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February 27, 2015

House Human Services Committee Rep. Ann Pugh, Chairwoman Statehouse 115 State Street Montpelier, VT 05602

Dear Madame Chair and Members of the Committee,

I've reviewed the CMS approval of the state's request to amend its 1115(a) Medicaid demonstration ("Global Commitment to Health") (attached). I've also reviewed US-DHHS publications on "Medicaid and Permanent Supportive Housing for Chronically Homeless Individuals" (also attached) and other supporting documents. Medicaid funds cannot pay for "housing" but may be used for supportive housing services and case management services.

I'm interested in determining if the state has flexibility to draw down Medicaid funds for permanent supportive housing (PSH) purposes for any of the following:

- Reach Up households with a family member who is disabled (SSI); and/or
- General Assistance Emergency Housing (homeless) beneficiaries; and/or
- Vermont Rental Subsidy beneficiaries
- Housing Retention for participants in Vermont's "hub and spoke" addictions programs

While Vermont's waiver is a 1115 demonstration waiver, it does incorporate by reference the 1915(c) populations previously covered by waivers that allow Medicaid funding for "home and community based waiver-like" services. Those services include housing retention and case management among other support services. Vermont's model, however, is not specific to PSH in the way that some 1915 waivers are. For example, a health home state plan option that provides a 90 percent federal match for eight quarters – homelessness itself is not a qualifier, but many PSH eligible beneficiaries would have chronic conditions that do qualify. And/or, a home and community based state plan option 1915(i).

So, fundamentally there are two questions: First, is accessing Medicaid dollars for PSH services allowable under the current 1115 demonstration waiver, and if so how may those dollars

best be deployed to maximize state resources. Second, should the state pursue a 1915(c), or (i) waiver specific to PSH services for homeless and chronically homeless populations.

There may be multiple ways to offset current housing grants with supportive services grants – or match them – particularly for that population of homeless or chronically homeless Vermonters interacting with the Agency of Human Services and the Department for Children and Families, in particular. If Medicaid matching funds are available to fund those initiatives, the state should seize the opportunity. In leaving no stone unturned to address both critical needs and shore up the state budget, I hope you will request the Administration investigate all possible options that may invite additional federal dollars for support services that have potential to offset or match state dollars already being spent to prevent homelessness among vulnerable populations.

Thank you for your consideration.

Sincerely,

Christopher J. Curtis

Staff Attorney

Vermont Legal Aid, Inc.

cc: Hal Cohen, Secretary, Agency of Human Services

Angus Chaney, Director of Housing, Agency of Human Services

Rep. Mitzi Johnson, Chair, House Appropriations Committee

Rep. Matthew Triber, Member, House Appropriations Committee

Sen. Jane Kitchel, Chair Senate Appropriations Committee

Sen. Claire Ayer, Chair Senate Health and Welfare Committee