

1710 – AHCCCS HOUSING PROGRAM

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I. PURPOSE

This Policy applies to ACC, ACC-RBHA, ALTCS E/PD, and DES/DDD (DDD) Contractors; Fee-For-Service (FFS) Programs including: the American Indian Health Program (AIHP), DES/DDD Tribal Health Program (DDD THP), Tribal ALTCS, TRBHA; and all FFS populations, excluding Federal Emergency Services Program (FES). (For FES, refer to AMPM Chapter 1100). This Policy also applies to the Statewide Housing Administrator and Housing Contractors. This policy covers AHCCCS specific criteria for the AHCCCS Housing Program (AHP) and the AHCCCS Acquisition, Construction, and/or Renovation Program that are funded through Non-Title XIX/XXI State General Fund and Serious Mental Illness (SMI) Housing Trust Fund (HTF) allocations. This Policy focuses on development of new housing units through the SMI HTF and the provision of administering rental assistance through the Non-Title XIX/XXI State General Fund. The Policy also covers general expectations for the Contractor to implement supportive services and Permanent Supportive Housing (PSH) for members eligible for PSH services. PSH services for members with an SMI designation are referenced further in AMPM Policy 930. TRBHA responsibilities regarding housing for members with an SMI designation are specified in the TRBHA Intergovernmental Agreements (IGAs).

II. DEFINITIONS

Refer to the [AHCCCS Contract and Policy Dictionary](#) for common terms found in this Policy including:

AHCCCS HOUSING ACQUISITION, CONSTRUCTION, AND/OR RENOVATION PROGRAM	AMERICANS WITH DISABILITIES ACT (ADA)	CONTINUUM OF CARE (COC)
GENERAL MENTAL HEALTH (GMH)	GEOGRAPHIC SERVICE AREA (GSA)	HEALTH-RELATED SOCIAL NEEDS (HRSN)
HOUSING AND URBAN DEVELOPMENT (HUD) HOUSING CHOICE VOUCHER PROGRAM	MEMBER	PERMANENT SUPPORTIVE HOUSING (PSH)
SERIOUS MENTAL ILLNESS (SMI)	SUBSTANCE USE DISORDER (SUD)	

For purposes of this Policy, the following terms are defined as:

AHCCCS HOUSING PROGRAM (AHP)	Housing subsidies funding through State general funds paired with Medicaid covered supportive services to support eligible persons with access to Permanent Supportive Housing (PSH).
APPLICATION	The process of initiating the AHCCCS Housing Program (AHP) housing process by submission of form by a qualified representative on behalf of eligible persons.
HOUSING CONTRACTOR	A non-profit or for-profit Arizona entity in good standing, whose mission includes providing affordable housing and entering into contracts with AHCCCS for this purpose.
HOUSING FIRST	As defined by the National Alliance to End Homelessness, Housing First is a homeless assistance approach that prioritizes providing permanent housing to people experiencing homelessness, thus ending their homelessness, and serving as a platform from which they can pursue personal goals and improve their quality of life. This approach is guided by the belief that people need basic necessities like food and a place to live before attending to anything less critical, such as getting a job, budgeting, or attending to substance use issues. Additionally, Housing First is based on the understanding that member choice is valuable in housing selection and supportive service participation, and that exercising that choice is likely to make a member more successful in remaining housed and improving their life.
NON-TITLE XIX/XXI STATE GENERAL FUND ALLOCATIONS	State General Fund appropriations made to AHCCCS that provide non-Medicaid funding for housing and related supports primarily for persons with a Serious Mental Illness (SMI) designation. These funds are the core of the AHP and consist of the SMI General Fund and the Supportive Housing General Fund appropriations. While both appropriations can serve persons determined SMI, the Supportive Housing General Fund may also serve Medicaid eligible members identified with General Mental Health or substance use disorders (GMH/SUD).
SERIOUSLY MENTALLY ILL HOUSING TRUST FUND (HTF)	As specified in ARS 41-3955.01, a trust fund dedicated to provide capital funding for housing individuals with a Serious Mental Illness (SMI) designation.

STATEWIDE HOUSING ADMINISTRATOR	The entity contracted with AHCCCS to provide administration of the AHCCCS Housing Program (AHP).
STATEWIDE HOUSING ADMINISTRATOR HOUSING WAITLIST	A computerized list of applicants who are waiting to be matched with an AHCCCS Housing Program subsidy or unit.

III. POLICY

A. AHCCCS HOUSING PROGRAM

AHCCCS manages the AHP through its contract with the Statewide Housing Administrator AHP is funded by Arizona state funding sources, Non-Title XIX/XXI SMI General Fund and Non-Title XIX/XXI Supportive Housing General Fund (Refer to AMPM Policy 320-T2 for Non-Title XIX/XXI services and funding).

The AHP includes the following program elements:

1. AHP Housing Intervention Types
 - a. Scattered site – PSH which provides rental assistance to AHCCCS members to lease housing in the community. The program serves members with an SMI designation as well as General Mental Health/Substance Use (GMH/SU),
 - b. Site-based housing – PSH which provides rental assistance to AHCCCS members, with an SMI determination, at a location within a set inventory. Owners voluntarily or by deed restriction dedicate housing units for referrals from the Statewide Housing Administrator Housing Waitlist. In site-based housing the member holds a one-year lease independently. Supportive services are separate from housing, if the member chooses not to engage in clinical supportive services, it will not impact the terms of their lease. Tenancy screening criteria for site-based units are minimal to serve members with high barriers to housing,
 - c. Sponsor-based housing – PSH which provides rental assistance to AHCCCS members through contracts between the property owner and a contracted sponsor organization. A sponsor organization may be a private nonprofit organization, or a community mental health agency established as a public nonprofit organization. Members reside in housing owned or leased by the sponsor organization. Supportive services are separate from housing, if the member chooses not to engage in clinical supportive services, it will not impact the terms of their lease. Tenancy screening criteria for sponsor-based units are minimal to serve members with high barriers to housing,
 - d. Project-based housing – PSH for members who choose to lease in a unit where the rental assistance is dedicated to a unit at a specific site for a period of time, typically 15 to 20 years. Members may choose to lease in one of the units instead of searching for a unit in the community,
 - e. Community Living Program (CLP) - PSH which provides rental assistance to AHCCCS members, and which has intensive on-site supports for AHCCCS members with an SMI designation. Clinical teams work in partnership with the member to determine if this level of service intervention is needed,

- f. Bridge to permanency programs – Special collaborative programs with local housing authorities or other housing voucher programs that provide short-term rental assistance while the member applies for and secures a permanent rental assistance voucher for long term/permanent housing through the housing authority or housing voucher program,
 - g. Eviction prevention and housing support activities – Funding to provide limited support for other housing related expenses beyond PSH rental subsidies. Key activities may include emergency rent assistance or eviction prevention, housing move in kits (not to include furniture), reimbursement to landlords for damages caused by a member, landlord recruitment efforts, and move in and/or utility deposits, and
 - h. Special projects – The AHP supports partnerships, which provide operational support and/or administrative funding that support the Continuum of Care (COC), housing authority partnerships, or other housing subsidy programs that are managed by the Statewide Housing Administrator.
2. AHP Eligibility
- a. It is the responsibility of the Contractor, its AHCCCS registered providers, and the Statewide Housing Administrator to be aware of and understand the AHP eligibility requirements and to ensure that all members referred for AHP housing meet the eligibility criteria.
 - i. The Contractor and AHCCCS registered providers shall verify eligibility upon issuance of housing support or renewal of the housing support, and
 - ii. The Statewide Housing Administrator shall work with the Contractor and AHCCCS to establish processes and required documentation for establishing eligibility.
 - b. Eligibility criteria
 - i. The AHP housing eligibility requirements shall be consistent with any requirements and restrictions established by the appropriation or allocation of the funding from the legislature or AHCCCS, and
 - ii. The Contractor shall ensure that members referred for AHP housing assistance meet the eligibility criteria established as follows. The member applying for the AHP housing shall:
 - 1) Be at least 18 years old and legally able to enter into a binding lease or housing contract at the time of referral to the AHP. A legally emancipated minor under the age of eighteen may qualify for AHP housing services or subsidy if they also meet the other AHP criteria including eligible mental health categories, and
 - 2) Have lawful presence in the United States pursuant to ARS 1-502, and
 - 3) Have an SMI designation, or
 - 4) Be identified under the GMH/SU category and be considered High Needs/High Cost (HNHC), and Title XIX eligible, and
 - 5) Have an identified and documented housing need by the Contractor or provider. A “housing need” may include the following conditions:
 - a) Actual homelessness: A member or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
 - i) Has a primary nighttime residence that is a public or private place not meant for human habitation, or

- ii) Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by Federal, State, and local government programs).
 - b) Institutional or hospital discharge: A member exiting an institution who is likely to experience actual homelessness or who does not have a safe residence to go to upon discharge. An institution may include physical or behavioral health inpatient or residential facilities, emergency rooms or other short term crisis facilities, the Arizona State Hospital (ASH), jails, prisons, or other criminal justice settings, or a recent transition out of the foster care system. Institutional settings also include similar tribal settings or systems (e.g., tribal jails),
 - c) Other identified housing crisis or instability - A “housing need” may be established by the presence of the following indicators:
 - i) Fleeing domestic violence or other living situation that may result in physical harm or violence,
 - ii) Living in a setting or other living situation that may result in physical or behavioral health harm, illegality, violence or be otherwise inconsistent with member’s service or treatment plan (i.e., overcrowding), and/or
 - iii) Frequent physical or behavioral health inpatient hospitalization or emergency department visits (three or more visits in the past 12 months).
 - d) Housing instability established and documented in at least two of the following:
 - i) An ICD-10 ‘Z’ Code of “homelessness” or “housing instability” in medical record,
 - ii) Housing need assessed and identified in an AHCCCS approved Health Related Social Needs (HRSN) assessment tool,
 - iii) Inclusion on the Contractor or AIHP HNHC roster,
 - iv) Housing is needed to prevent disease, disability, or other adverse conditions of progression, or to prolong life,
 - v) Need for PSH and subsidy is included in the member’s service plan,
 - vi) Member self-attestation of homelessness or housing instability, and/or
 - vii) Prior or repeated history of homelessness, evictions, or housing instability (three or more episodes in the past 12 months) as documented by individuals or entity with direct knowledge of housing condition or situation including peers, community-based organizations (e.g., homeless providers, COC, coordinated entry system, outreach teams).
- c. The AHP shall not deny housing eligibility based on the following circumstances:
 - i. Prior evictions or rental history,
 - ii. Inadequate income or poverty level,
 - iii. Criminal background,
 - iv. Current substance use or prior history of substance use, and/or
 - v. Treatment compliance or program participation.

3. Statewide Housing Administrator Responsibilities

The Statewide Housing Administrator shall:

- a. Increase the quality of member housing options in the AHP,
- b. Ensure the availability of safe, decent, stable housing that supports members' service plan goals,
- c. Standardize operation and delivery of AHP processes to improve transparency, increase access for all eligible members, and reduce administrative and programmatic barriers to housing placement and retention,
- d. Achieve cost efficiency and effectiveness to maximize AHCCCS resources,
- e. Develop innovative PSH options and practices to meet the needs of AHCCCS members,
- f. Administer the AHP in the following areas:
 - i. Program participant and occupancy services,
 - ii. Solicit and coordinate referrals from the Contractor and/or AHCCCS registered providers,
 - iii. Verify housing eligibility determination,
 - iv. Manage the Statewide Housing Administrator Housing Waitlist including implementing AHCCCS identified Waitlist priorities,
 - v. Select and notify members from the Statewide Housing Administrator Housing Waitlist of their referral status,
 - vi. Issue housing rental assistance vouchers and approval to proceed with the housing search process,
 - vii. Conduct housing briefing appointments with members,
 - viii. Accurately calculate member Housing Assistance Payments (HAP) and tenant contributions,
 - ix. Ensure leases are executed, issue monthly HAP rental subsidy and other direct payments to landlords and owners,
 - x. Conduct annual re-certifications of income, eligibility, and lease renewal,
 - xi. Evaluate reasonable accommodation requests,
 - xii. Process lease and subsidy terminations, and
 - xiii. Provide quality customer service to AHP participants.
- g. Inspections – Schedule and conduct timely Housing Quality Standard (HQS) inspections of housing units prior to leasing, at re-certification, or as needed to ensure safe, quality homes for tenants and potential tenants. Ensure adequate staffing levels with appropriate training on HQS standards,
- h. Unit standards and payment standards determination,
 - i. Establish unit and payment standards including rent reasonableness determinations,
 - ii. Annual review of utility allowances,
 - iii. Deposits,
 - iv. Tenant rent, and
 - v. Subsidy calculations.
- i. Landlord coordination and increased housing opportunities,
 - i. Establish process and materials for landlord engagement and retention,
 - ii. Maintain a current database or resource list of statewide landlords and properties that have rented to the AHP Program, or will rent to the AHP program, to assist members in identifying rental properties at which to apply their subsidy voucher, and

- iii. Establish processes and collaboration with the Contractor for resolution of landlord complaints or to ensure adequate programmatic responses and assistance to member housing issues or behavioral health crises to improve member and landlord retention.
- j. Ensure legal compliance by implementing policies and processes to ensure the AHP complies with all applicable Federal and State legal standards including but not limited to the Fair Housing Act, Civil Rights authorities as specified in ARS 36-506 and AAC R9-21-201, Americans with Disabilities Act (ADA), Violence Against Women Act (VAWA), and the Arizona Residential Landlord and Tenant Act,
- k. Financial management by maintaining financial systems processes and controls necessary to make timely and accurate payment of AHP rental assistance and other obligations, maintaining accurate monitoring and reporting, assisting with preparation of annual audits, general budgets, and required AHCCCS financial submissions, and ensuring AHP expenditures do not exceed allocated AHP funding,
- l. Data tracking and reporting - Establish processes for data gathering and timely reporting including the creation of dashboards or other standard reporting tools, data analysis, ad hoc reports as necessary, and establish performance benchmarks and standards necessary to evaluate and improve programmatic, operational, and financial performance of the AHP at system, program element, project, and member levels,
- m. Service coordination - Coordinate with the Contractor, providers, and the member's treatment team to develop effective processes and communication for AHP housing referrals, housing eligibility determination including behavioral health care criteria, securing of releases of information for coordination of housing, and Medicaid reimbursable supportive services for members in housing to ensure effective housing placement and housing retention of members, and
- n. AHP grievance and appeals - Establish and manage due process for AHP-related grievances and appeals related to AHP operational and programmatic decisions including hearings, notices, documentation, and reasonable accommodations for individuals with intellectual and/or developmental disabilities and consistent with principles of cultural competency including for those with Limited English Proficiency (LEP).

B. AHCCCS HOUSING ACQUISITION, CONSTRUCTION, AND/OR RENOVATION PROGRAM

The AHCCCS Housing Acquisition, Construction, and/or Renovation Program is funded by the SMI HTF and provides State funding for the purchase, construction, and/or renovation of properties (e.g., house, condominium, duplex, apartment, new construction) with the goal of adding housing capacity in the community for members with an SMI designation.

Parties interested in participating in the program shall submit the Application as specified in the AHCCCS Housing Program Guidebook. Once completed, the property is held for use by AHCCCS members for an extended period using the Covenants, Conditions, and Restrictions (CC&Rs) as specified in the AHCCCS Housing Program Guidebook. A property may, at the discretion of the AHCCCS Director of Housing, be approved for additional funds with the requisite extension of the CC&Rs prior to the completion of the initial commitment.

1. The following conditions apply for utilization of the SMI HTF:
 - a. AHCCCS shall administer the AHCCCS Housing Acquisition, Construction, and/or Renovation Program through an agreement with a non-profit or for-profit entity (referred to as the Housing Contractor) in good standing in the state of Arizona, whose mission includes providing affordable housing and who is entering into contracts with AHCCCS for this purpose,
 - b. The Housing Contractor shall receive prior project approval from AHCCCS if the property purchase and related costs are to be reimbursed with SMI HTF monies. Approval from AHCCCS may be granted after submittal by the Housing Contractor of the Application and all required documents to identify the project and its financial viability and sustainability. A combined settlement statement provided by a licensed and insured title and escrow agency may be required by AHCCCS prior to approval,
 - c. Successful applicants shall execute a contract as specified in the AHCCCS Housing Program Guidebook to receive funds,
 - d. The Application and the contract together shall be considered the project scope of work,
 - e. The Housing Contractor shall abide by the CC&Rs ensuring the property is used solely for the benefit of members during the use restriction period. Failure to comply with the use restrictions for the prescribed period may result in the enforcement of remedies as listed in the CC&Rs,
 - f. The Housing Contractor shall submit all other pertinent documents as required by AHCCCS, and
 - g. The Housing Contractor and its subcontractors (e.g., property management company) shall comply with AHCCCS program integrity requirements. The Housing Contractor and its subcontractors shall not be or have been:
 - i. Sanctioned by Substance Abuse and Mental Health Services Administration (SAMHSA),
 - ii. Excluded by List of Excluded Individuals and Entities (LEIE),
 - iii. Convicted, sanctioned, debarred or otherwise legally restricted related to their provision of health care or housing services or ability to perform the project scope of work, or
 - iv. Have debt or owe funds to AHCCCS, the Contractor, or Medicaid due to prior performance issues.
2. Limitations or Restrictions
 - a. The AHCCCS Housing Acquisition, Construction, and/or Renovation program does not include or cover:
 - i. Licensed behavioral health residential facilities, other long-term care facilities, or room and board charges in residential treatment settings,
 - ii. Grant funded housing programs (refer to AMPM Policy 320-T1), or
 - iii. Housing funds provided directly to the TRBHAs.

Refer to the AHCCCS Housing Program Guidebook found for further information related to requests, AHCCCS approvals, and use of SMI HTF for the acquisition, construction, and/or rehabilitation of housing for members with an SMI designation.

If AHCCCS elects to utilize SMI HTF monies to support AHP Housing Intervention Types as specified in this Policy, the SMI HTF shall be considered AHP funds and be administered through AHP processes.

C. PROVISION OF SUPPORTIVE SERVICES

1. The Contractor, and providers, are responsible for assisting and supporting members to secure and maintain housing as part of overall physical and behavioral health service provision. This includes coordination with the Statewide Housing Administrator for AHP programs as well as other community-based housing programs (e.g., Department of Housing and Urban Development (HUD), Housing Choice Vouchers (HCV), public housing, Continuum of Care (COC), Emergency Solutions Grants (ESG) programs, Low-Income Housing Tax Credit (LIHTC), Section 202, Section 811, HOME, and Housing Trust Fund properties).
2. To adequately support members' housing needs, the Contractor and providers shall:
 - a. Establish criteria to define members who are most in need of supportive services and develop a provider network sufficient to meet the need. Examples may include:
 - i. GMH/SU members who are experiencing chronic homelessness or unsheltered homelessness and who are defined as HNHC by the Contractor or AHCCCS, or
 - ii. Members with an SMI designation who are experiencing homelessness who are HNHC, and/or are being discharged from an institutional setting.
 - b. Ensure identification, assessment, screening, and documentation of members that have housing needs including homelessness and housing instability. It may also include administration of any AHCCCS approved standardized assessment tools that include housing evaluation,
 - c. Coordinate with the Statewide Housing Administrator and providers to identify and refer members identified with high need for housing (e.g., HNHC, risk rosters, HMIS reports),
 - d. Ensure coordination of services and housing for all eligible members including those from other systems of care (e.g., Fee-for-Service) as appropriate to ensure members have access to housing programs and supportive services,
 - e. Assist members to identify, apply, and qualify for housing options they may be eligible for including AHP intervention types as well as other mainstream affordable and PSH programs (e.g., City of Phoenix Voucher Program, Federal HUD Housing Choice Vouchers, Federal HUD McKinney Vento, CoC, County grants) to ensure a range of housing settings and programs are available to members consistent with the member's recovery goals, member's service plan, choice and offer the least restrictive environment necessary to support the member,
 - f. Require providers, including a member's treatment team or care coordinator, to participate and support housing processes including assisting in securing eligibility documentation, attending housing briefings to ensure tenants understand housing rights, duties, and processes, assisting in housing search, assisting in lease-up process, assisting with move in, and assisting with ongoing requirements (e.g., lease renewal, interim and annual recertifications, annual inspections, and unit transfers),

- g. Provide coordination between the supportive service provider, Statewide Housing Administrator, and clinical teams to ensure members receive appropriate supportive services, such as:
 - i. Conflict resolution,
 - ii. Independent living skills,
 - iii. Connection to meaningful daily activities,
 - iv. Vocational rehabilitation,
 - v. Transportation,
 - vi. Understanding the terms of a lease, and
 - vii. How to be a good tenant and good neighbor, to ensure housing stability and progress toward case plan goals. This may include delivery of services within the member's housing placement.
 - h. Demonstrate that the Contractor's staff and provider's housing program staff have received training, demonstrated competency, and utilized evidence-based practices to coordinate housing based supportive services to assist members in attaining and maintaining permanent housing placement,
 - i. Demonstrate they can capably conduct and utilize any AHCCCS-required current or emerging standardized assessment tool for assessing and documenting housing needs such as the Vulnerability Index-Service Prioritization Decision Assistance Tool (VI-SPDAT), Level of Care Utilization System (LOCUS) or other AHCCCS approved acuity tool,
 - j. Participate in the local HUD COC Homeless Management Information System (HMIS),
 - k. Collaborate with State, County, and local government agencies to support homeless and housing initiatives to resolve issues, develop new housing capacity, and address barriers to housing,
 - l. Work with community partners to identify potential housing projects and assist with processes to secure AHCCCS Acquisition, Construction and Renovation Program funds to expand housing capacity for individuals with an SMI designation,
 - m. (ACC-RBHAs only) Monitor providers the Contractor has identified as providing dedicated PSH services for compliance with requirements of the SAMHSA fidelity monitoring. The Contractor may coordinate with the Statewide Housing Administrator for the documents pertaining to the lease, tenant payment, and HQS results, and
 - n. Develop and make available policies and procedures regarding specific housing coordination and related requirements and ensure all services including housing supports are provided in a culturally competent manner and do not intentionally or unintentionally discriminate.
3. The Contractor shall ensure that its provider network has an adequate number of qualified and trained provider housing specialists available to meet the needs of members. The Contractor shall ensure housing specialist staff have the knowledge, expertise, experience, and skills, to coordinate with the Statewide Housing Administrator to expedite housing processes.
4. The Contractor shall have sufficient dedicated housing staff working for the Contractor who report to the Contractor's housing specialist based on the size of the Geographic Service Area (GSA) served and member enrollment numbers to adequately meet housing service requirements as specified in Contract and Policy.

5. The Contractor shall submit a Supportive Housing Report as specified in Contract, the Contractor shall submit the criteria used to identify the number of housing specialist(s) needed and other reporting requirements to AHCCCS by utilizing Attachment A, as indicated in Contract Chart of Deliverables.
6. The Contractor shall attend the AHCCCS Quarterly Housing Meeting as specified in Contract.