Virginia Joint Commission on Health Care

Staff Report: Housing for the Mentally Ill

HJR 636 (Patrons: Delegates O'Bannon & McClellan)

Michele Chesser, PhD
Senior Health Policy Analyst
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Introduction

- HJR 636: Directs the Joint Commission on Health Care to study ways to improve housing opportunities for persons with mental illness.
- Left in House Committee on Rules.
- Delegate O'Bannon requested by letter that JCHC undertake the study.

Introduction

- Lack of affordable housing options is one of the most significant barriers to recovery for the mentally ill.
- There are a significant number of individuals who are currently in state facilities who cannot be discharged due solely to a lack of community housing.
- As a result, many individuals who could be integrated into communities are either unnecessarily institutionalized or homeless.

Source: Unpublished report by Jennifer Faison for the Virginia Association of Community Services Boards

Source: National Alliance to End Homelessness. January 2007.

Barriers to Housing for the Mentally Ill

- High housing costs
- Limited housing options
  - Very few supported housing programs in Virginia
  - Multi-year waiting time for public housing
  - Significant wait time for mental health residential programs
    - Average wait time for supervised residential services is 42 weeks
  - Felony conviction excludes access to the Public Housing and Housing Choice Voucher programs
- Federal programs are limited and/or difficult to access
  - Medicaid regulations prohibit the use of funding for housing
- Increasingly restrictive local zoning and land use regulations
- Stigma and discrimination against low-income individuals, especially the mentally ill

Sources: 1) Unpublished report by Jennifer Faison for the Virginia Association of Community Services Boards and 2) Fairfax County Jail Diversion Program, PowerPoint presentation.

Evidence Based Model: Supportive Housing

- What is supportive housing?
  - Independent housing coupled with the provision of community-based mental health services
  - A non-facility based and person-centered alternative to the residential continuum model & hospitalization/institutionalization
    - "The continuum model consists of residential services settings differing in intensity of care and levels of restrictiveness with consumers matched to residential placements based on their service needs and psychiatric impairment. Criticized for its undue emphasis on the residential facility as primary location for treatment and rehabilitation, residential instability induced by the movements along the continuum as consumers demonstrate increased (or decreased) level of functioning, loss of social supports associated with moves, and assumption that mental health services are not needed once one graduates to independent housing"

Source: Wong, Yin-Ling Irene et al. 2006. "From Principles to Practice: A Study of Implementation of Supported Housing for Psychiatric Consumers."

Evidence Based Model: Supportive Housing

- What is supportive housing?
  - **Recent research indicates it is an effective intervention approach for reducing homelessness, achieving residential stability, and reducing hospitalization**
  - **Core Principles of Supportive Housing:**
    - **Home in the community is a basic right**
    - **Normal roles as regular tenants and community members**
    - **Consumer empowerment**
    - **Functional separation between support services and housing**

Source: Wong, Yin-Ling Irene et al. 2006. "From Principles to Practice: A Study of Implementation of Supported Housing for Psychiatric Consumers."

Evidence Based Model: Supportive Housing

- Supportive housing helps people live more stable and productive lives
- Supportive housing is permanent
- Supportive housing is cost-effective
- Impact of Supported Housing
  - Positive impacts on:
    - health
    - employment
    - treating mental illness
    - reducing or ending substance use

Example of Supportive Housing for Mentally Ill

Highline West Seattle Housing

24 units of transitional housing and supportive services for mentally ill individuals

Example of Supportive Housing for Mentally Ill

Albion Place. Seattle, Washington

12 units of permanent housing for adults with mental illness

Example of Supportive Housing for Mentally Ill

Alder Commons. Marysville, Washington

18 Studio apartments for low-income individuals with mental illness

Solutions Recommended by Virginia Association of Community Services Boards

- Housing voucher program for individuals with serious mental illness
  - Establish a pool of state money and develop a state housing voucher program solely for individuals with serious mental illness that is similar to the Housing Choice federal program
- Landlord subsidies
  - Establish a pool of state money and develop a Landlord Lease Subsidy program. Similar to the housing voucher program, but the monies would flow directly to landlords who agree to participate in the program rather than to the consumer
- Auxiliary Grant Portability
  - Establish a pilot program for auxiliary grant portability (based on the Olmstead ruling) for individuals with serious mental illness. This strategy would be a shift in the allocation of funds and would not require additional revenue

Source: Unpublished report by Jennifer Faison for the Virginia Association of Community Services Boards

Solutions Recommended by DMHMRSAS Regarding Local Zoning Ordinances

- Supportive Housing models, such as SRO (Single Room Occupancy) housing, should be defined in local comprehensive plans in addition to nursing homes and assisted living facilities (ALF) as affordable housing for low-income single residents with disabilities pursuant to §15.2-2223 of the *Code of Virginia*
- Streamlined review and approval processes for special use permits should be provided for in affordable dwelling unit ordinances to encourage development of Supportive Housing models, such as SROs
- SRO housing should be defined as affordable dwelling units in local zoning ordinances pursuant to §15.2-2304 and §15.2-2305 of the *Code of Virginia*

Source: "The Extent to Which Local Zoning Ordinances In Virginia Accommodate Innovative Housing Initiatives for the Benefit of Virginians with Mental Illness." Report by James S. Reinhard, Commissioner, DMHMRSAS. September 1, 2007.

Solutions Recommended by DMHMRSAS Regarding Local Zoning Ordinances

- The General Assembly should consider amending §15.2-2304 of the *Code of Virginia* to make it apply to additional high population-density localities in Virginia, such as those with over 300 persons per square mile
- Virginia should develop a statewide housing plan that includes Supportive Housing to meet the needs of Virginians with mental illness and encourages VHDA to provide additional incentives for SROs in its Low-Income Housing Tax Credit Program and other housing development programs pursuant to §36-55.33:1(D)(2)(e) and §36-55.33:2 of the *Code of Virginia*

Source: "The Extent to Which Local Zoning Ordinances In Virginia Accommodate Innovative Housing Initiatives for the Benefit of Virginians with Mental Illness." Report by James S. Reinhard, Commissioner, DMHMRSAS. September 1, 2007.

Solutions Recommended by DMHMRSAS Regarding Local Zoning Ordinances

- The Department of Social Services should more broadly interpret §63.2-800 of the *Code of Virginia* to allow for auxiliary grants to be provided to eligible individuals with disabilities who prefer to live in Supportive Housing units, as opposed to ALFs or adult foster care homes, to help offset the operating costs of such housing
- CSB/BHA should develop joint written agreements with State and local housing agencies pursuant to §37.2-504 and §37.2-605 to provide for the appropriate individualized services required by residents of Supportive Housing programs within their jurisdiction

Source: "The Extent to Which Local Zoning Ordinances In Virginia Accommodate Innovative Housing Initiatives for the Benefit of Virginians with Mental Illness." Report by James S. Reinhard, Commissioner, DMHMRSAS. September 1, 2007.

Legislation Likely to be Introduced in 2008

- Virginia Housing Trust Fund
  - HB 92/SB 277, 2006
  - Chief Patrons: Delegate Suit & Senator Whipple
  - HB 92 as amended passed in the House of Delegates unanimously in 2006; in the Senate, HB 92 was continued in Senate Finance until 2007 and left in Senate Finance by voice vote
  - SB 277 unanimously passed the Committee on General Laws and Technology with amendment, but was continued in Senate Finance until 2007 and left in Senate Finance by voice vote
  - Likely to be introduced again in 2008

Legislation Likely to be Introduced in 2008

- Virginia Housing Trust Fund
  - Housing trust funds are perpetual sources of funding designed to alleviate housing costs by providing funds to affordable housing projects and to developers to create affordable housing and mixed-income communities
  - Important feature is that it is funded by a dedicated stream of revenues which ensures there will be a reliable source of funds for affordable housing

Source: The Virginia Housing Coalition. www.vahousingcoalition.org/trust_fund.html

Legislation Likely to be Introduced in 2008

- Virginia Housing Trust Fund
  - 37 states have established housing trust funds to address rising housing costs, including Maryland, North Carolina, & West Virginia
  - An existing dedicated stream of state revenue would support the fund, so no tax increases would be necessary
  - In 2006, The Virginia Housing Coalition proposed using the recordation tax (a tax placed on real estate transactions) as the source of funding
    - $.02 of the $.25 per $100 that the state collects
    - Funds would only be allocated to the trust fund in years that tax collections surpassed $200,000

Source: The Virginia Housing Coalition. www.vahousingcoalition.org/trust_fund.html

Legislation Likely to be Introduced in 2008

- The Virginia Housing Coalition 2006 proposal's collection method would have yielded:
  - FY 03: $20.1 million
  - FY 04: $23.8 million
  - FY 05: $42.2 million
- October 10, 2007: U.S. House of Representatives passed JR 2895, the National Affordable Housing Trust Fund Act of 2007, by a vote of 264 to 148

Source: The Virginia Housing Coalition. www.vahousingcoalition.org/trust_fund.html

Conclusion

- A number of studies are underway with recommendations to address the…
  - need for an increase in units of affordable housing;
  - need for an increase in financial assistance options for low-income mentally ill individuals for housing;
  - need to coordinate funds from multiple sources (federal, state, and local government; private/non-profit organizations, etc.) and use to:
    - Provide incentives for new development and/or renovation of affordable housing
    - Provide rent vouchers; and
  - need for increased choice and empowerment of consumers.

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Internet Address

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Address:
900 East Main Street, 1st Floor West
P O Box 1322
Richmond, VA 23218