	**Lead Agency(s)**	**Others Involved**	**CY19 Goal**	**CY20 Goal**	**CY21 Goal**	**Resources $$$**
1.4.1 Issue a data-driven policy statement that articulates the ability for individuals to successfully transition from state hospitals to supportive housing	**DBHDS**		Issue a policy statement supported with data that reflects the ability for individuals to transition from a state hospital to supportive housing	Contingent on funding availability, double the number of individuals from CY 19 discharged from each state hospital directly to supportive housing	Contingent on funding availability, double the number of individuals in CY 20 discharged from each state hospital directly to supportive housing	
1.4.2 Educate state hospital staff, case managers, consumers and families about the opportunity for successful transition from a state hospital bed to supportive housing	**DBHDS**		Develop educational materials reflecting PSH-SMI program experience with successfully transitioning individuals from state hospitals to the community and available resources	Hold at least 1 educational session in each state hospital, involving CSB partners	Repeat training annually, updating data on the number of successful placements into supportive housing	

Goal #2 - Provide Capital Subsidies to Expand PSH						
<u>Strategy 2.1:</u> Expand PSH through the VHDA Low Income Housing Tax Credit Program **Estimated 200 units with leasing preferences annually beginning in FY20; leasing preference for SMI and other populations targeted under state partner MOU**						
Action	**Lead Agency(s)**	**Others Involved**	**CY19 Goal**	**CY20 Goal**	**CY21 Goal**	**Resources $$$**
2.1.1 Continue coordination between DBHDS and VHDA	DBHDS	VHDA	Monthly coordination between DBHDS and VHDA	Monthly check in meetings with implementation staff. Bi-annual full staff meetings	Monthly check in meetings with implementation staff. Bi-annual full staff meetings	
2.1.2 Develop MOU on PSH collaboration with appendix related to SMI population as well as other populations	VHDA	DBHDS DHCD DMAS	MOU executed	Annual MOU review	Annual MOU review	
2.1.3 Finalize referral process for individuals referred to LIHTC units	VHDA	DBHDS	• Develop guidance; • Pilot referral process in one community	Release final referral process	Review and update existing process as needed	
2.1.4 Determine roles and outreach needs for CSBs, developers and other stakeholders	DBHDS	VHDA DHCD DMAS	Roles and outreach activities identified in MOU			

<u>Strategy 2.2:</u> Expand PSH through the Affordable and Special Needs Housing Program **Estimated 56 total PSH projects produced in FY19 and FY20; number of units per project provided after projects are selected.**						
Action	**Lead Agency(s)**	**Others Involved**	**CY19 Goal**	**CY20 Goal**	**CY21 Goal**	**Resources $$$**
2.2.1 Host five input sessions to secure local input into Consolidated Plan and Annual Action Plan. Request input related to PSH development and possible new state resources	DHCD	DBHDS VHDA	• Host five regional meetings • Stakeholder education and input re: PSH	Annual five regional meetings	Annual five regional meetings	
2.2.2 Secure additional PSH through Affordable and Special Needs Housing (ASNH) Program	DHCD		• Issue Request for Applications. • Estimated 56 affordable housing construction projects selected for FY19 and FY20; each project contributes from 5 to 100 affordable units for supportive housing with various target populations	Projects constructed/ rehabilitated	To be determined once projects selected in CY19	Approx. $33.9 million total funds for ASNH Program for FY19 and FY20
2.2.3 Identify targeted capacity development that may assist in increased PSH through ASNH program and/or identify developers well positioned to create PSH	DHCD	DBHDS	Identify developers and determine interest in capacity development	Development support	Development support	

Strategy 2.3: Expand PSH through Investment of DBHDS funds in capital subsidies						
Action	**Lead Agency(s)**	**Others Involved**	**CY19 Goal**	**CY20 Goal**	**CY21 Goal**	**Resources $$$**
2.3.1 Explore opportunities to increase funding allocations to the Trust Fund for development appropriate community housing including housing for people with SMI as well as DD who are transitioning from institutions, including possibility of proposing amendments to relevant code sections to add individuals with serious mental illness as a population eligible to be served in community housing financed by the Trust Fund	DBHDS		None	• Explore opportunities with DBHDS leadership. • If approved, develop legislative request for language modification. • Make request to increase budget	If approved, implement	
2.3.2 Explore the investment of carryover and reserve DBHDS housing funds in project capital	DBHDS		None	Explore whether carryover and reserve can be invested, and if so, develop policies and procedures to identify, secure and make such investments	Continue to make investments, if possible.	Unknown
Strategy 2.4: Strategies to Collaborate with Local Communities to expand PSH						
Action	**Lead Agency(s)**	**Others Involved**	**CY19 Goal**	**CY20 Goal**	**CY21 Goal**	**Resources $$$**
2.4.1 Identify communities with high need, high risk populations and services/ housing capacity to address these populations for possible outreach	DBHDS	DHCD VHDA DMAS	• Articulate criteria to identify communities • Identify potential communities	• Implement outreach as part of DHCD's modified action planning outreach	Continue to implement outreach as part of DHCD's modified action planning outreach	

			• Finalize community choices • Plan outreach to take place in conjunction with DHCD's annual action planning outreach	• Identify interested communities		
2.4.2 Follow-up with interested communities	DBHDS	DHCD VHDA	None	• Work with interested communities to identify PSH opportunities. • Identify DBHDS, CSB and other agency resources to support identified pipeline projects • Provide assistance to projects as needed	• Projects come on-line • Continue to work with communities to include PSH in projects.	
2.4.3 Explore establishment of peer to peer shared learning covering the identified communities	DBHDS	DHCD DMASVHDA	None	Goal of holding three meetings; one in –person and two conference calls	Goal of holding three meetings; one in –person and two conference calls	

Goal #3 - Increase Rental Assistance to make Units Affordable						
<u>Strategy 3.1:</u> Expand PSH through the DBHDS PSH SMI Program **[20]FY19 – 200 household expansion (funds available)** **FY20 – 150 household expansion (funds dependent on final budget)**						
Action	**Lead Agency(s)**	**Others Involved**	**CY19 Goal**	**CY20 Goal**	**CY21 Goal**	**Resources $$$**
3.1.1 Continue to secure funds to expand the PSH-SMI program	DBHDS		Allocate additional funds provided by the Assembly	Request additional funds through budget development	Allocate funds from General Assembly and PSH-SMI that become available when Medicaid SH benefit is available statewide	• $5 million for 375 units requested in FY20 budget • Medicaid expansion may free up funding for 350 units in CY2021
3.1.2 Target new funding and/or turnover to LIHTC units as they come on-line	DBHDS	VHDA	• Assess opportunities to align PSH funds with LIHTC turnover • Lease-up as appropriate	Allocate funds to areas with new or existing LIHTC units that can provide preferential leasing to program participants	Educate SMI programs as to this opportunity	

[20] Note: This rental assistance may be used in LIHTC or ASHN projects**.** If so, avoid double counting units.

Strategy 3.2: Explore partnership with local PHAs to support state goals						
Action	**Lead Agency(s)**	**Others Involved**	**CY19 Goal**	**CY20 Goal**	**CY21 Goal**	**Resources $$$**
3.2.1 Meet with key groups include VAHCDO to discuss state priorities and collaboratively outreach to PHAs to support state goals.	DHCD	DBHDS VHDA DMAS	Meet with key groups	Meet with key groups	Meet with key groups	
3.2.2 Outreach to all VA PHAs to encourage responses to the next Mainstream NOFA(s). Outreach through regional Consolidated Planning meetings as well as possible communication from leadership to PHAs to encourage applications. Identify what resources DBHDS or its local partners bring to the table to help PHAs successfully apply for these funds including but not limited to identifying clients and helping them locate and move into housing, funds for move-in costs such as security deposits or furnishings, landlord guarantee program. Identify best prospects and target these	DHCD	DBHDS VHDA DMAS	• Develop joint letter from Secretaries • Design and execute outreach to PHAs as soon as possible in anticipation of NOFA	• Offer support to all PHAs choosing to apply • Explore methods to track people with SMI served	Offer support to all PHAs choosing to apply	DBHDS and CSB identified resources
3.2.3 Identify PHAs interested in project-basing Mainstream, other PBV or PSH SMI to serve the target population	DHCD		Identify a pilot project	Identify two projects	Identify two projects	
3.2.4 Work with PHAs interested in project-based Mainstream or other HCV to develop a low-risk approach to HUD secure approval for targeting. Determine whether PHA could base an approach on services related to PBV that would not require HUD approval	DHCD		Select low risk strategy. Work with PHA to provide necessary documentation and tenant selection policies and procedures	Work with PHA to provide necessary documentation and tenant selection policies and procedures	Work with PHA to provide necessary documentation and tenant selection policies and procedures	

Strategy 3.3: Maximize Discharge Assistance funding to support transitions to community housing						
Action	**Lead Agency(s)**	**Others Involved**	**CY19 Goal**	**CY20 Goal**	**CY21 Goal**	**Resources $$$**
3.3.1 Examine current Discharge Assistance Program (DAP) utilization and explore strategies to align this funding with other housing initiatives for individuals with SMI such as PSH	DBHDS		Review DAP utilization by CSB and service type			
3.3.2 DBHDS updates DAP information to describe how to use DAP to bridge to PSH and other integrated community housing	DBHDS		Develop information	Disseminate information		
3.3.3 Ensure CSBs involved in discharge planning receive housing referral training and updated information about resources	DBHDS		None	Provide remote training for CSB staff; record and make available as staff turnover		

Goal #4 - Increase PSH through Preferential Access to Existing Affordable Housing Programs						
<u>Strategy 4.1:</u> Expand PSH through access to public housing agency resources						
Action	**Lead Agency(s)**	**Others Involved**	**CY19 Goal**	**CY20 Goal**	**CY21 Goal**	**Resources $$$**
4.1.1 Through outreach conducted under Strategy #2.2 above, identify PHAs that would consider adding a preference – including a capped preference - for people who are chronically homeless, high utilizers of public services, and/or people leaving institutions in the PHA's HCV or public housing programs. PHAs might include those with chronic underutilization of HCVs	DBHDS		Identify two PHAs	Identify two PHAs	Identify two PHAs	
4.1.2 Work with the identified PHAs to establish local partnerships between CSBs, service providers and PHA to identify persons in target population, assist them to apply and move-in and to support sustained tenancies	DBHDS		Facilitate partnering between PHA, CSB and service providers	Facilitate partnering between PHA, CSB and service providers	Facilitate partnering between PHA, CSB and service providers	
4.1.3 Document and assess success so that strategies can be replicated with other PHAs	DBHDS		• Document outreach strategies. • Assess success	Assess tenant tenure	Assess tenant tenure	
Strategy 4.2: Expand PSH through Access to HUD Assisted Housing Resources						
Action	**Lead Agency(s)**	**Others Involved**	**CY19 Goal**	**CY20 Goal**	**CY21 Goal**	**Resources $$$**
4.2.1 Renew efforts to interest HUD Assisted properties in providing a homeless or move-on preference in their properties. Consider targeted strategy such as senior properties or veterans with disabilities as well as marketing existing and new Medicaid funded supports	DBHDS	DHCD/CoC	• Engage Newport News partners about the TA they have received for	• Identify one property willing to implement the move-on preference.	• Identify one property willing to implement the move-on preference.	Free technical assistance available through HUD

			a moving on initiative. • Identify one property willing to implement the move-on preference • As needed, facilitate partnership between the CSB, CoC, local service providers and property	• As needed, facilitate partnership between the CSB, CoC, local service providers and property	• As needed, facilitate partnership between the CSB, CoC, local service providers and property	
4.2.2 Document and assess success of preference in order to market to other properties	DBHDS	DHCD/CoC	Review data and evaluate success	Review data and evaluate success	Review data and evaluate success	

Goal #5 - Strategies to Increase PSH through Enhancing System Capacity						
<u>Strategy 5.1:</u> Track PSH outcomes and utilize data to inform implementation plans						
Action	**Lead Agency(s)**	**Others Involved**	**CY19 Goal**	**CY20 Goal**	**CY21 Goal**	**Resources $$$**
5.1.1 Identify data needs (including but not limited to program evaluation and documentation of program success and cost avoidance), how information will be collected, shared, reported	DBHDS DMAS	VHDA DHCD DARS	Data needs identified	• Finalize data plan. • Develop data collection system by Jan. 2020	• Collect data as projects prepare for occupancy. • Conduct QA review and adjust as needed	
5.1.2 Research creation of a PSH inventory tool	DHCD	DBHDS DMAS DHCD	Determine appropriate tool	Implement tool	Analyze using tool	
<u>Strategy 5.2:</u> Develop DBHDS referral protocol for non-LIHTC units						
Action	**Lead Agency(s)**	**Others Involved**	**CY19 Goal**	**CY20 Goal**	**CY21 Goal**	**Resources $$$**
5.2.1 DBHDS should continue to work internally across Divisions as well as with DHCD on a streamlined protocol and written policies for referring priority populations to set-asides and units with leasing preferences. Process to complement DBHDS-VHDA referral process	DBHDS	DHCD	None	Develop DBHDS written protocol for referral process		
5.2.2 DBHDS collaborate with CSBs and other local entities to develop strategies to market units to eligible people with SMI prior to the availability of the units	DBHDS		None	• Collaborate with CSBs to develop marketing strategies • Market units	Market units	

Strategy 5.3: Launch DBHDS Cross-Disability Housing Office						
Action	**Lead Agency(s)**	**Others Involved**	**CY19 Goal**	**CY20 Goal**	**CY21 Goal**	**Resources $$$**
5.3.1 Establish office including staffing, organizational chart, roles and responsibilities for the office.	DBHDS		New Office established			
5.3.2 Ensure sufficient staffing; provide funds for additional DBHDS staffing to conduct evaluation, monitoring, and provide operational support to assure fidelity to PSH	DBHDS	DMAS	Explore Medicaid admin funds for DBHDS housing positions	Request funds to address staffing gaps		
5.3.3 Establishment shared and/or coordinated responsibilities between Behavioral Health and Developmental Services teams including but not limited to shared referral process for LIHTC units with a leasing preference, education and training for housing agencies and service providers	DBHDS		Coordination between SMI and DD Divisions. Identify source of funds for training activities. Shared referral process developed	Coordination between SMI and DD Divisions	Coordination between SMI and DD Divisions	
Strategy 5.4: Enhance PSH housing development capacity						
Action	**Lead Agency(s)**	**Others Involved**	**CY19 Goal**	**CY20 Goal**	**CY21 Goal**	**Resources $$$**
5.4.1 Explore strategies to increase the capacity of CSBs, nonprofit mission-driven developers and other organizations to develop PSH	DBHDS	VHDA DHCD	Identify capacity building needs	Develop and implement capacity-building strategy.	Implement capacity building strategy	
5.4.2 Identify funds for identified strategy and implement as soon as possible. See also Strategy 1 for philanthropic support for this capacity development	DBHDS	VHDA DHCD DMAS	Identify funding			

Strategy 5.5: PSH Steering Committee continues PSH alignment with related activities						
Action	**Lead Agency(s)**	**Others Involved**	**CY19 Goal**	**CY20 Goal**	**CY21 Goal**	**Resources $$$**
5.5.1 PSH Steering Committee continue to meet regularly to ensure plan is implemented on schedule	DHCD	VHDA DBHDS DMAS DARS VDH	Monthly meetings	Monthly meetings	Monthly meetings	
5.5.2 PSH Steering Committee ensures coordination and alignment with related activities including Governors Coordinating Council, SMI Strategy Group, Integrated Housing Advisory Council (IHAC), Inter-agency Leadership Team (ILT)	DHCD	VHDA DBHDS DMAS DARS VDH	Coordination between committees	Coordination between committees	Coordination between committees	
5.5.3 PSH Steering Committee to continue to secure stakeholder input through Strategy Group and other	DHCD	VHDA DBHDS DMAS DARS VDH	Communication with stakeholders	Communication with stakeholders	Communication with stakeholders	
5.5.4 PSH Steering Committee to continue to include state actors as appropriate	DHCD	VHDA DBHDS DMAS DARS VDH	PSH Steering Committee expanded as appropriate	PSH Steering Committee expanded as appropriate	PSH Steering Committee expanded as appropriate	

Acronyms

SH = DMAS Supportive Housing benefit
PSH = permanent supportive housing
LIHTC = Low Income Housing Tax Credit program
SE = DMAS Supported Employment benefit
MH = mental health
VBH = behavioral health
TCM = target case management
MHSS = mental health skill building
CC = care coordinators (DMAS)
HH = Health Home

Appendix B PSH Steering Committee

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Appendix D Committee Relationship Graphic