



**HOUSING  
DEVELOPMENT**  
*consortium*

October 8, 2015

Victoria Wachino, Director  
Center for Medicaid and CHIP Services  
Centers for Medicare and Medicaid Services  
200 Independence Avenue Southwest  
Washington, DC 20201

Dear Director Wachino:

On behalf of the Housing Development Consortium Seattle-King County, I am writing to express strong support for Washington State's 1115 Medicaid Transformation Waiver application to the federal Centers for Medicare and Medicaid Services. In particular, we urge your approval of the Supportive Housing Medicaid benefit proposed in this application.

HDC is a nonprofit membership organization which represents 114 private businesses, nonprofit organizations and public partners who are working to develop affordable housing in King County and who are dedicated to the vision that all people should be able to live in a safe, healthy and affordable home in a community of opportunity. Access to health care and health-related services is critical to the success of our members' low-income residents.

Supportive housing is a nationally recognized, evidence-based best practice for serving people who are chronically homeless and have serious behavioral and/or physical health disabilities. People who are chronically homeless experience significant health disparities, including high rates of chronic and acute behavioral and physical illnesses, risk of injury, trauma, and exposure from living outside, and barriers to accessing uninterrupted, appropriate levels of health care. As a result, this population also has high costs to public systems, including Medicaid, due to frequent emergency department utilization, hospitalizations, and high utilization of other public crisis services.

A strong body of local and national evidence has demonstrated that supportive housing is effective in helping people who are chronically homeless access and retain permanent housing and regular, appropriate levels of health services. This intervention leads to

**HDC's Affordable Housing Members:**

- Low-income Housing Organizations
- Community Development Corporations
- Special Needs Housing Organizations
- Public Housing Authorities
- Community Action Agencies
- Workforce Housing Organizations
- Public Development Authorities
- Government Agencies and Commissions
- Architects and Designers
- Development Specialists
- Certified Public Accountants
- Regional Funders and Lenders
- National Funders and Lenders
- Community Investment Specialists
- Property Managers
- Law Firms
- Contractors

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housing stability, positive health outcomes, and improved utilization of health and social services. These proven outcomes result in significant savings to public systems that often exceed the cost of providing supportive housing. An evaluation of DESC's 1811 Eastlake Project, a supportive housing program in Seattle, found that over \$4 million in savings to public systems was achieved within the first year of the program. Of this total, 56% of the savings was in Medicaid cost reductions.

One of the barriers to bringing supportive housing fully to scale in Washington is a shortage of funding for the housing services that are critical to the model's success. If approved, the Supportive Housing Medicaid benefit will bring additional resources for supportive housing services to Washington and will help make the expansion of this intervention financially feasible. Seattle and its surrounding cities have made strong commitments to capital funding for building affordable housing infrastructure, but finding ongoing revenue for the supportive services that make this model so successful is more challenging. With approval of the waiver application, we will be able to take this model to scale to successfully move more individuals out of homelessness and into stable, healthy homes.

Thank you for your consideration of Washington's 1115 Medicaid Transformation Waiver application. We look forward to continuing to work with the Washington State Health Care Authority to implement the 1115 waiver and a supportive housing Medicaid benefit. If approved, this proposal will result in significant savings to Medicaid while ensuring people with serious disabilities are able to live safe, healthy lives in their own communities.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kelly Rider", with a long horizontal flourish extending to the right.

Kelly Rider  
Policy Director