



Pre-Tenancy Housing-Related Services and Supports: Lessons Learned from Innovative State Programs

The Housing and Services Partnership Accelerator (HSPA) provides opportunities for states with a Centers for Medicare & Medicaid Services (CMS) approved section 1115 demonstration or 1915(i) state plan benefit covering housing-related services and supports for individuals experiencing or at risk of homelessness to:

- accelerate effective implementation, expansion, and improvement of the delivery of these services; and
- strengthen the state and local agency and community-based organization partnerships across health, housing, homelessness, aging, and disability.

This brief is part of a series highlighting lessons learned from states¹ who received intensive technical assistance and peer learning opportunities during the first Housing and Services Partnership Accelerator (HSPA) cohort.

A growing number of states are leveraging new opportunities and flexibilities under Medicaid to add coverage of housing-related services and supports that can help eligible individuals with disabilities and older adults (with specific clinical conditions) who are experiencing or at risk of homelessness to prepare for, move into, and secure tenancy in housing. CMS guidance released in 2021² and 2024³ outlined existing authorities for coverage of housing-related benefits like home accessibility modifications, one-time community transition costs, and pre-tenancy and tenancy sustaining services that promote community integration and improved health outcomes, and many states are using various authorities to cover these benefits.⁴

Keys for Success

- Provide critical pre-tenancy and other wrap-around services.
- Maximize resources through braided funding strategies.
- Align pre-tenancy services with housing resources and models.
- Leverage Community Care Hubs to facilitate community-based organization capacity.
- Establish cross-sector partnerships.

¹ The first HSPA cohort, initiated in 2024, includes eight states (Arizona, California, Hawaii, Maryland, Massachusetts, Minnesota, North Carolina, Washington) and the District of Columbia.

² [January 2021 State Health Officials \(SHO\) Letter](#)

³ [Coverage of Services and Supports to Address Health-Related Social Needs in Medicaid and the Children's Health Insurance Program](#)

⁴ These may include 1915(i) or other state plan benefits, 1915(c) waivers, managed care in lieu of services (ILOS), and section 1115 demonstrations. States vary in terms of which housing-related services they cover under these authorities, if any, and the extent to which individuals experiencing or at risk of homelessness are eligible for and prioritized to receive them.

This brief offers considerations for the successful implementation of Medicaid-funded pre-tenancy services under 1115 demonstration and 1915(i) state plan benefit. Also included in this document are lessons learned and best practices from several states that participated in the Housing and Services Resource Center's Housing & Services Partnership Accelerator program, launched in January of 2024.

The Role of Pre-Tenancy Services and Supports

Evidence shows that there is an increased chance of success for individuals transitioning from long-term facilities to community-based housing when wraparound supportive services are provided to eligible participants. Pre-tenancy services, as their name indicates, includes those services necessary prior to transition to community-based housing. Like those transitioning from institutions, individuals experiencing or at risk of homelessness face additional challenges when it comes to locating and securing appropriate housing in the community and setting up the household for occupancy. Often these individuals do not have a current and regular contact number, access to internet or other communication services, transportation throughout the community to view available housing, and the ability to visit and ensure that the home is safe and accessible. In addition, these individuals often need financial assistance to set up the home with food and basic household items, pay for housing or utility deposits required prior to move-in, and modifications to make the home accessible for the individual.

These services are crucial to not only locating appropriate housing, but ensuring that housing is secured when an individual is ready and able to move-in. Additional services include communication with participants on landlord-tenant rights and responsibilities, assistance in budgeting for monthly household costs, and help in securing necessary documents and filling out housing applications. It may also include services like access to transportation and should always include coordination of services prior to the individual's transition home.

Massachusetts's MassHealth 1115 demonstration program includes individual and transitional pre-tenancy services like those stated above. Likewise, Arizona's Housing and Health Opportunities (H2O) 1115 demonstration covers these services for eligible participants, while Minnesota offers similar services under their 1915(i) state plan amendment for Housing Stabilization Services (HSS) including a new component added in April 2024 entitled Housing Stabilization Services Moving Expenses (HSS-ME). All three states (and others offering Medicaid-funded pre-tenancy services under various waiver authorities) focused a portion of their efforts in the 2024 HSPA on learning to develop and enhance increased cross-sector partnerships and alignment with other federal and state programs to maximize the effectiveness and reach of funding provided to states through various federal funding streams. This braiding of funding and coordination of services allow states to serve the most vulnerable populations and decrease overall state and federal expenditures.

Money Follows the Person: A Source for Promising Practices

The [Money Follows the Person \(MFP\) program](#), established in 2005 under the [Deficit Reduction Act](#) and extended in the [Affordable Care Act](#) in 2010, aimed at promoting community integration for individuals with disabilities who were previously in institutions by enabling them to access necessary services to live independently in the community. Forty-five (45) states have had MFP programs that have helped improve access to community-based care and reduced overall healthcare costs for people on Medicaid and other programs.⁵ While the program was set to expire in September of 2016, several extensions have since been enacted and funding is currently extended through September of 2027.⁶ Currently 36 states and the District of Columbia participate in this program. Under the MFP program, supplemental services are one-time services to support a participant's transition that are otherwise not allowable under the Medicaid program.⁷ This includes pre-tenancy support services such as home accessibility modifications, vehicle modifications, initial housing costs, and more.

Throughout the course of the program's tenure, CMS has stressed with states the importance of cross-sector collaboration and the benefit of having housing navigators/coordinators to assist individuals transitioning to find, secure, and move to appropriate affordable, accessible community-based housing. This program, and other flexibilities under Medicaid, demonstrate the importance of using flexible funding resources to test and evaluate pre-tenancy services for individuals eligible for long-term services and supports (LTSS) who are moving out of institutional settings to integrated community-based settings. States used MFP programs as a testing ground for service innovations as potential precursors to permanent changes to the state's Medicaid program. According to the February 2024 report to Congress⁸ most states used MFP funds to pay for one-time transition costs and home accessibility modifications. These pre-tenancy services allow older adults and individuals with disabilities to set up stable community-based housing.

Braiding Funding

A braided funding model combines multiple funding resources while connecting and navigating the regulations associated with each source of funds. State healthcare agencies, including Medicaid, and community-based organizations (CBOs) from the

⁵ [Money Follows the Person Demonstration Second National Evaluation](#) report from Mathematica

⁶ There remains a push for permanent funding for the program. The American Council on Aging has [updated information on the program](#) as of March 26, 2024.

⁷ [MFP Supplemental Services Notice](#)

⁸ [Report to Congress: Best Practices in the Money Follows the Person \(MFP\) Demonstration](#)

housing, homelessness, aging, disability, and other health networks, identify a shared purpose, partner to develop interventions, and design, where possible, integrated systems to align administrative requirements to braid these multiple funding sources. CBOs provide the wraparound supports and services necessary to ensure stable housing in the community for individuals experiencing or at risk of homelessness or those transitioning from long-term facilities, whether funded through Medicaid or through other federal, state, or local funding sources. By braiding funding, states can maximize the support to older adults and individuals with disabilities seeking to live stably in the community.

It is essential that all of the agencies coordinating supports understand the breadth of services that can be provided by CBOs offering transition and diversion services in order to be effective and to cover the full range of services an individual might need to find, secure, and stabilize their housing in the community. Within the 12-month HSPA technical assistance opportunity, states like Arizona, Massachusetts, and Minnesota, sought assistance with developing pathways to coordinate with community partners to provide whole-person care to the individuals receiving services through their respective Medicaid-funded programs.

Aligning Pre-Tenancy Services with Housing Resources and Models

To effectively implement and scale Medicaid pre-tenancy services, there is an overall need to ensure the availability of affordable and long-term permanent supportive housing for states' target populations. For example, states providing housing navigation services as a part of pre-tenancy support should work in collaboration with housing providers. Housing providers, like HUD-funded public housing authorities (PHAs), know the housing landscape of the city, county or state, as well as the programs and procedures that govern assistance through state and federally funded rental assistance programs. Coordination with PHAs by state Medicaid agencies ensures that housing and services are aligned to start on the move-in or transition day and continue without a break in service through tenancy-sustaining services and other wraparound community supports.

PHAs may offer housing assistance in the form of Housing Choice Vouchers (HCVs), which stay with the resident if/when they move to another community-housing option and allow for greater housing choice, or housing in one of the PHA-managed public housing communities. The application process, including understanding eligibility for various voucher programs offered through PHAs, and the orientation and utilization of voucher processes are complex and may vary depending on the location and services offered by the PHA. Likewise, the process for applying for and securing affordable housing for other HUD-assisted housing such as Section 202 Supportive Housing for the Elderly program or through the Low-Income Housing Tax Credit (LIHTC) program, operated by state housing finance authorities, can be complicated and require assurance that an individual's household income will cover the costs of both the monthly rental amount and monthly housing costs.

Just as no community-housing option is one-size-fits-all, neither are the community supports needed by each individual accessing Medicaid-funded pre-tenancy services

through states' waiver authorities. Continued collaboration, then, is vital to ensure individuals receive the person-centered support that they believe will best help them stabilize their home in the community.

For their participation in the 2024 HSPA program, the state of Massachusetts made a goal of understanding the range of permanent supportive housing program service costs and development of a plan to braid Medicaid housing-services and supports with other state/federal resources to support individuals experiencing homelessness and formerly homeless individuals in achieving successful tenancies. Arizona's goal was to align and coordinate housing assistance prioritization criteria, including prioritization for older adults and people with disabilities transitioning from institutional settings and homelessness and develop a strategy to braid funding from Continuum of Care (CoC) homeless service providers - which serve individuals experiencing or at risk of homelessness - as well as PHAs, Medicaid, and other funding for health and community living.

Provider Capacity Concerns

These collaborations with housing providers and CBOs are vital to ensuring the state has the resources needed to support successful community transitions and stabilization of community-based housing for eligible participants. Many housing and homeless system providers lack the experience and/or infrastructure to deliver and receive reimbursement for services delivered under Medicaid. Others, such as CBOs in the aging and disability networks, may have some Medicaid contracting experience, but may need assistance in enhancing or expanding their capacity. To coordinate effectively, states must ensure that CBOs have the capacity to deliver services in accordance with program standards, and to perform other functions key to operating in a Medicaid environment (i.e., screening and assessment, referrals, case management, person centered planning, billing, quality assurance, coordinating with other Medicaid providers).

For some states, this coordination is best maintained under a Community Care Hub (CCH). CCHs are community-focused entities that organize and support a network of CBOs. They act as a central point to coordinate and support CBOs as they aim to address individuals' health-related social needs (HRSNs) by connecting them to services in an effort to improve overall health outcomes. Often, they serve as a bridge between healthcare providers, such as Medicaid, and social services agencies within the community. By centralizing administrative functions like contracting with healthcare providers, managing referrals, and data collection, they free up CBOs to provide the services necessary to support the individual in the community.⁹

⁹ [Community Care Hubs: A Promising Model for Health and Social Care Coordination](#)

Cross-Sector Partners

For all states seeking to provide Medicaid-funded housing-related services and supports, partnerships across the various sectors of health, housing/homelessness, and social care are vital to ensure the effective delivery of housing and community-based supports individuals need to find and keep stable housing in the community. This is essential not only for the delivery of necessary services, but also to increase access to the housing and supports needed by many older adults and individuals with disabilities to live independently in the community.

For example, homeless service providers, like CoCs, can help to identify housing options that might be appropriate and can facilitate enrollment in the Coordinated Entry System (CES)¹⁰ and Homeless Management Information System (HMIS). A CES is a process used by CoCs to efficiently and effectively identify, assess, and connect individuals experiencing homelessness to the appropriate housing and supportive services. Through coordinated entry, a CoC ensures that the highest need, most vulnerable households in the community are prioritized for housing and services first.

In addition, aging and disability network providers often operate programs that also assist individuals with pre-tenancy supports. This could include housing navigation assistance, funding and assistance in coordinating home modifications necessary for independent community living, and more. For individuals with disabilities and older adults, involvement of these networks ensure that the unique needs of these populations are considered in the implementation and delivery of services.

Potential State & Local Aging and Disability Partnerships¹¹

Agency Type	Role & Programs
Area agencies on aging (AAAs)	Coordinate and offer services that may include home-delivered meals, homemaker assistance, and other supports necessary to make independent living possible.
Aging and Disability Resource Centers (ADRCs)	Provide objective information, advice, counseling and assistance about the full range of options available to access long-term services and supports. An important part of the No Wrong Door (NWD) system model.

¹⁰ U.S. Department of Housing and Urban Development [Coordinated Entry resources](#)

¹¹ [Aging and Disability Networks](#) information

Agency Type	Role & Programs
No Wrong Door (NWD)	<p>A collaboration between ACL, CMS, and the Veterans Health Administration (VHA) supports states efforts to streamline access to long-term services and supports.</p> <p>Serve as an entry point to publicly administered LTSS, including those under Medicaid, the Older Americans Act, VHA and state revenue programs.</p>
Centers for independent living (CILs)	<p>Provide services that facilitate transition and diversion from institutions.</p> <p>Includes housing search assistance, budgeting, household management skills training and other services.</p>
Community Care Hubs (CCHs)	<p>A network of CBOs providing access to services to address health-related social needs and public health needs through contracts with health care entities.</p>

In 2024, while participating in HSPA, Arizona’s state Medicaid program set up data sharing agreements with all three CoCs in the state to ensure that the state’s Medicaid match is occurring with members in the CoC’s HMIS. HMIS is the IT system within the homelessness services network that collects data on housing and services for people experiencing or at risk of homelessness. Programs that receive funding from HUD are required to use HMIS. The data collected can be used to analyze and assess services, including outreach, prevention, emergency shelters, and transitional housing.¹² The state also established partnerships with PHAs in cities where the highest H2O eligible populations reside, and a collaborative agreement between the City of Phoenix and area agencies on aging (AAAs) in the state to refer members to the City of Phoenix’s HCV program.

California, another 2024 HSPA state participant, is in the process of developing a plan to leverage HUD Mainstream Vouchers under new flexibilities for the program [announced in August of 2024](#) and create awareness among Medi-Cal Managed Care Plans (MCPs), social service agencies, aging and disability networks, and HUD PHAs.

¹² [HMIS: Homeless Management Information System](#)

Conclusion

Medicaid-funded pre-tenancy services and supports have been proven effective in assisting individuals transitioning from long-term institutions or homelessness find, secure, and setup community-based housing options. However, coordination with service providers is crucial to the success of these programs. State Medicaid agencies should seek support and collaboration from CBOs in housing, healthcare, and social care to ensure the timely and consistent delivery of services and supports necessary to support individuals to live independently in the community, especially older adults and individuals with disabilities. Understanding the state's infrastructure for affordable housing, community-based services, and non-Medicaid funded support allows states to maximize the state's resources in providing whole-person care to eligible individuals. Through cross-sector partnerships, states can ensure that providers of services who best understand the regulations, requirements, and processes of various federal, state and local resources are at the table to ensure the successful design and implementation of service delivery through the state's coverage of housing-related supports and services through Medicaid. And, wherever possible, states should seek to co-design administrative processes and procedures that solidify this collaboration and maximize provider capacity.