Board of Supervisors Memorandum

April 2, 2019

Item 16 Old Pueblo Community Services, to provide for the Permanent Supportive Housing First Pilot Project

Background

In 2017, Pima County collaborated with the Sorenson Impact Center (SI) at the University of Utah to explore the feasibility of launching a housing first, permanent supportive housing project utilizing Pay for Success (PFS) as a financial model. Eligible program participants would have been individuals who are considered homeless, have been in jail more than twice in one year, qualify for Medicaid, and are diagnosed with behavioral health or mental health illnesses. The feasibility study estimated the 5-year, 150-participant project at $12 million.

A Pima County stakeholder Steering Committee, which was formed to guide the feasibility phase, consisted of executive level participants from both Pima County and the City of Tucson. In December 2017, the Steering Committee unanimously recommended to develop a self-funded, 2-year pilot project instead of pursuing PFS options. Pima County Administration committed $1.5 million annually and the City of Tucson committed 150 Housing Choice Vouchers to the pilot project.

Purpose Statement

Pima County is looking to support the greatest possible level of independence and self-sufficiency of its residents by promoting their physical, mental and social well-being to cultivate a safe and healthy community. This project seeks to lower the use of emergency rooms, calls for service to first responders, jail bookings and criminal justice system involvement among program participants.

Project Scope

Creation of a Permanent Supportive Housing Pilot Project based on Housing First Principles by utilizing a minimum of 150 Housing Choice Voucher rental subsidies and implementing evidence-based community treatment for the purpose of transitioning program participants to stable housing.

The Steering Committee directed the Pilot Program Manager to develop the project with two Pay for Success elements: performance-based contracting and independent program evaluation.

The program will be evaluated by the RAND Corporation, a nationally recognized organization that has evaluation experience on similar housing programs and their impacts on criminal justice/healthcare system costs and utilization.

The program is receiving technical assistance from the Corporation for Supportive Housing (CSH) on targeted implementation strategies, performance-based contracting and development of a stakeholder learning collaborative.

Participant Eligibility

1. Have been booked into the Pima County Adult Detention Complex (PCADC), 2+ times in the previous 12 months
2. Have a substance use or mental health condition
3. Are currently experiencing any form of homelessness

Project Partners

- Pima County
  - Administration
  - Attorney's Office
  - Community Development and Neighborhood Conservation
  - Consolidated Justice Court
  - Finance and Procurement
  - Grants Management and Innovation
  - Health / Behavioral Health
  - Pretrial Services
  - Probation
  - Public Defender
  - Sheriff's Department
  - Sullivan Jackson Employment Center
- City of Tucson
  - Court
  - Fire Department
  - Housing and Community Development

    - Manager's Office
    - Police Department
- Other
    - Arizona Health Care Cost Containment System (AHCCCS – State Medicaid)
    - Community Foundation of Southern Arizona
    - Homeless Management Information System
    - Regional Behavioral Health Authority
    - Service providers
    - Health clinics
    - Hospitals
    - Housing providers

High-Level Timeline/Schedule

- December 2018
    - RFP released
- February 2019
    - Service provider(s) selected

Project Implementation

- March – April 2019
    - Pilot project launch
- April 2020
    - 1 year report presented to Steering Committee
    - Use data collected to reevaluate program and partners involved
    - Report initial findings and Steering Committee to decide on next steps
    - Sustainability of project

Project Staff

Because this is a pilot project that will require cross-system alignment among multiple stakeholders, this program is housed in the County Administrator's Criminal Justice Reform Unit.

Criminal Justice Reform Unit Leadership:

- Wendy Petersen – Assistant County Administrator, Justice and Law Enforcement
- Terrance Cheung – Director of Justice Reform Initiatives

Housing First/Permanent Supportive Housing Project:

- Matt Pate, LMSW – Program Manager
- Dana Mellors – Administrative Support Specialist

Recommendation

I recommend the Board of Supervisors accept item 16 on April 2, 2019 Pima County Board of Supervisors Consent Agenda.

Respectfully submitted,

C.H. Huckelberry
County Administrator

Attachment

MEMORANDUM

County Administration
Justice and Law

Date: April 1, 2019

To: C. H. Huckelberry
County Administrator

From: Wendy Petersen
Assistant County Administrator
for Justice & Law Enforcement

Re: Item #16 on April 2, 2019 Pima County Board of Supervisors - Consent Agenda

Item #16 on the April 2, 2019 Pima County Meeting Agenda – Consent Calendar is a contract between *Old Pueblo Community Services to provide for the Permanent Supportive - Housing First Pilot Project, General Fund, contract amount $1,500,000.00.*

The following provides a description of where the project started and how it evolved from a "Pay for Success" project to Permanent Supportive - Housing First Pilot Project.

In 2017, Pima County collaborated with the Sorenson Impact Center (SI) at the University of Utah to explore the feasibility of launching a housing first, permanent supportive housing project utilizing Pay for Success (PFS) as a financial model. Eligible program participants would have been individuals who are considered homeless, have been in jail more than twice in one year, qualify for Medicaid, and are diagnosed with behavioral health or mental health illnesses. The feasibility study estimated the 5-year, 150-participant project at $12 million.

A Pima County stakeholder Steering Committee, which was formed to guide the feasibility phase, consisted of executive level participants from both Pima County and the City of Tucson. In December 2017, the Steering Committee unanimously recommended to develop a self-funded, 2-year pilot project instead of pursuing PFS options. Pima County Administration committed $1.5 million annually and the City of Tucson committed 150 Housing Choice Vouchers to the pilot project.

Pima County is looking to support the greatest possible level of independence and self-sufficiency of its residents by promoting their physical, mental and social well-being to cultivate a safe and healthy community. This project seeks to lower the use of emergency rooms, calls for service to first responders, jail bookings and criminal justice system involvement among program participants.

A. **Project Description**

Permanent Supportive - Housing Pilot Project based on Housing First Principles, paired with Housing Choice Vouchers rental subsidy with evidence-based community treatment for the purpose of transitioning one hundred fifty (150) program participants to stable housing and

to deliver wrap-around services to enable participants to maintain their housing and to thrive in the community.

This pilot project will utilize a performance-based contract, in which 10% of the contract value will be paid on the basis of the number of days participants spend in stable housing during the year following their housing start date. Stable housing will be defined as the total number of days that each participant maintains a lease, sublease, or occupancy agreement in the participant's name.

The County will measure 'stable housing' of program participants in the 365 days following a program participant's housing start date. Payments will be made for each day of stable housing beyond the 90 days after the housing start date. This is to ensure the County does not pay for housing days of individuals who leave housing within 90 days (three months).

B. **Participant Eligibility:**

- Have been booked into the Pima County Adult Detention Complex (PCADC), 2+ times in the previous 12 months
- Have a substance use or mental health condition
- Are currently experiencing homelessness (see definitions)

C. **Housing First**

Housing First is an evidenced-based treatment model that states homelessness can be most efficiently ended by providing someone with access to safe, decent and affordable housing. Although an individual experiencing homelessness may benefit from supportive services such as, mental health or substance abuse counseling, participation in these services is not a prerequisite to access housing or a condition of maintaining it. In fact, the stability that a housing unit provides bolsters a tenant's ability to participate in these services.

The Housing First model focuses on simplifying the process of accessing housing through streamlining the application process and removing unnecessary documentation or site visits. It also ensures that supportive housing tenants are not subject to conditions of tenancy exceeding that of a normal leaseholder, including participation in treatment or other services. Research has demonstrated that this approach is effective in promoting housing stability, particularly among people who have been homeless for long periods of time and have serious psychiatric disabilities, substance use disorders and/or other disabilities.

D. **Purpose Statement**

The County desires to support the greatest possible level of independence and self-sufficiency of Pima County residents by promoting their physical, mental and social well-being to cultivate a safe and healthy community. This Project will result in target population reduced use of emergency rooms, calls for service to first responders, jail bookings and criminal justice system involvement.

E. **General Overview of County Provided Project Support Services**

The County will serve as the initial and primary funding source and has dedicated up to $1.5 million dollars during the initial term of this pilot project.

F. **Pima County**:

As primary funder, program administrator, and coordinator, the County will be responsible for the following:

- Administer monthly payments to the Contractor and manage performance retainage
- Monitor contract terms and performance metrics
- Identify and refer eligible clients to the Contractor
- Assist Contractor in the development of referral pathways
- Manage consulting contracts with The RAND Corporation (RAND) and Corporation for Supportive Housing (CSH)
- Coordinate activities with consultants (RAND and CSH) and the Contractor
- Coordinate monthly learning collaborative

G. **Roles and Responsibilities of Pima County, Consultants, and City of Tucson**:

The County has designated a Program Manager to manage the design and implementation of the pilot project. The Program Manager will coordinate client referral process, provide oversite of the performance based metrics, coordinate monthly learning collaborative; an approach to program improvement where affiliated members will share experiences, participate in training, problem solve, and implement best practices. Eligible client criteria will be provided by the County to the Contractor for this program.

The County has contracted with two independent third party Consultants, The RAND Corporation (RAND) and Corporation for Supportive Housing (CSH) to provide professional services for the administration of the Project. The pilot project will be evaluated through the RAND Corporation (RAND). RAND is a nonprofit, nonpartisan research organization aimed at developing solutions to public policy challenges. The pilot project will have technical assistance provided by the Corporation for Supportive Housing (CSH).

City of Tucson (COT) Housing and Community Development Department: Housing subsidies for the project will be provided by the City of Tucson Housing and Community Development Department (HCD). HCD will be responsible for:

- Administering the Housing Choice Voucher (HCV) program under applicable rules/regulations to provide housing assistance to program participants

- Conducting informal Reviews with Contractor and clients that are initial deemed ineligible for HCV on a case-by-case basis.
- Conducting program interview/briefing to explain the rules of HCV program to both program participants and Contractor representative.
- Conducting Informal Hearings with Contractor and program participants that are in jeopardy of termination.
- Determining HCV program eligibility, the following three criteria are absolute grounds for denial of assistance for which HCD cannot consider circumstances:
    - production of methamphetamines on federally subsidized property
    - subject to a lifetime sex offender registration
    - households where 100% of the members do not have eligible immigration status
- Notifying the Contractor if the referred client is not eligible under the HCV regulations.
- Notifying the Contractor if program participants are in jeopardy of termination.
- Providing reasonable accommodation, as required by the referred clients, on a case-by-case basis.
- Providing a limited referral based homeless preference on its HCV waiting list to continuously administer 150 HCV for program participants.

H. **General Overview of Contractor's Roles and Responsibilities**

The Contractor is responsible to lead and serve as the backbone organization responsible for case management, billing and reporting. The Contractor is responsible to form collaborative partnerships with agencies and is responsible for providing support services to the participants of the Project. Contractor will be responsible for managing any sub-contractor relationships and will be the primary contact for the Project. Contractor will share anonymized participant data with the County and the RAND Corporation for the purposes of program evaluation. Data to be shared may include, but not be limited to descriptive and demographic data such as gender, age, race/ethnicity, family/single, and participation activities, length of time in program etc. A Data Use Agreement ("DUA") outlining the use and or disclosure of limited data to be shared for evaluation purposes will be mutually agreed upon by the County, Contractor and RAND. It is anticipated that a DUA will be executed by all parties no later than June 30, 2019.

Key Personnel:

Program Manager/Supervisor – (Responsibilities include: Point of contact with the County's Program Manager, attending learning collaborative meetings, responsible for contractor billing and invoices, supervision of contractor's program staff, etc.)

Case Manager – Require a 15:1, Program Participant to Case Manager Ratio. (Responsibilities include: Care coordination, assistance with document retrieval, applying for mainstream benefits (e.g. AHCCCS, SNAP, and SSI/SSDI), housing navigation, living skills training, transportation coordination, etc.)

I. **Performance Improvement:**

Contractors must agree to participate, with reasonable effort, to performance monitoring and improvement of the specified outcomes as organized by the County/Third Party Consultant. These efforts are intended to support learning and the sharing of best practices between contracted providers in order to improve outcomes for all program participants. This may include, but are not limited to: a monthly learning collaborative between service providers, contract review meetings where outcomes are discussed and strategies for improving outcomes are established, training, and compliance with support of a third party consultant and program evaluator (CSH, RAND).

J. **Contractor should provide, at minimum, the following services and activities as listed below By DEFINITIONS:**

J.1 Case management

A collaborative process of assessment, planning, facilitation and advocacy for options and services to meet an individual's mental and physical health needs through communication and available resources to promote quality cost-effective outcomes.

J.2 Coordinating community resources

Contractor is responsible for coordinating care for program participants including physical and behavioral health care. Services that are not delivered directly by the Contractor should be documented, including coordination of physical and behavioral health care.

J.3 Crisis intervention services

Contractor will have a crisis protocol and plan for participants who may experience a crisis. Crisis intervention services should include harm reduction strategies, and a communication plan for program participants.

J.4 Document retrieval services

Contractor will assist enrolled participants in obtaining necessary documentation for securing a lease and applying for mainstream benefit (e.g. Arizona Identification Card, Social Security Card, and Birth Certificate).

J.5 Harm Reduction

"The philosophy of harm reduction promotes and supports the right of people who use substances and engage in other risky behaviors to be treated with dignity and respect; their right to exercise self-determination related to use; and their right to expect and receive collaboration and therapeutic relationships." "Core principles include; individuals have a voice in their care; focus on reducing harm, not consumption; individual's decision to engage in risky behavior is accepted; individual is expected to take responsibility for their own behavior; individual is treated with dignity." (Mid-West Harm Reduction Institute).

J.6 Homeless Management Information System (HMIS)

The information system designated to comply with federal HUD data standards for managing information of persons experiencing homelessness.

J.7 Homelessness

A person is considered homeless if they are:

- Lacking a fixed, regular, and adequate nighttime residence; or
- Have a primary nighttime residence that is a public or private place not meant for human habitation; or
- Living in a publicly or privately operated shelter designed to provide temporary living accommodations (including hotels, shelters, transitional housing, or by federal, state and local government programs); or
- Exiting an institution and resided in an emergency shelter or place not meant for human habitation prior to entering that institution.

J.8 Housing deposits and applications

Contractor has capacity to locate affordable housing for lease by program participants, assist program participants with application completion, negotiate with potential landlords, ensure acceptance of HCV, and support program participants in securing a lease and utilizing the allocated housing subsidy.

J.9 Income attainment

Contractor will assist program participants in gaining, maintaining, and increasing income, as applicable, to promote program participant self-sufficiency.

J.10 Intake and assessment

Contractor will utilize intake and assessment forms to determine participant enrollment, needs, and progress.

J.11 Landlord engagement

Contractor will work with local property managers or landlords to secure necessary affordable housing units for program participants.

J.12 Life skills/residential services

Contractor will make life skills and residential services available to program participants. Services may be delivered through the agency or in coordination with other community based service providers. These services may include, budgeting, tenant rights and responsibilities, independent living skills, and conflict resolution.

J.13 Outreach and engagement

Contractor should be able to coordinate program intake with referred clients, in community or upon release from Pima County Adult Detention Complex, and keep program participants connected to the program.

J.14 Permanent Supportive Housing

Permanent housing with leasing or rental assistance paired with supportive services to assist homeless persons with a disability or families with an adult or child member with a disability achieve housing stability.

J.15 Social benefit connection (AHCCCS, Medicare, SNAP, SSI/SSDI)

Contractor will ensure that program participants are enrolled in mainstream benefits, where the program participant meets the eligibility requirements for the benefit (e.g. AHCCCS, Medicare, SNAP, SSI/SSDI).

J.16 Transportation services

Contractor should have capacity to provide transportation for program participants as necessary. Transportation needs may include pick-up from Pima County Adult Detention Complex at release, housing search, or transportation to program participants scheduled appointments.

K. **Out-Reach/In-Reach**: Contractor will maintain effective outreach and in-reach networks established in the Tucson metro and rural Pima County (City of Sahuarita, Marana, Ajo, Green Valley, Three Points, etc.).

K.1 A 24-hour outreach telephone number will be used when participants are located afterhours or on weekends, and the on-call operator will dispatch outreach staff as appropriate.

K.2 Outreach staff, funded by Medicaid, will assist with enrolling participants in Medicaid/Medicare.

K.3 Participation in the Pima County TIP Justice Clinic, managed by Community Health Associates and the Pima County Adult Probation.

K.4 Provide staff to screen and assess potential participants at the Pima County Adult Detention Center.

K.5 Provide low barrier bridge housing at OPCS for women and men, couples, families, and persons with pets or hotel vouchers, and temporary storage, if needed.

L. **Voluntary Service Model:**

Contractor will integrate with Intermountain Centers opportunities for persons to participate in voluntary services and housing, adhering to the principles of harm reduction and Housing First. Outreach staff and Case Managers will offer repetitive opportunities to engage in services, to include, but not be limited to, integrated health services, detoxification, psychiatric care, and primary health care. Items of basic need, such as clothing, food, water, hygiene products will be offered to persons. Meaningful activities with a focus on engaging members in their community with activities that support recreation, social interaction, and health & wellness, employment.

M. **Hours of Operation and Communication Protocol**:

Regular business hours from 8 – 5, M-F, with weekend outreach coverage provided. Outreach staff and intake into low barrier bridge housing is available 24\7 by use of an on-call phone number.

N. **Collaborative Partner**: Contractor will maintain an effective relationship with Intermountain Centers and monitoring their performance to ensure compliance with the terms and conditions of this contract. Intermountain Centers will be responsible for providing the following services as a part of this collaborative partnership:

- Case Management
- Coordinating Community Resources
- Crisis Intervention Services
- Housing Support Services to include: Employment Barrier Removal, Move-In Kits, Furniture, Household/Hygiene Items, Moving, Rent Deposits and Life Skills Outings
- Income Attainment
- Landlord Engagement
- Landlord Mitigation
- Life Skills/Residential Services
- On Call Stipends

- Social Benefit Connection
- Transportation

Contractor will provide the County with a copy of the formalized contractual relationship between the Contractor and Intermountain Centers no later than May 1, 2019. Contractor is responsible for monitoring services rendered by Intermountain Centers and the corresponding invoices submitted to the Contractor.

O. **Pilot Program Outcomes and Indicators Information Section**:

This is for informational purposes and advises the Contractor and other service providers how the overall pilot program will be evaluated. The following metrics will be used by the County Program Manager, in conjunction with RAND and CSH, to evaluate the pilot project. These outcomes and indicators will be a component of the overall program evaluation and will not be used to evaluate the Contractor.

O.1 Housing Outcomes:

- Number of housing vouchers utilized by program participants
- Number of program participants that sustain their housing for at least one year

O.2 Housing Indicators:

- Number of program participants housed
- Total number of people in households (e.g. family reunification) through vouchers
- Length of time from enrollment to housing voucher approved, and lease up date, measured in Homeless Management Information System (HMIS)
- Utilization rate of housing vouchers
- Number of clients ineligible for housing voucher, as determined by City of Tucson Housing and Community Development Department
- Duration of housing subsidy

O.3 Participant Evaluation:

- Number of clients referred by demographics and referral source (relative to racial and ethnic disparity in jail and homeless population)
- Ratio of clients referred to program participants enrolled
- Program Participant attrition rate

O.4 Health-Related Indicators:

- Number of program participants linked to behavioral/medical health services
- Utilization rates of services/benefits by program participants
- Average costs of emergency service for program participants

O.5 Criminal Justice Indicators:

- Number of Jail Bookings
- Number of Jail Bed Days
- Number of law enforcement arrests
- Number of law enforcement deflections
- Cost of Jail Bed Days

O.6 Connection to Mainstream Benefits:

- Number of program participants receiving benefits (e.g. AHCCCS, Medicare, SNAP, etc.)
- Number of program participants increase income (employment, SSI/SSDI)
- Number of program participants who received IDs or birth certificates

cc: Jan Lesher, Chief Deputy County Administrator