



MEMORANDUM

To: Alison George - Director, Division of Housing;
Kristin Toombs - Director, Office of Homeless Initiatives

From: Zac Schaffner - Community Partnerships & Development Manager, Office of Homeless Initiatives

Date: June 6, 2024

Re: The State of Supportive Housing in Colorado

Overview:

Working within the framework outlined in the State of Colorado's [Making Homelessness History Playbook](#), the Colorado Department of Local Affairs, Division of Housing (DOLA/DOH) works with local, state, and federal stakeholders to create and support a continuum of collaborative approaches designed to ensure that homelessness is rare overall, brief when it occurs and that no one gets left behind. A key element of this continuum is Supportive Housing.

Supportive Housing combines affordable, community-based housing with access to voluntary and flexible supportive services to help extremely low-income individuals/households who face complex barriers to housing stability (and are typically the least likely to self-resolve their homelessness) live stable, productive lives.

Supportive Housing residents have all the rights and responsibilities of tenancy and supportive services are delivered using a Person-Centered Planning and Strengths-Based Approach. When residents encounter challenges and are struggling with the parameters of tenancy, project partners work collaboratively with residents to develop an individualized plan to resolve these challenges and maintain occupancy.

This approach, recognized by the [U.S. Department of Housing and Urban Development \(HUD\)](#) and the [Substance Abuse and Mental Health Services Administration \(SAMHSA\)](#) as a best practice is essential in [reducing the utilization of emergency services](#), [addressing public safety concerns](#), and ensuring that homelessness is never inevitable, inescapable, or a way of life. When successfully implemented, Supportive Housing helps support the safety and stability of households that struggle to succeed in programs with preconditions, treatment requirements, or sobriety mandates.

DOH's supportive housing projects have a [94% housing stability rate](#) demonstrated through the Homeless Management Information System (HMIS).

Background:

Since a [2014 assessment](#) identified a severe lack of available supportive housing opportunities for persons experiencing homelessness, the State of Colorado has engaged in a concerted effort to address this challenge through a series of dynamic partnerships, strategic investments, and data-driven solutions.

In the last 10 years, Colorado has created 4,352 new supportive housing opportunities (3,102 project-based supportive housing units across 72 developments and 1,250 tenant-based

supportive housing opportunities). The supportive housing developments created in the last decade span 18 counties and include programs in urban, suburban, and rural communities.

Colorado's Approach to Expanding Supportive Housing Opportunities:

Dynamic Partnerships

- Starting in 2014, DOLA/DOH partnered with the Colorado Housing and Finance Authority (CHFA) on the joint review of applications for the allocation of resources essential to the development of Project-Based Supportive Housing. The [Annual RFA for the Creation of Supportive Housing](#) aka the PSH RFA allows for the coordinated review of supportive housing applications. Aligning application cycles for critical resources and coordinating application information has improved developer efficiency and incentivized intentional partnerships.
- Since 2014, DOLA/DOH and CHFA have partnered with Beaux Simone Consulting to offer the [Pathways Home Supportive Housing Toolkit](#). The Toolkit consists of a series of technical assistance and peer learning sessions designed to help community teams through the supportive housing development process. Participants learn about a variety of relevant topics including property management techniques, trauma-informed design, and project financing.

Strategic Investments

- DOLA/DOH has invested in [Tenancy Support Services \(TSS\)](#) funding to support the implementation of high-quality supportive housing across Colorado. TSS are housing-related activities and services that assist supportive housing program participants in obtaining and maintaining housing. DOH's TSS funding is used to fill the "gap" required to reach the \$7,200 in per-household per-year services minimum, with no more than \$3,600 per-household per-year in TSS funding provided. TSS funding has also allowed DOLA/DOH to impose an expectation of a 15-to-1 client-to-case manager ratio.
- DOLA/DOH's [State Housing Voucher \(SHV\) program](#) leverages the administrative infrastructure of the federal Housing Choice Voucher (HCV) program while reducing barriers through modified eligibility requirements, reduced criminal screening criteria, and the availability of security deposit funding. SHVs have played a critical role in allowing DOLA/DOH to increase the number of project-based vouchers beyond federal limitations imposed by HUD and in accepting referrals from new sources including the Colorado Department of Corrections' Division of Adult Parole, the Colorado Department of Human Services' Division of Youth Services, as well as mental health institutes, psychiatric hospitals, and county jails.

Data-Driven Solutions

- DOLA/DOH is working closely with Colorado's Continuum of Care to use common assessment tools and administrative data to match individuals with supportive housing programs that provide the appropriate level of care and afford the greatest potential for long-term success. [Built for Zero Colorado's](#) focus on real-time, person-specific data empowers communities to maximize limited supportive housing resources while also rapidly testing and implementing strategies to reduce the number of persons experiencing homelessness.

Looking to the Future:

The Department of Health Care Policy and Financing (HCPF) is working to expand the spectrum of behavioral health services for Health First Colorado (Colorado's Medicaid program) members. This

includes [increasing access to supportive housing services for members with behavioral health needs](#).

Effective October 2024, HCPF is introducing two all-inclusive supported housing codes H0043 (supportive housing, daily rate) and H0044 (supportive housing, monthly rate) available to cover the cost associated with case management, outreach, housing navigation, leasing navigation, move-in and orientation assistance, skill building, peer services, assistance renewing leases, and assistance renewing vouchers.

To seek reimbursement for this package of covered services through the codes described above, agencies must secure a letter from DOLA/DOH which identifies their agency as a supportive housing provider overseeing an allocation of supportive housing resources/vouchers. Such entities are qualified to enroll in Medicaid within the newly created Supportive Housing Provider Type and contract with one or more Managed Care Entities (MCEs).

With the passage of [HB 24-1322](#), HCPF expects to submit a Health-Related Social Needs ([HRSN](#)) 1115 amendment to the Centers for Medicaid & Medicare Services (CMS) in August 2024 designed to expand housing and nutrition services for certain populations.

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