Transforming Service Delivery Models in Permanent Supportive Housing

September 2025

MEADOWS
MENTAL HEALTH
POLICY INSTITUTE

Objectives

Explore the benefits and challenges of integrating housing and behavioral health systems into Permanent Supportive Housing (PSH) to address chronic homelessness.

Understand the importance of building strong community partnerships provide quality housing and supportive services.

Identify strategies for fostering private-public partnerships, sustainable community collaborations, and system-wide transformation.

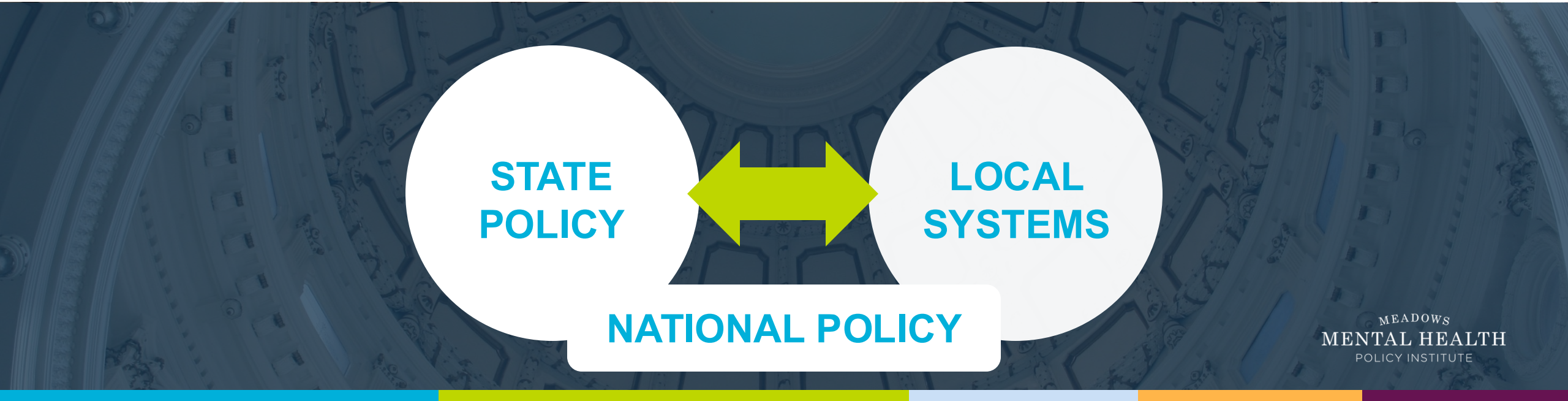
Agenda


Understanding the Issue
Integrating Behavioral Health Services in Permanent Supportive Housing
Sustainability Strategies
Closing: Q & A

Vision, Mission, Core Change Strategy

Vision: We envision Texas to be the national leader in treating people with mental health needs.

Mission Statement: Independent and nonpartisan, the Meadows Mental Health Policy Institute works at the intersection of policy and programs to create equitable systemic changes so all people in Texas, the nation, and the world can obtain the health care they need.



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THE CURRENT MENTAL HEALTH CARE SYSTEM

11,976 SUBSTANCE RELATED DEATHS in Texas in 2023

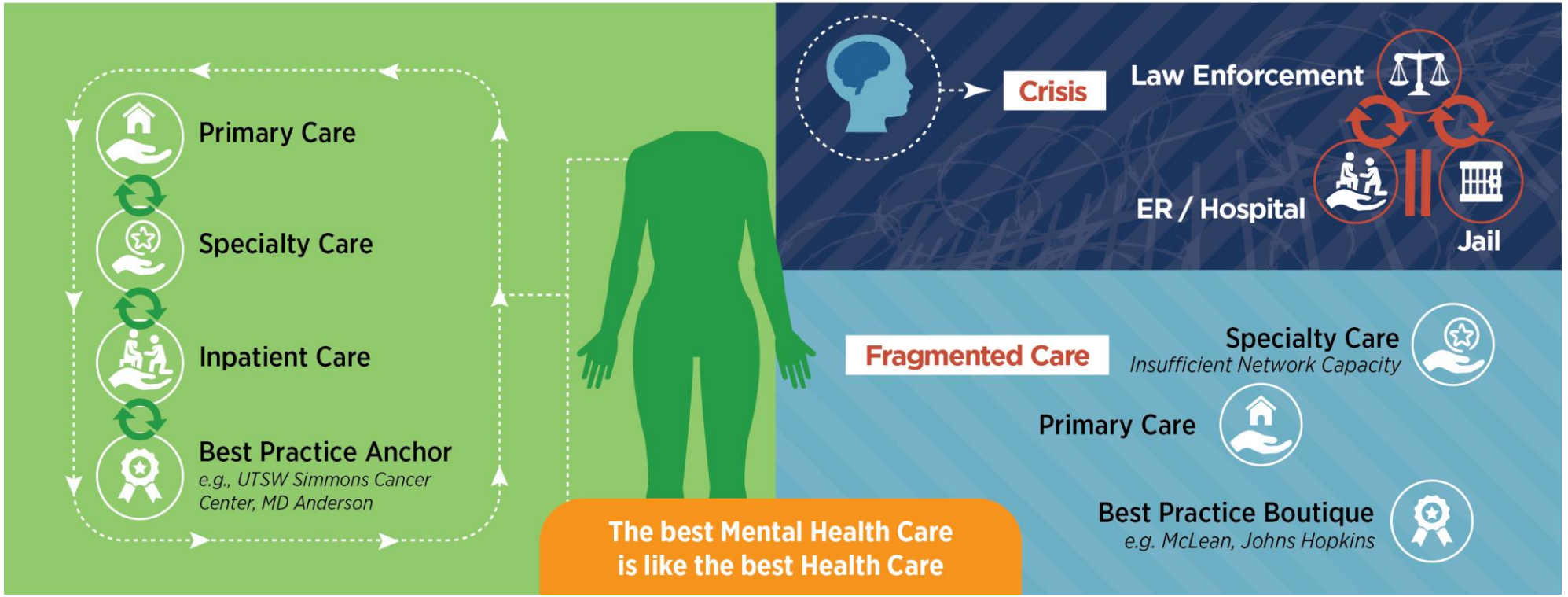
4,382 DEATHS BY SUICIDE in Texas in 2023

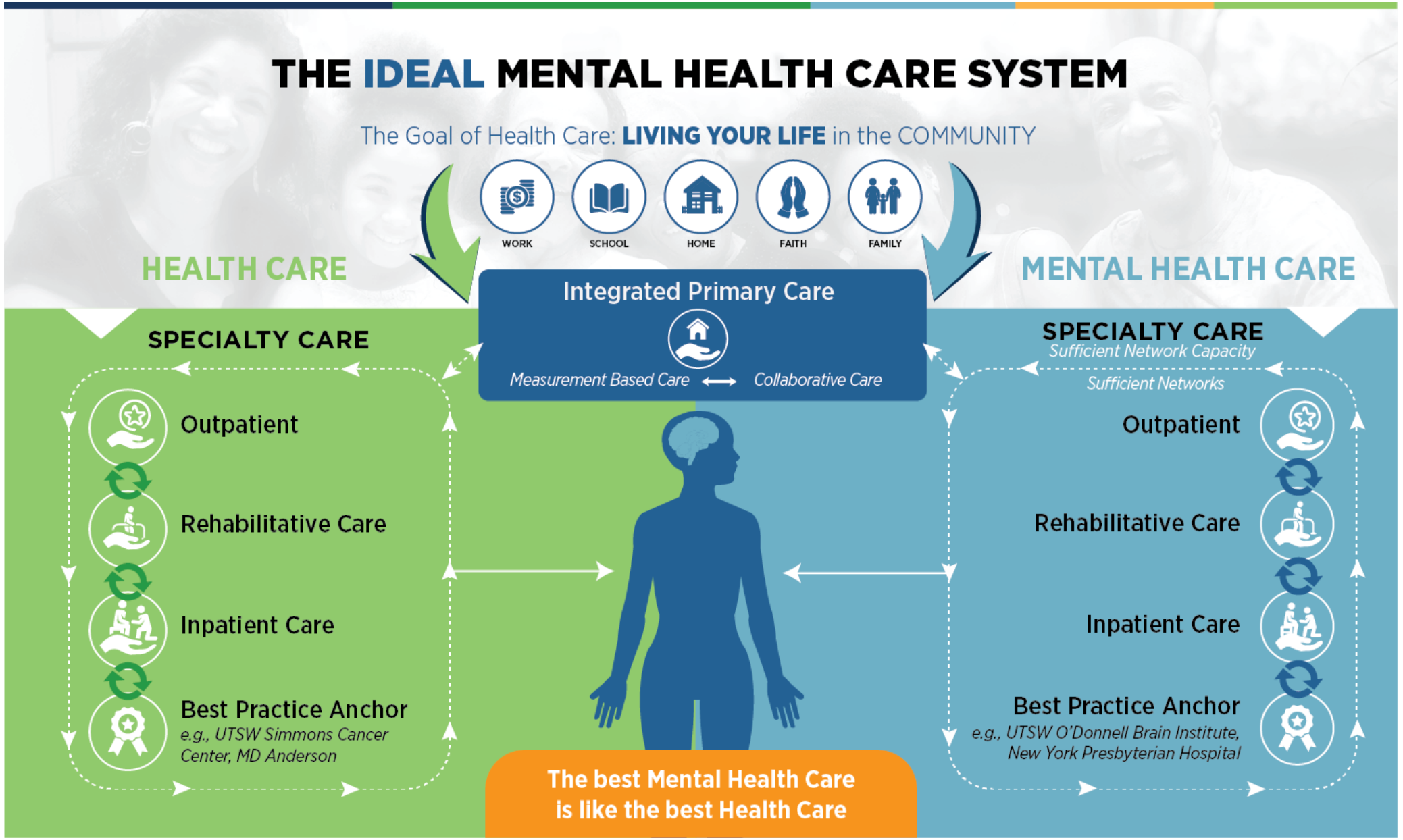
The Goal of Health Care: **LIVING YOUR LIFE** in the COMMUNITY

HEALTH CARE

WORK · SCHOOL · HOME · FOOD · EXERCISE · SLEEP · FAITH · FAMILY · CONNECTEDNESS

MENTAL HEALTH CARE




THE IDEAL MENTAL HEALTH CARE SYSTEM
The Goal of Health Care: LIVING YOUR LIFE in the COMMUNITY
WORK
SCHOOL
HOME
FAITH
FAMILY
HEALTH CARE
MENTAL HEALTH CARE
Integrated Primary Care
Measurement Based Care
Collaborative Care
SPECIALTY CARE
Outpatient
Rehabilitative Care
Inpatient Care
Best Practice Anchor
e.g., UTSW Simmons Cancer Center, MD Anderson
SPECIALTY CARE
Sufficient Network Capacity
Sufficient Networks
Outpatient
Rehabilitative Care
Inpatient Care
Best Practice Anchor
e.g., UTSW O'Donnell Brain Institute, New York Presbyterian Hospital
The best Mental Health Care is like the best Health Care

Our Unique Value: Intersection of Policy & Programs

Shape mental health policy

STATE AND NATIONAL POLICY

Extract lessons learned and proof points

Enact mental health policy

SOLUTIONS

Develop, implement, scale, and finance evidence-based solutions in local, state, and national systems

OUR VALUES

Collaboration and partnership | Data-driven and evidence-based | Innovation | Nonpartisanship | Stewardship

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Understanding the Issue

The Needs of People Experiencing Homelessness

The Complexity of Homelessness: What Causes It?

Financial

- Loss of job / income
- Low-paying jobs / stagnant wages
- Limited education
- Poverty
- Economic inequality

Housing Availability

- Lack of affordable housing
- Suboptimal location of housing
- Housing instability
- Eviction
- Housing restrictions

Healthcare

- Lack of access
- Poor health / disability
- Mental illness
- Substance use
- Lack of access to treatment

Family Instability

- Divorce / breakup
- Domestic violence
- Family disagreements
- Death of a loved one
- Childhood abuse or neglect

Other Reasons

- Systemic racism
- Incarceration / criminal record
- Natural disasters
- Unreliable transportation
- …and more

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Poverty and the Prevalence of Serious Mental Illness (SMI) Among Dallas County Adults (2020)

Total Adult Population (Ages 18+)

- 1,950,000

Population in Poverty

- 600,000 (31% of total population)

Population in Poverty with SMI

- 45,000 (8% of those in poverty)

In poverty" refers to the estimated number of people below 200% of the federal poverty level for the region. Poverty data was obtained from U.S. Census Bureau. (2022).

Prevalence of Individuals Experiencing Homelessness in Dallas County (2022)

- Estimating the number of people experiencing homelessness is *challenging* for several reasons, such as transience, hidden homelessness (those living in cars, couch-surfing, etc.), and stigma around identifying as homelessness
- Chronic Population Point-in-Time Count 2022: 1,009 people (557 unsheltered,452 sheltered)
- We estimate that roughly **7,000** people in Dallas County experience homelessness over the course of the year

Point-in-Time Count (2022)	Our Annual Estimate
3,996	7,000

Prevalence of Mental Health and Substance Use Disorders Among Adults Experiencing Homelessness (2022)

- Serious Mental Illness (SMI) and substance use disorders (SUD) are *more common* in adults who experience homelessness compared to the adults in the general population.
- Adults experiencing homeless have approximately…

8x the rate of SMI

2x the rate of SUD

…compared to the general population.

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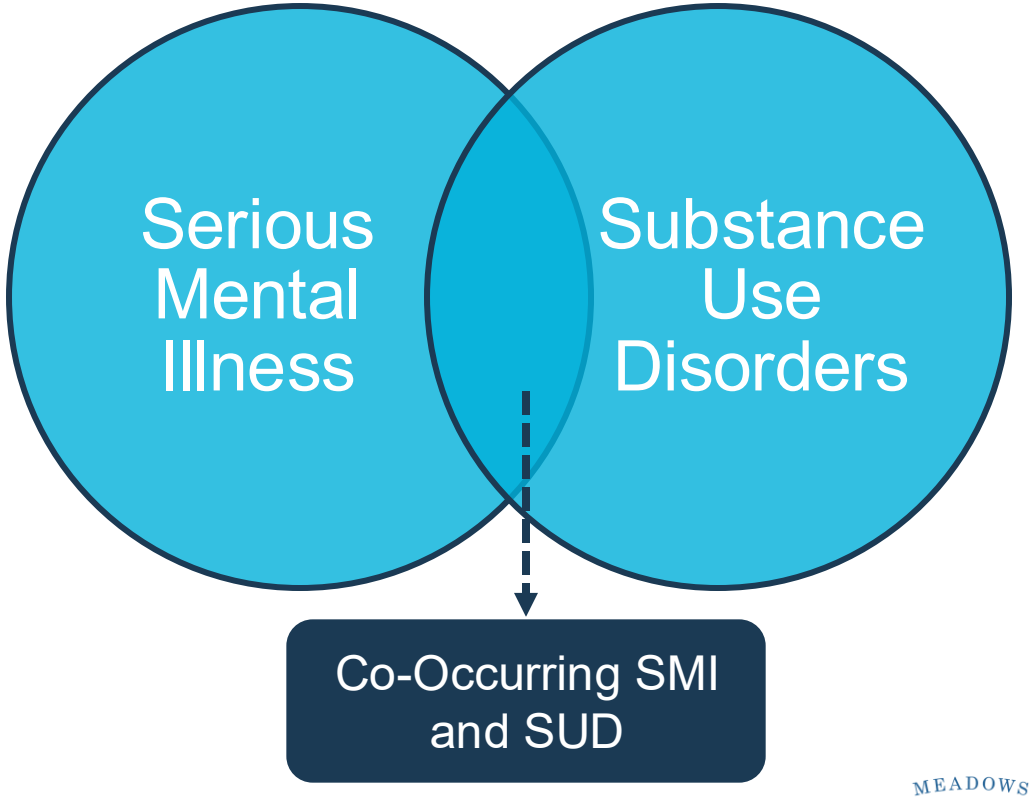
Prevalence of Mental Health and Substance Use Disorders Among Adults Experiencing Homelessness (2022)

Of the approximately **6,200 adults** who experienced homelessness in Dallas County in 2022, we estimate:

- **40%** have **serious mental illness** (2,500 adults)
- **32%** have **substance use disorder (SUD)** (2,000 adults)
  - 16% had an alcohol-related SUD
  - 24% had a drug-related SUD
- **15%** had **co-occurring** serious mental illness and substance use disorders (900 adults)



Estimated Cost of Homelessness in Dallas County (2022)

- The per-person cost of homelessness varies greatly depending upon an individual's acuity and the type of service(s) needed.
- Conservatively, we estimate that the average annual cost of services to people experiencing homeless in Dallas County is ~$16,000 / person.
- According to the National Alliance to End Homelessness, a person experiencing chronic homelessness costs the taxpayer an average of $35,000 a year.

$16,000 per person experiencing homelessness

×

7,000 people experiencing homelessness in 2022

= $112 Million

Annual cost of services in Dallas County

Supportive Services Model

Expansion of PSH in Dallas and Collin County

Rapidly expand PSH inventory by 2,000 units over five years using acquisition, development, rehabilitation, and conversion of existing market rental units.

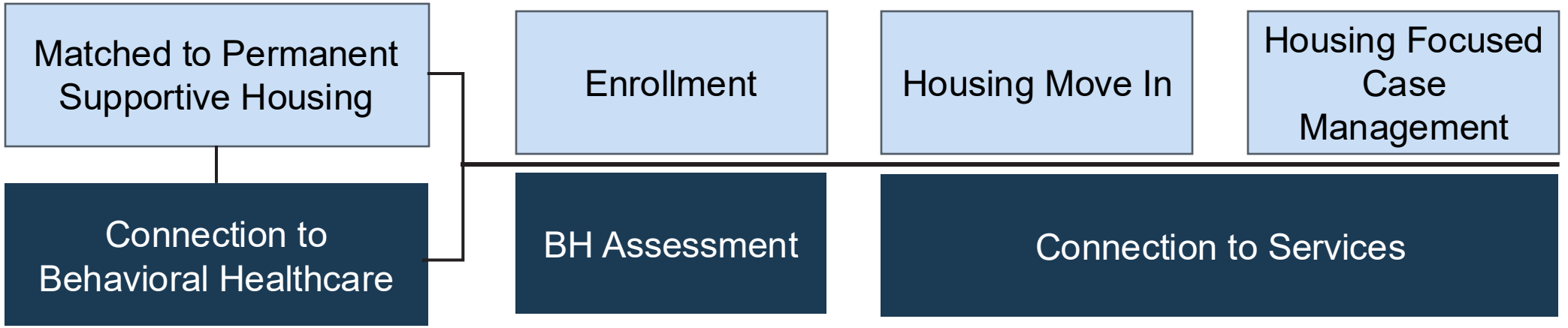
Augment and integrate existing housing-based services with medical and behavioral health teams as a part of a comprehensive care plan to improve the health of medically vulnerable individuals experiencing chronic homelessness.

Catalyze a sustainable public funding model for integrated health and housing stabilization services within PSH.

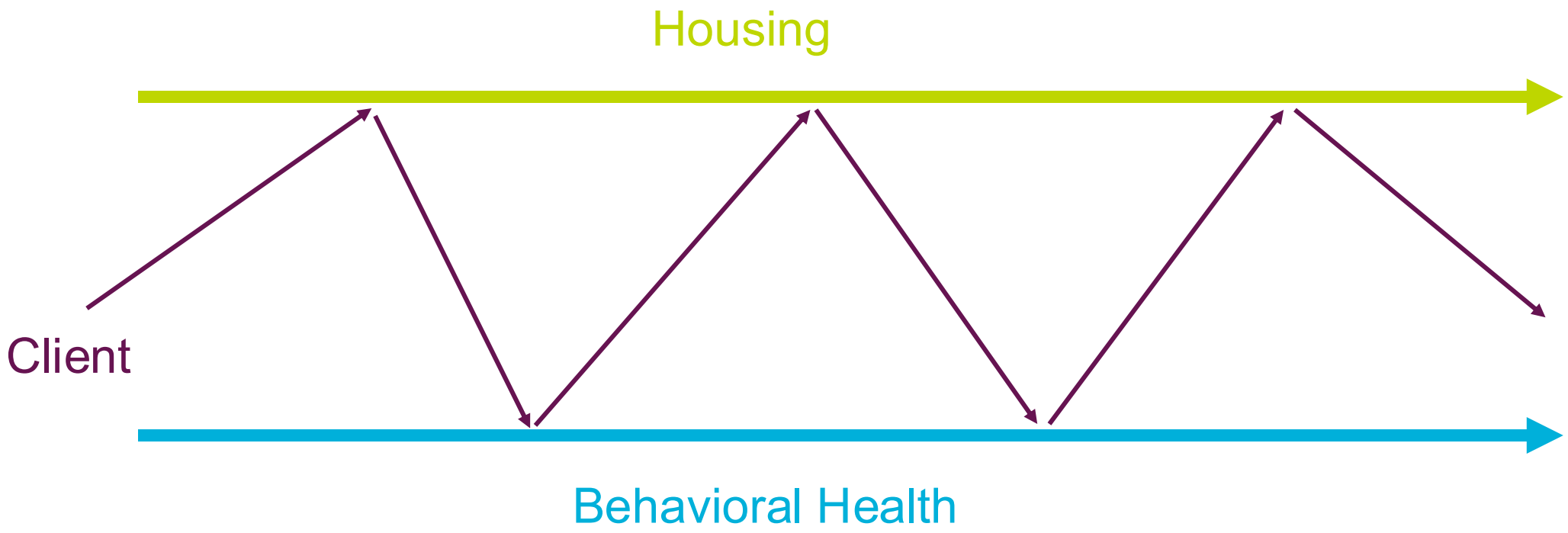
Goal of Integrated Behavioral Health Services

Improve health and housing outcomes among people experiencing chronic homelessness through access to comprehensive care:

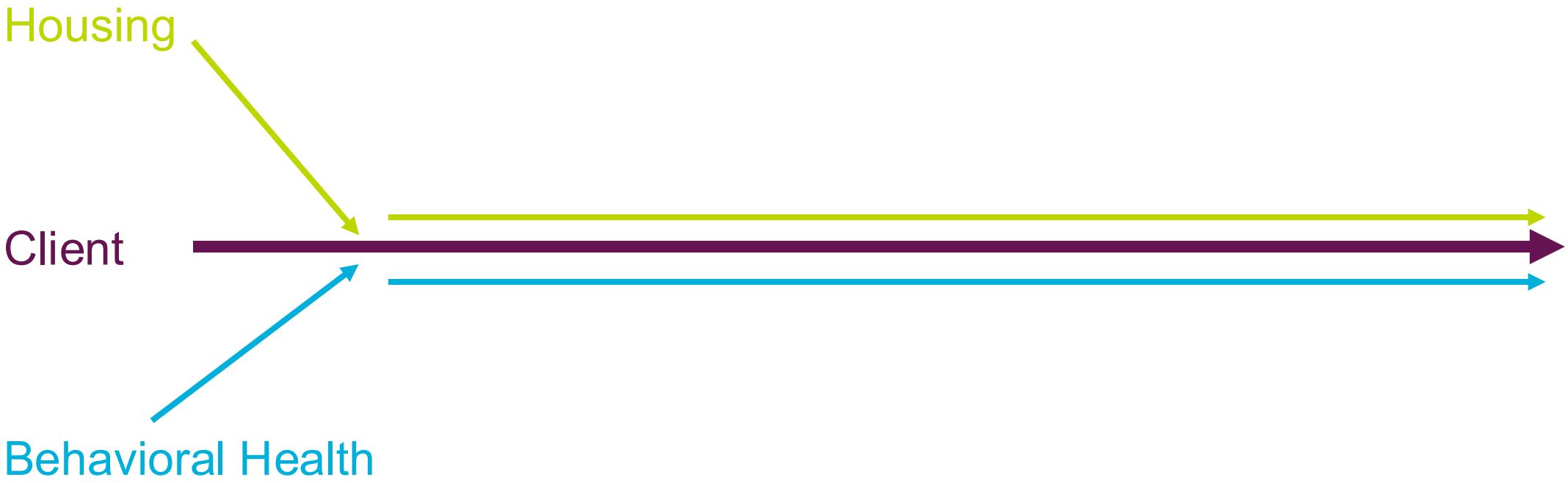
- Integrate and coordinate with behavioral health/health at point of engagement
- Make connections to services early (suite of healthcare services)
- Create teams dedicated to serving this population to ensure ease of access (Housing First ACT and ICM)



Non-Housing First Approach

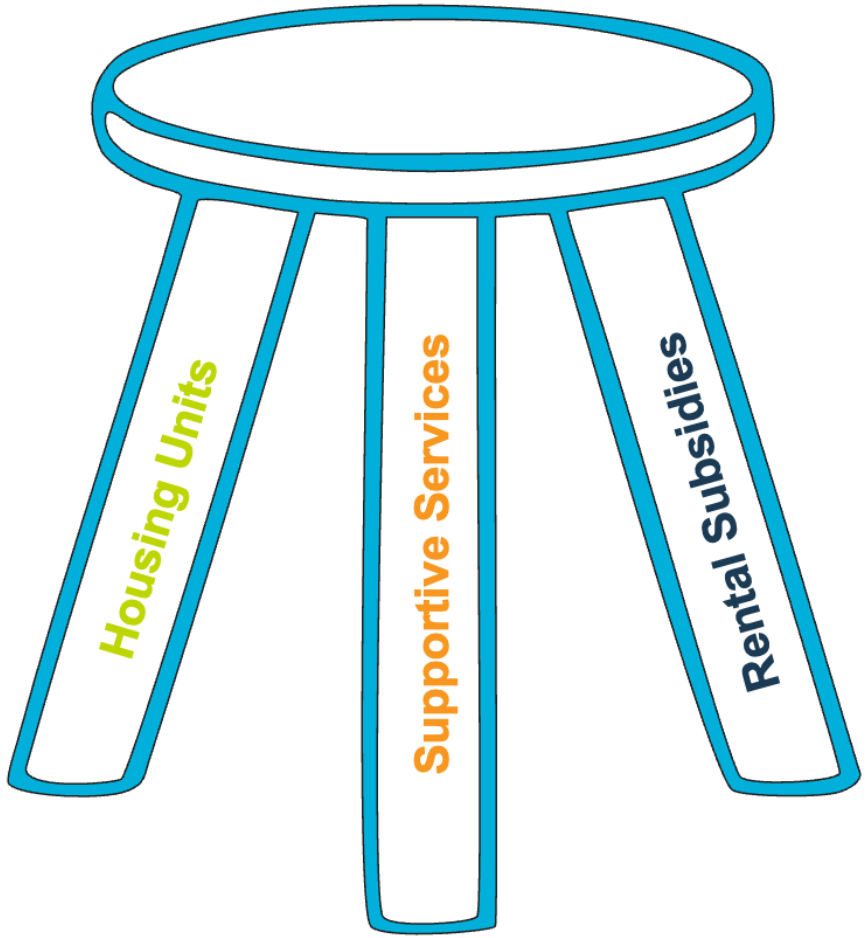


Housing First Approach



Vision for Scaling Supportive Services in PSH

- Standardize a comprehensive supportive service model and full integration with housing case management.
- Create an intentional and sustainable supportive services financing strategy.
- Enhanced health care collaborations, leverage community resources, expand private and public partnerships, and scale develop relationships with MCO's.



Eligibility Requirements

Experiencing homelessness

Severe mental illness

Express interest in participating in the program – not necessary initially but over time.

Agreement to weekly check-ins with a team member. Program must respect choice and self determination and use progressive engagement and motivational interventions as needed.

ACT- At least 3 inpatient psychiatric hospitalizations in the past 12 months, or at least 2 readmission to a psychiatric hospital within 30 days, or utilization of crisis services at least 3 times in any 30-day period within the past 6 months.

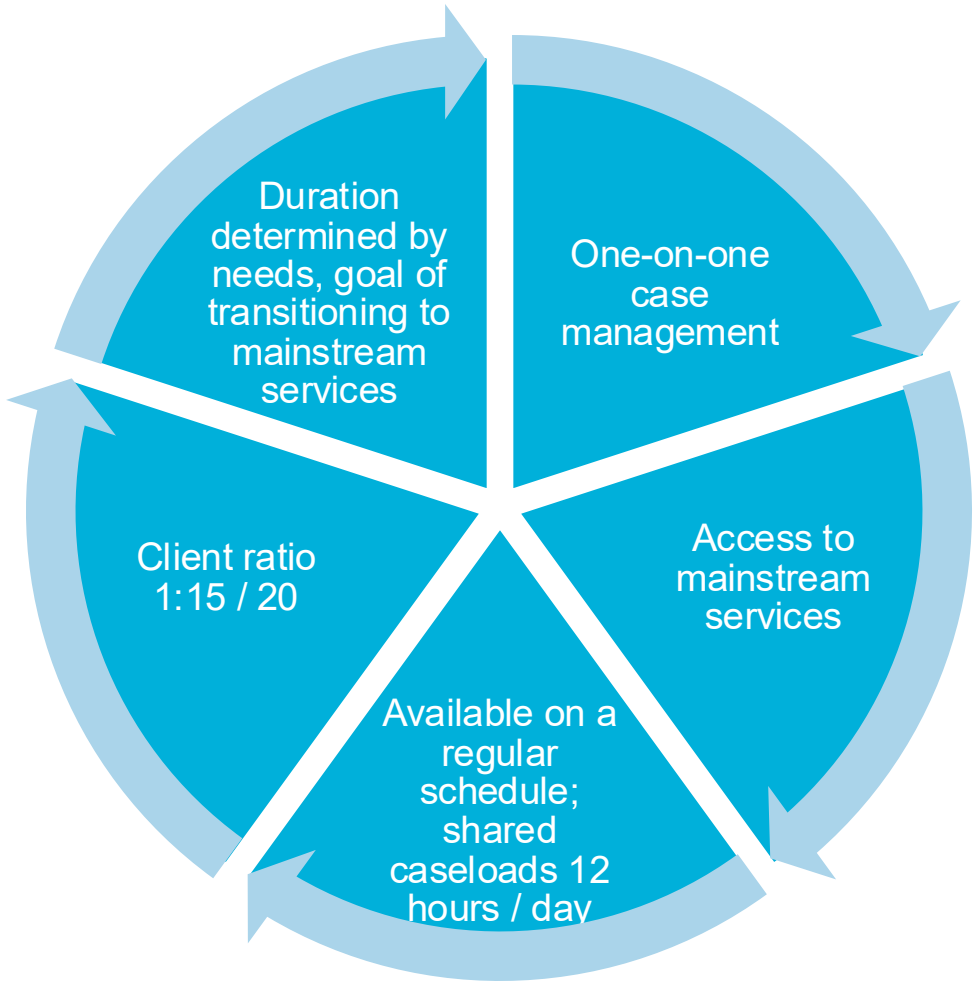
Housing Focused ACT

Housing Focused Assertive Community Treatment (HFACT) is a specialized and integrated model that addresses the complex needs of people experiencing homelessness.

- Combines the core principles of Housing First, Permanent Supportive Housing, and Assertive Community Treatment.
- Provides both immediate housing stability and ongoing, assertive mental health support within the community.

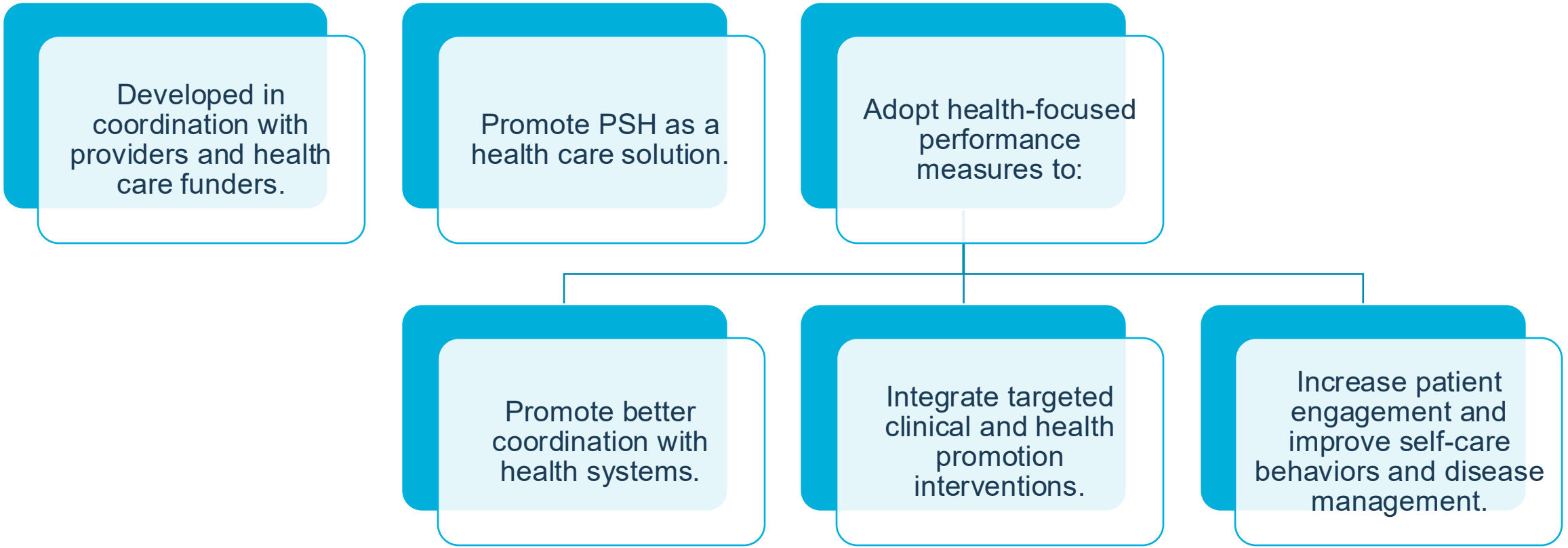
While HFACT maintains the core principles of a traditional ACT team, there is an **overarching goal of maintaining stable housing.** All members of the HFACT team focus on supporting an individual's recovery goals and mental health with a specific emphasis on housing stability.

Intensive Case Management

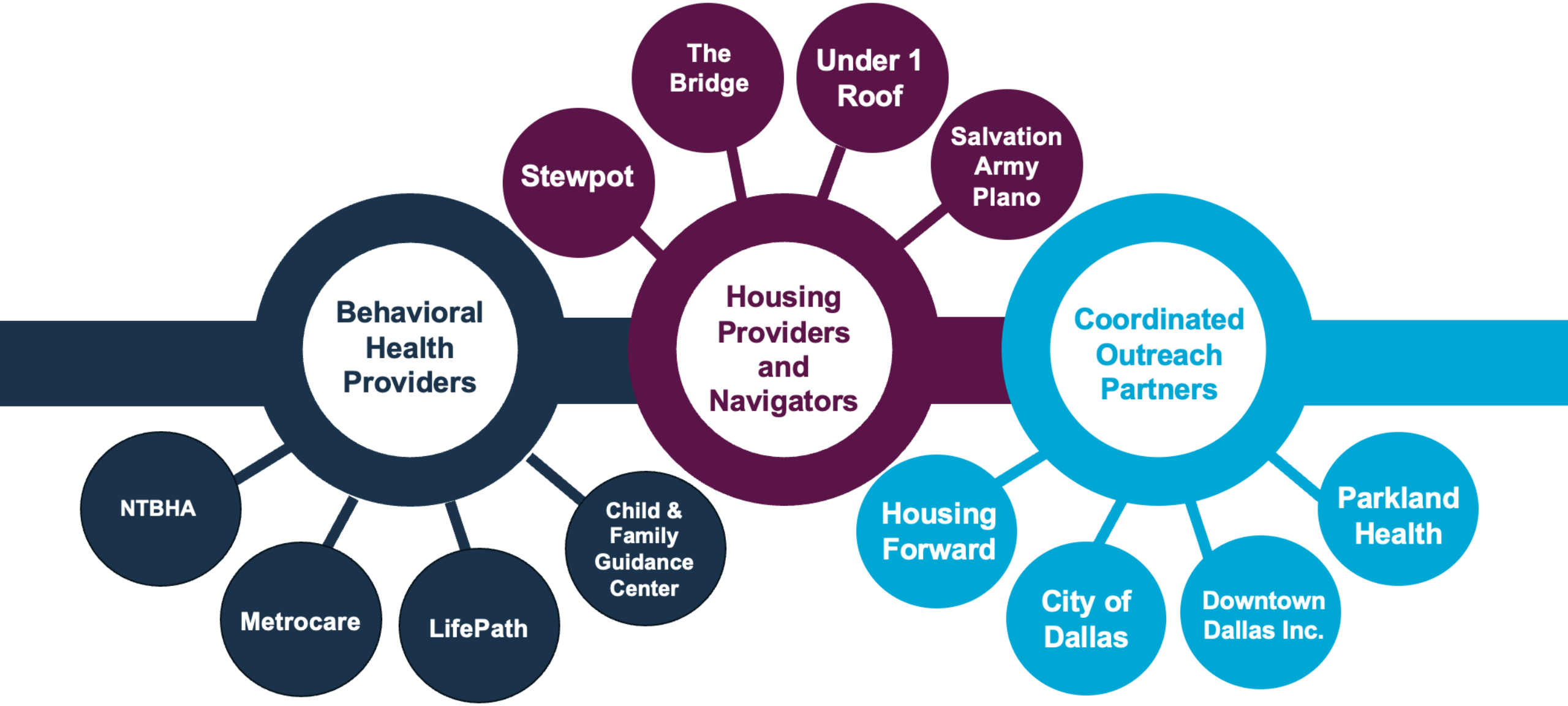


- Focuses on lower acuity individuals who need intensive support for a shorter period.
- Coordinated approach that engages providers, family, crisis intervention, mental health, substance use, medical, vocational, and educational supports in the community.
- Recovery-oriented services.

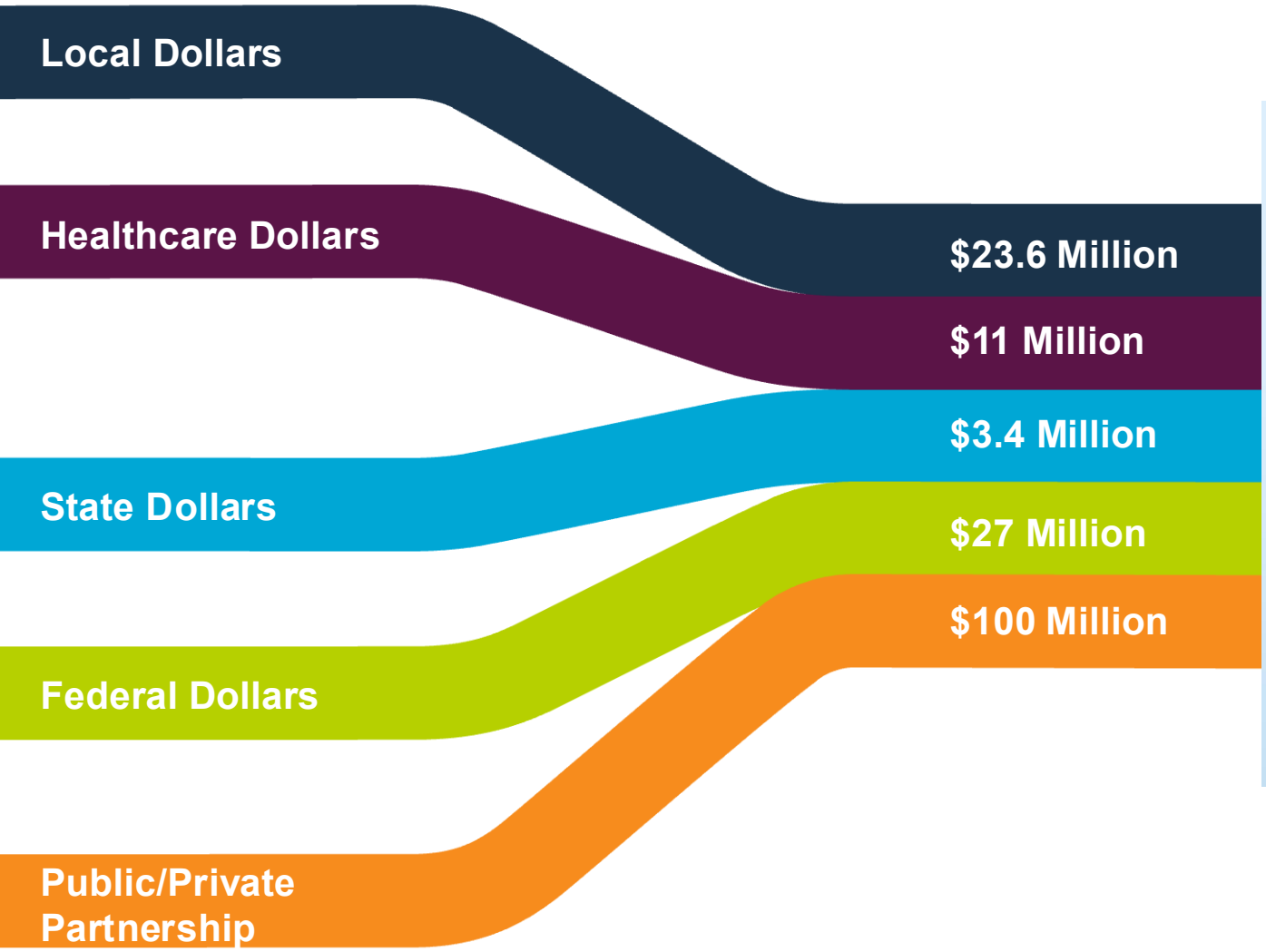
Program Measures



Collaborative Partnerships



Cross-Sector Investment



$165 Million Collective Investment

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Year One Progress

257 individuals moved into permanent housing with integrated behavioral health services.

27 individuals with serious mental health and substance use disorders connected to higher levels of care through a complex care workgroup.

Sustainability Strategies

Sustainability Roadmap

Maximize Medicaid Billing and Earned Revenue

Diversify and Braid Funding Streams

Pursue Value-Based Revenue

Promote Stakeholder Investment

Supplemental Security Income (SSI) / Social Security Disability Insurance (SSDI)

Outreach

Identify individuals who are eligible for SSI or SSDI benefits among those experiencing homelessness, including those with mental illness or other impairments.

Outreach workers engage with these individuals to inform them about the benefits they may be entitled to and assist them in applying for these benefits.

Access

Focus on removing barriers that may prevent eligible individuals from applying for and receiving SSI or SSDI benefits.

This may include providing assistance with completing application forms, gathering necessary documentation, and navigating the application process.

Recovery

Support individuals throughout the application process and advocating on their behalf to ensure they receive a fair and timely decision on their disability benefits application.

This may include providing ongoing case management support, assisting with appeals if necessary, and connecting individuals with additional resources and services to support their recovery and stability.

Evaluation Plan

Develop evaluation infrastructure to allow for adjustments and improvements of program in real time

Provide **outcomes data** to stakeholders and Managed Care Organizations to show the impact of PSH to promote investment

Outcomes that Matter

Demographics

- Race and ethnicity
- Pregnancy

Health Indicators

- Housing First ACT and ICM participation
- Inpatient utilization: 7-day follow-ups
- Crisis utilization
- Outpatient utilization: Psychiatric Services and Med Management

Quality of Life

- Housing stability: connection to rental assistance and vouchers
- Connection to health insurance and Medicaid
- Disability benefits
- Quality of life tool

Service Logistics

- LOC results from ANSA
- Duration from ANSA to actual services
- Movement between LOC
- Hours of services and/or encounters
- Discharges from service

Justice

- Justice involved status
- Justice point of contact
- Active warrants
- Subsequent or detained arrests
- Jail diversion

Texas Medicaid

Texas Medicaid Eligibility

Medicaid Serves:

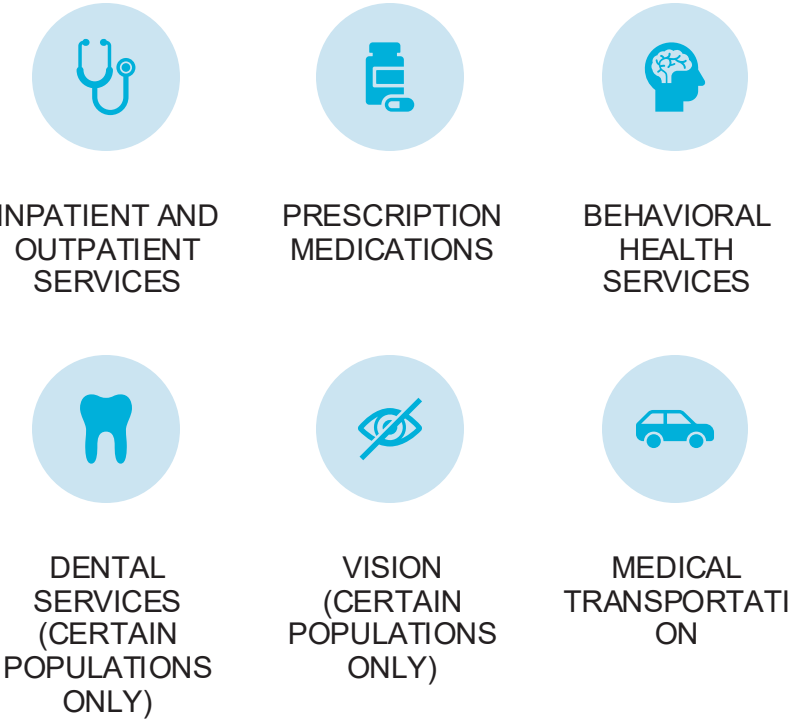
- Low-income families
- Children and youth
- Children and youth in foster care
- Pregnant women
- Former foster care youth
- Adults over age 65
- People with disabilities

Eligibility Criteria Include:

- Residency in Texas
- Social Security number or application for one
- U.S. citizenship or qualified non-citizen status

Covered Services

Mandatory Services	Optional Services
Inpatient hospital services include psychiatric hospitalizations	Mental health rehabilitative services (including ACT, ICM, and SUD treatment)
Outpatient hospital services	Prescription drugs
Physician services	Clinic services
Early and Periodic Screening, Diagnosis, and Treatment services for people ages 20 and younger	Medical or remedial care by other licensed practitioner
Federally Qualified Health Center (FQHC) services	Intermediate care facility services for individuals with an intellectual disability or related condition (ICF/IID)
Rural health clinic services	Inpatient psychiatric services for kids under the age of 21 and younger or age 65 and older
Nursing facility services for people ages 21 and older	Nursing facility services for people ages 20 and younger



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Medicaid Delivery Models

Fee-for-Service (Traditional Model)

Medicaid pays enrolled providers on a fee-for-service (FFS) basis for client services.

Managed Care

- STAR
- STAR+PLUS
- STAR Health
- STAR Kids

Managed Care Organizations

The MCOs have the responsibility to oversee the service delivery of physical and behavioral health care.

MCOs may directly manage behavioral health care or contract with behavioral health managed care organizations (BHOs) to oversee the utilization and quality of services. Oversee the service delivery of physical and behavioral health care.

MCOs and their respective BHOs (if any) may contract for different Medicaid programs that cover different populations and different mental health benefits for children, youth, and adults.

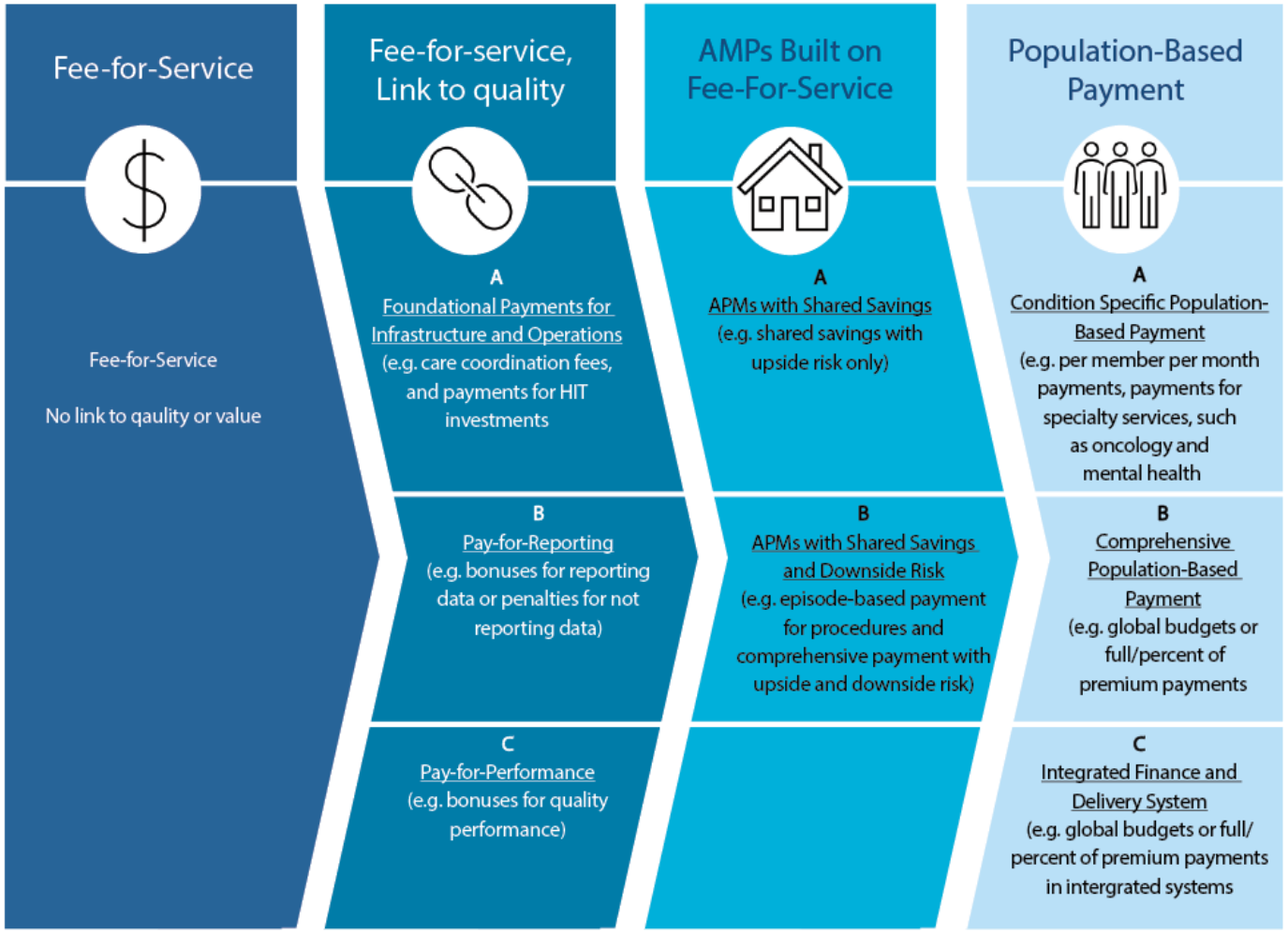
Value-Based Payment Arrangements

Under managed care, value-based payments are allowed as an alternative to traditional FFS payments.

Value-based payment arrangements provide a financing mechanism to incentivize efficient, high-quality healthcare services through a payment system involving financial risk or rewards.

The Texas Medicaid program requires that 50% of provider contracts are value-based and that 25% are at risk for provider.

Texas Medicaid Alternative Payment Model



- Texas Medicaid has adopted APM Framework developed by the Health Care Payment Learning and Action Network (HCP- LAN)
- The framework from HCP-LAN and various categories of APMs that Texas MCOs can utilize for value-based contracting with payors.

Value-Based Care Strategies and Considerations

Providers must identify strategies that meet capabilities and goals based on:

Operational capabilities	**Medicaid membership volume**	Contracted services

For populations who are unhoused and have serious behavioral health needs:

Providers must consider negotiating contracting with MCOs in the STAR+PLUS program

- which serve adult Medicaid recipients who have disabilities or receive SSI or who are age 65 and older

Questions

Jennifer Erasime, LCSW-S
Executive Director, Meadows Institute Dallas
Vice President of Complex Care, Meadows Mental Health Policy Institute
jerasime@mmhpi.org

Kim Macakiage, MMP
Vice President if Finance, Policy, and Implementation, Meadows Mental Health Policy Institute
kmacakiage@mmhpi.org

Thank You!

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