

Apple Health and Homes

Update on program implementation and preparedness for ongoing housing acquisition and development

Engrossed Substitute House Bill 1866; Section 4(5); Chapter 216; Laws of 2022

December 1, 2024



Apple Health and Homes

Acknowledgements

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Table of contents

Apple Health and Homes.....	1
Update on program implementation and preparedness for ongoing housing acquisition and development	1
Apple Health and Homes.....	2
Acknowledgements.....	2
Table of contents.....	3
Executive summary.....	5
Background	6
Eligibility.....	6
Table 1: AHAH eligibility criteria.....	6
MTP.....	8
Implementation of MTP 2.0	8
AHAH’s key partners.....	8
HCA.....	9
Wellpoint – AHAH’s coordinating entity.....	9
Commerce’s Office of Apple Health and Homes and Permanent Supportive Housing	9
FUTURE: AHAH’s online platform.....	10
DSHS	10
Aging and Long-Term Supports Administration (AL TSA)	10
RDA.....	10
Budgets	11
Biennial budget and enrollment	11
HCA.....	11
Table 2: HCA AHAH Budget, SFY 24-25	12
Temporary FCS enrollment pause	12
Agency efforts to mitigate enrollment pause:	12
Commerce	13
Table 3: Commerce AHAH Budget, SFY 24-25.....	13
Staffing and personnel	13
FUTURE: AHAH’s online platform.....	14
Capacity grants.....	14

Table 4: AHAH Capacity Grant Pathways	14
Figure 1: By-and-For Organizations	15
Capital grants	15
Table 5: Counties within Apple Health Medicaid Regions.....	15
Image 1: Counties within Integrated Managed Care Regions.....	16
Table 6: AHAH Awarded Capital Projects.....	16
Rental assistance	18
FCS workgroup	18
Multisystem collaboration	18
HHS/HUD Housing and Services Partnership Accelerator Program.....	19
Data sharing agreement between HCA, Commerce, and Wellpoint	20
Continuous improvement opportunities.....	20
Technical assistance	20
Collaborative offerings	20
AHAH-RAP implementation and info sessions.....	20
Annual FCS/GOSH Learning Symposium	21
Table 7: FCS’s training and technical assistance calendar.....	21
Commerce’s technical assistance opportunities	22
PSH Advisory Committee	22
Conclusion	23

Executive summary

Following direction and significant investment from the Legislature in 2022, the Health Care Authority (HCA) continues to collaborate with the Department of Commerce's (Commerce's) Office of Apple Health and Homes and Permanent Supportive Housing, Department of Social and Health Services (DSHS), Wellpoint, and others to launch the Apple Health and Homes (AHAH) initiative.

Access to stable housing is a critical indicator of someone's overall health. The AHAH initiative pairs Foundational Community Supports (FCS) supportive housing services with affordable housing resources from Commerce's Office of Apple Health and Homes. Once operational, the AHAH initiative is anticipated to extend supportive housing services and affordable housing vouchers to nearly 600 individuals. This endeavor will increase connectivity between our health care delivery system, social services, and affordable housing while generating greater long-term health outcomes for individuals and communities.

Key milestones include:

- Approval by the Centers for Medicare & Medicaid Services (CMS) for five more years of Foundational Community Supports (FCS) services under Washington's Section 1115 Medicaid demonstration waiver, which also allows HCA to shift the duration of FCS Supportive Housing service authorizations from six months to 12 months.
- Establishment of a [drawing process](#) for the AHAH Rental Assistance Program to proceduralize the weighted drawing for AHAH rental assistance vouchers.
- Establishment of a contract between Commerce and DSHS's Research and Data Analysis (RDA) Division to conduct an evaluation of the AHAH initiative's impact.
- Commerce's design and implementation of the Funds, Unit Tracking, Unit Rental Exchange (FUTURE) platform. This platform facilitates data tracking, connections to housing, and rental subsidy payments on behalf of eligible AHAH enrollees.
- AHAH capital funding's creation of 354 total units via an award of \$58.6 million to seven developers, with 144 specific units aiming to serve individuals eligible in FCS. This brings the total AHAH projects to 14 and the total AHAH dedicated unit count to 263.
- Commerce's capacity grant funding procurement resulted in awards to 85 community support service and housing providers aiming to enhance their capacity for delivering community support services and permanent supportive housing.
- Bremerton Housing Authority acquired Evergreen Bright Start—a new 30-unit apartment complex designed to support young adults aged 18-24 transitioning from foster care or facing homelessness. Available units will be posted in Commerce's FUTURE platform.
- HCA established a subcommittee under the existing FCS Advisory Committee to obtain feedback on the FCS program and provide up-to-date information regarding best practices in eligibility screening, case rate, case management tools, and other topics.

HCA, DSHS, Commerce's Office of Apple Health and Homes, and Wellpoint meet regularly to collaborate, review the project management plan for each of the AHAH implementation milestones, and develop administrative functions including establishing assessments, prioritization tools, data collection protocols, and performance metrics.

Background

On January 9, 2017, CMS approved Washington’s Section 1115 Medicaid demonstration waiver, known as the Medicaid Transformation Project (MTP). FCS, one of MTP’s initiatives, offers supportive housing and supported employment services to high-risk Medicaid recipients with complex physical and/or behavioral health needs.

Program goals are to promote recovery through self-sufficiency and integration into communities and to reduce the need for high-cost intensive services by helping individuals find and maintain stable housing and competitive employment. In June 2023, CMS approved Washington’s MTP renewal (also called MTP 2.0), which allows FCS services to continue for an additional five years.

Since launching in 2018, FCS has enrolled more than 45,000 participants and created a network of more than 230 contracted providers serving individuals authorized to receive FCS—a medically necessary service—across 550+ locations statewide.

Two evidence-based practices are used as frameworks for providing quality services to authorized program participants:

- Individual Placement and Support for FCS Supported Employment
- Substance Abuse and Mental Health Services Administration’s (SAMHSA) Permanent Supportive Housing for FCS Supportive Housing

House Bill (HB) 1866 (2022) established AHAH to align health care and housing for individuals with complex needs by combining the acquisition and development of Permanent Supportive Housing (PSH) with rental assistance and community support services (CSS). The Legislature identifies FCS Supportive Housing services as the mechanism for delivering CSS, also known as pre-tenancy and tenancy-sustaining services, which are reimbursible under MTP.

AHAH is a collaborative partnership between HCA, Commerce, and DSHS that aims to link eligible individuals experiencing homelessness with long-term affordable housing in alignment with their unique housing preferences and personalized recovery goals.

Eligibility

Currently, AHAH’s eligibility criteria aligns with a subset of existing criteria used by the FCS Supportive Housing benefit. Enrollment in FCS Supportive Housing requires individuals to meet several risk factors and medical necessity requirements.

Table 1: AHAH eligibility criteria

Eligibility criteria	Apple Health and Homes
Age	18+
Medicaid	• Must be enrolled in a medical assistance program under this chapter and eligible for community support services.

- Have a countable income that is at or below 133% of the federal poverty level, adjusted for family size, and determined annually by the federal department of health and human services; and
- Not be eligible for categorically needy medical assistance, as defined in the social security Title XIX state plan; or
- Be assessed as likely eligible for, but not yet enrolled in, a medical assistance program under this chapter due to the severity of behavioral health symptom acuity level

Behavioral health need	Have been assessed: • By a licensed behavioral health agency to have a behavioral health need, which is defined as meeting one or both of the following criteria: ○ Having mental health needs, including a need for improvement, stabilization, or prevention of deterioration of functioning resulting from the presence of a mental illness; or ○ Having substance use disorder needs indicating the need for outpatient substance use disorder treatment which may be determined by an assessment using the American society of addiction medicine criteria or a similar assessment tool approved by the authority. • By DSHS as needing either assistance with at least three activities of daily living or hands-on assistance with at least one activity of daily living and have the preliminary determination confirmed by DSHS through an in-person assessment conducted by DSHS; or • To be a homeless person with a long-continuing or indefinite physical condition requiring improvement, stabilization, or prevention of deterioration of functioning, including the ability to live independently without support; and
Risk factor	Have at least one of the following risk factors: • Experiencing homelessness at the time of the eligibility determination for the program and have been homeless for 12 months prior to the eligibility determination; or • Experiencing homelessness on at least four separate occasions in the three years prior to the eligibility determination for the program, as long as the combined occasions equal at least 12 months; or • Have a history of frequent or lengthy institutional contact, including contact at institutional care facilities, such as jails, substance use disorder or mental health treatment facilities, hospitals, or skilled nursing facilities; or • Have a history of frequent stays at adult residential care facilities or residential treatment facilities.

While AHAH's eligibility criteria mostly aligns with the FCS Supportive Housing program's eligibility criteria, AHAH's eligibility criteria are narrower – effectively restricting access to AHAH for individuals eligible for FCS Supportive Housing services via two risk factors:

- 1) Frequent turnover of in-home caregivers, and
- 2) Individuals who have a [predictive risk score \(PRISM\)](#) of 1.5 or higher.

MTP

CMS approved Washington's first five-year MTP waiver in 2017, with FCS services launching in 2018. As 2021 ended, CMS extended Washington's MTP waiver through 2022 due to the COVID-19 pandemic. In June 2023, CMS approved another five-year waiver, ultimately allowing FCS services to continue until at least 2028.

Implementation of MTP 2.0

MTP allows Washington State to create and continue to develop projects, activities, and services that improve Washington's health care system. All MTP programs support Apple Health (Medicaid) enrollees. MTP 2.0 will help widen the reach to provide more programs, services, and supports to Washington's most vulnerable populations.

Under the renewal, the state aims to:

- Expand coverage and access to care, ensuring that people can get the care they need.
- Advance whole-person primary, preventive, and home and community-based care.
- Accelerate care delivery and payment innovation focused on health-related social needs.

Also included under MTP 2.0 is the new health-related social needs (HRSN) services framework, which allows states to further define benefits for individuals impacted by social determinants of health (SDOH). In Washington, these services aim to address housing insecurity, food insecurity, the lack of reliable transportation services, and other benefits to promote positive health outcomes for specific target populations. Specific to housing supports, new benefits will include Housing Transition Navigation Services (which aim to address financial barriers to obtaining housing), as well as rent assistance and temporary housing.

FCS is a targeted Medicaid benefit designed to meet the needs of individuals with significant barriers to finding stable housing and employment. While FCS Supportive Housing services do not pay for rent, rental subsidies, wages, or wage enhancements, HRSN provides an opportunity to expand the impact of AHAH by incorporating up to six months of Medicaid-funded rental assistance for certain eligible FCS participants enrolled in Apple Health and Homes Rental Assistance Program (AHAH-RAP).

This new opportunity will allow HCA's FCS team to reimburse Commerce for a portion of the rent paid on behalf of AHAH-RAP recipients using the HRSN funding. HCA is currently negotiating the services protocols, and HRSN services have not yet been approved by CMS in Washington.

AHAH's key partners

Streamlining linkages to long-term affordable housing options requires close collaboration among community-based providers, Wellpoint, HCA, COM, DSHS, and others. As partnerships expand under AHAH, these key entities continue to work together to enhance service coordination, manage housing resources, and track program effectiveness, ensuring that individuals with complex needs receive the support necessary for stable and sustainable housing.

HCA

[HB 1866 \(2022\)](#) directed HCA to identify one or more organizations, including Medicaid managed care organizations (MCOs), under contract with HCA to coordinate community support services—otherwise known as FCS Supportive Housing services—as required by the legislation.

The coordinating entity is responsible for:

- Administration of eligibility determinations for services,
- Enrollment in AHAH's CSS benefit, and
- Coordination of permanent supportive housing units for eligible individuals.

Wellpoint – AHAH's coordinating entity

HCA has contracted with Wellpoint (formerly Amerigroup), the FCS program's third-party administrator (TPA), as the coordinating entity for AHAH. Currently, Wellpoint manages the FCS Supportive housing network, which serves more than 12,000 individuals across 230 providers across 540+ service locations. Over 7,250 current FCS Supportive Housing service enrollees may be eligible for AHAH.

In April 2024, Wellpoint began collaborating with FCS Supportive Housing service providers to identify individuals currently enrolled individuals who meet AHAH eligibility criteria in aim of disbursing AHAH's tenant-based rental assistance (TBRA) vouchers, otherwise known as AHAH-RAP. Since AHAH's eligibility criteria does not fully mirror FCS Supportive Housing eligibility criteria, service providers are required to assess current program enrollees in aim of ensuring all eligible individuals are considered for one of AHAH-RAP's 10 managed care regional voucher drawing pools.

If an eligible FCS Supportive Housing enrollee is selected as an AHAH-RAP awardee via one of Wellpoint's drawings, their respective FCS Supportive Housing service provider will integrate the AHAH-RAP voucher into the housing search. The FCS Supportive Housing service provider will perform an AHAH housing assessment to identify information needed to pair them with housing options that align with their housing goals and preferences.

In August 2024, AHAH's first set of units funded through capital funds are coming online as the project awaits their occupancy permit. The Bremerton Housing Authority's Evergreen Bright Start program aims to serve youth/young adults aged 18 to 24. Many will have babies or toddlers. They will be experiencing homelessness or at risk of homelessness, couch surfing, or living in situations where they are experiencing exploitation, including sexual exploitation.

Once the units are ready to lease, Bremerton Housing Authority will enter information about the units, including the screening and referral process, in Commerce's FUTURE platform. Wellpoint will disseminate the information to FCS service providers in the region, including Bremerton's service provider Kitsap Mental Health Services.

Commerce's Office of Apple Health and Homes and Permanent Supportive Housing

[HB 1866 \(2022\)](#) also established the Office of Apple Health and Homes within Commerce. This unit is responsible for managing the funds appropriated by the Legislature in an account created in the state treasury. Expenditures from this account may be used only for permanent supportive housing programs and are appropriated through the operating and capital budgets.

The Office is also responsible for providing technical assistance, capacity building along with establishing work plans, dashboards to track the collaborative implementation of this multi-system initiative. The Office has contracted with RDA to conduct an evaluation and establish the program's effect on providing individuals enrolled in FCS with permanent supportive housing, moving people into independent housing, long-term housing stability, improving health outcomes for people in the program, estimated reduced health care spending to the state on persons enrolled in the program, and outcomes related to SDOH.

FUTURE: AHAH's online platform

Commerce is developing an in-house data system that manages key program information and is being developed in phases.

Phase 1 tracks expenditures of rental assistance funds to private market landlords on behalf of program participants, also known as Tenant-Based Rental Assistance (TBRA). The system tracks fiscal allocations to each of the 10 behavioral health regions, the annual commitments, the amounts spent, and the remaining uncommitted funds in each region.

It also provides historical tracking of program participants and the location of private market housing in which they live, and the accompanying landlord data for those housing units. Wellpoint performs the data entry into FUTURE, and Commerce staff manage landlord verification, program rules, and monthly payments to landlords. Phase 1 went live on June 1, 2024, though the program launch is pending completion of a data sharing agreement between HCA, Commerce, and Wellpoint.

Phase 2, currently under construction, will act as an inventory of AHAH-dedicated housing units located within multifamily housing projects. Such units and projects may be already constructed and in service, rapidly acquired and rehabilitated, or new construction. Capital funding may include AHAH capital funds, the Washington State Housing Trust Fund dollars, or other public capital funding sources.

FUTURE will store unit location, amenities, proximity to services and shopping, and historical tracking of AHAH participant tenancy in units. Additionally, FUTURE will serve as a portal through which Wellpoint or FCS providers can provide program participants with the available options of vacant units in a given location to ensure client choice. Lastly, FUTURE will mediate the payment of rent assistance to project owners, also known as Project-Based Rental Assistance (PBRA) on behalf of program participants in the event that some other rent subsidy source is not present in a project.

DSHS

Two divisions within DSHS play key roles with the implementation of the AHAH initiative.

Aging and Long-Term Supports Administration (AL TSA)

AL TSA has been a founding partner in the FCS program and has a well-established supportive housing program serving individuals with functional barriers to adult daily living skills. The lessons learned from the implementation of the Governor's Opportunity for Supportive Housing (GOSH) program have been an invaluable asset to the coordinating and planning of the AHAH initiative.

RDA

RDA will conduct an evaluation of AHAH in two stages, in collaboration with Commerce's Office of Apple Health and Homes, HCA, and DSHS.

In the **first stage** of the evaluation, RDA will provide descriptive information on individuals enrolled in AHAH. This will include information such as the number of individuals served; demographic characteristics of program participants (e.g., race/ethnicity, gender, and age); prior receipt of state and federally funded cash, food, and medical assistance; physical and behavioral health care needs; the proportion of AHAH enrollees who also received FCS Supportive Housing services; and homelessness.

Information on participants' progression through the program will also be provided, including the number of individuals who exited AHAH prior to becoming housed; time elapsed between key program milestones (e.g., program enrollment, voucher approval, housing search, lease-up, and move-in dates); and, among those who became housed, average length of residency. Additionally, RDA will use an equity lens to explore differences in the composition and geographic distribution of the AHAH population relative to the larger population of supportive housing clients served through FCS.

The **second stage** of the evaluation will use statistical methods to assess the effect of AHAH housing on a range of client outcomes. The specific methodological approach adopted to evaluate the effectiveness of AHAH will depend on the structure of the program, the method used to prioritize and allocate housing resources to program participants, and the presence of systematic differences in the composition of the AHAH population relative to the larger FCS supportive housing population.

Examples of potential evaluation approaches include a quasi-experimental,¹ matched comparison group design that compares AHAH enrollees' outcomes to those of a statistically matched population of FCS supportive housing clients, or—if a suitable comparison group cannot be identified—a pre-post design could look at outcomes only for AHAH enrollees. Outcomes of interest include shelter utilization; number of emergency department visits; hospitalizations in general medical and psychiatric settings; employment rates; arrests; housing stability; receipt of long-term support services; returns to homelessness; and access to behavioral health treatment services and cash and food assistance.

Given that the program focuses on improving both health-related outcomes and the overall well-being of enrollees, the evaluation will be restricted to individuals who were enrolled in Medicaid prior to and following their enrollment in AHAH.

Budgets

Biennial budget and enrollment

HCA

The FCS program is funded through MTP. For the 2023-35 biennium, \$14,439,000 of the FCS Medicaid budget was appropriated for Supportive Housing services and administrative costs for services provided to AHAH housing benefit recipients. Because of restrictions on the use of Medicaid funds, these dollars must pay for **services** for individuals also enrolled in the FCS Supportive Housing services benefit.

¹ If program staff disburse vouchers to clients in a way that ensures all potential AHAH clients have an equal chance of getting access to PBRA and TBRA funding, we can treat the intervention as though it were a randomized clinical trial. However, we acknowledge that providers may differ in their awareness of the program and their ability to connect clients to AHAH housing resources. Statistical adjustments may be made if there is evidence there are systematic differences between AHAH participants and the FCS Supportive Housing population.

Table 2: HCA AHAH Budget, SFY 24-25

HCA Apple Health and Homes	State fiscal year (SFY) 2024	SFY 2025
GF-Federal	\$4,868,000	\$5,064,000
GF-Local	\$2,209,000	\$2,298,000
Total	\$7,077,000	\$7,362,000

The AHAH planning committee has designed the program to allow for other short- and long-term rent assistance resources, including Transition Assistance Program (TAP) and CMS's offering of up to six months of rent coverage under the HRSN infrastructure to be blended with AHAH rent assistance. Ultimately, this will allow for higher enrollment in AHAH's housing benefit.

Temporary FCS enrollment pause

Calendar year 2023 was the biggest enrollment year for the FCS program. We saw an unprecedented increase in new enrollments, and fewer individuals disenrolling from the FCS program. As a result, the FCS program surpassed budgetary limits set in our MTP special terms and conditions with CMS for 2024.

Consequently, FCS Supportive Housing and Supported Employment service enrollments were paused from April 22 to September 3, 2024, and Wellpoint began maintaining a waitlist for new enrollments. The waitlist was managed on a first-come, first-served basis, under [WAC 182-559-100](#).

While this restricted access to AHAH's resources for individuals awaiting FCS Supportive Housing services, FCS Supportive Housing service enrollment currently includes over 8,000 who are likely eligible to access AHAH's permanent supportive housing resources. During the pause, HCA continued to monitor and address over-enrollment in FCS services.

Agency efforts to mitigate enrollment pause:

- 1) **Disenrollment of inactive participants:** The FCS team worked with Wellpoint to develop a new disenrollment policy to remove inactive participants from the program. Effective June 17, 2024, this policy allows the disenrollment of inactive FCS participants without their signature, so long as due diligence is demonstrated by the FCS provider through:

- Four (4) attempted contacts over a minimum of six (6) weeks
- At least two (2) methods of communication used (in-person, phone, email, or letter)

FCS providers must attest to having completed due diligence prior to initiating the disenrollment process. Disenrolled participants may submit a request for reconsideration within 30 days to reverse the inactive disenrollment.

- 2) **Increasing program funding:** To further expand access to FCS Supportive Housing services, HCA is taking steps to increase FCS program funding through the new HRSN services framework. Funding that provides for Housing Transition Navigation Services may also be used to fund pre-tenancy and tenancy sustaining services (known as FCS Supportive Housing (SH) or CSS) once these new services are approved, which would allow HCA to increase the overall budget available to provide these services. HCA will also be submitting a decision package for increased

expenditure authority to access these new funds and to account for the enrollment growth and increase in demand for these services.

This enabled enrollments to reopen as of September 3, 2024. By this time, there were over 4,000 people on the waitlist. Wellpoint is now in the process of evaluating the new assessments from the waitlist in batches and following the standard documentation and eligibility determination process.

Commerce

The AHAH account is created in the state treasury. Expenditures from the account may be used only for permanent supportive housing programs administered by Commerce's Office of Apple Health and Homes created in RCW [43.330.181](#), including acquisition and development of permanent supportive housing units, operations, maintenance, and services costs of permanent supportive housing units, project-based vouchers, provider grants, and other purposes authorized by appropriations made in the operating budget.

Table 3: Commerce AHAH Budget, SFY 24-25

Apple Health and Homes account	SFY24	SFY25
Operating*	\$28,452,000	
Capital*	\$100,000,000**	

*Min. 10% of all expenditures from AHAH account must be focused on organizations that serve and are substantially governed by individuals disproportionately impacted by homelessness and behavioral health conditions, including Black, Indigenous, and other people of color, lesbian, gay, bisexual, queer, transgender, and other gender diverse individuals per RCW 43.330.184.

** \$5,000,000 is provided solely for the St. Agnes Haven project in Spokane and \$7,000,000 is provided solely for the CoLead Northgate project in Seattle.

Staffing and personnel

Commerce's Office of Apple Health and Homes has been recruiting and hiring staff to fulfill the responsibilities laid out in [RCW 43.330.181](#). The Managing Director was hired in July 2022 as reported in the [2022 Legislative Report](#). The Office currently includes an AHAH Permanent Supportive Housing (PSH) Program Manager/Trainer that will provide technical assistance to organizations interested in the capital program funds, enhancing the quality of their PSH programs.

The AHAH Capacity Grant/Rent Assistance Program Manager oversees the implementation of capacity grants and the rent assistance program. A Behavioral Health Liaison position was created to develop stronger relationships between Commerce and the behavioral health system, including the state hospital system, substance use and long-term civil commitment systems of care. A supervisory position was created in 2023 to oversee the implementation of the tenant-based and project-based rent assistance program, along with two additional staff that split their time between all the rent assistance programs managed by the unit. The Multi-family Housing Unit has also established positions to manage the capital funding through the AHAH account.

FUTURE: AHAH's online platform

To fulfill RCW 43.330.181, the Office is developing a software platform that will track rents paid as TBRA, PBRA, master leasing, and units created through the capital-funding program. The platform known as FUTURE will track the number of people served, the number of units created and will post aggregate data onto a public dashboard on the Commerce website. Once a three-party data sharing agreement is finalized between HCA, Commerce, and Wellpoint, drawings for TBRA vouchers will begin. Due to the confidential nature of the FCS client-level data, the DSA protects agencies and solidifies the importance of protected data for AHAH enrolled individuals.

Capacity grants

In the fall of 2023, the Office along with HCA and DSHS, reviewed 100+ applicants from Request for Applications (RFA) 23-49G30250. This competitive solicitation resulted in contracts to 85 organizations to build capacity in communities throughout Washington State, enhance the ability of community support services providers and housing providers to deliver community support services and permanent supportive housing and assure that an initial infrastructure is established to create strong networks for AHAH implementation.

Five pathways were created within the application process to further the state's interests of enhancing the ability to provide permanent supportive housing, as well as expand partnerships and create diversification of funding opportunities. Each pathway was created in partnership with agencies like HCA, Wellpoint, DSHS, Department of Health (DOH), community partners like Community Health Network and Community Health Plan of WA, and national SAMHSA partners.

Table 4: AHAH Capacity Grant Pathways

Pathway	# of grantees	Pathway goal
Pathway 1	29 grantees	Adding FCS to their book of business
Pathway 2	22 grantees	Enhancing FCS providers with technology or PSH fidelity
Pathway 3	17 grantees	Developing partnerships between health and housing
Pathway 4	14 grantees	Enhancing PSH providers with Critical Time Intervention (CTI), Services for the Ownership and Acquisition of Residences (SOAR), or PSH fidelity
Pathway 5	7 grantees	Adding licensed community behavioral health agency to an organization's book of business

Each pathway aims to strengthen community-based networks and diversify funding to meet the unique

needs of Washington’s diverse populations. A crucial component of this approach is the inclusion of By-and-For Organizations, which are operated by and for the communities they serve. Their primary mission and history serve a specific community. They are culturally based, directed, and substantially controlled by individuals from the population they serve.

At the core of their programs, these organizations embody the community’s central cultural values. In the affordable housing context, these communities must demonstrate disproportionate representation in homelessness, housing instability, and housing affordability. Of the 85 contracts issued by the Commerce’s Office of Apple Health and Homes, 42 organizations meet the Commerce definition of By-and-For Organizations.

Capital grants

AHAH is a multiagency effort that pairs health care services with housing resources for some of the state’s most vulnerable residents. The program is based in the concept that lack of housing is an SDOH, and individuals with disabling conditions, such as medical, behavioral health, and physical impairments may not improve until their housing is stable.

The Office of Apple Health and Homes – Permanent Supportive Housing works closely with Commerce’s Multifamily Housing Unit to allocate and administer capital funding for the rapid construction or acquisition of housing dedicated to AHAH-eligible tenants. In June 2023, Commerce released a Notice of Funding Announcement (NOFA #MHU-2023-02) for affordable housing projects seeking capital funding from the AHAH Capital Program. The application/addendum was intended to fund construction of permanent supportive housing (PSH) units or acquire real property for quick conversion for PSH.

Utilizing the Homeless Snapshot report (January 2023), a methodology was created to distribute the funds between the ten [Apple Health Medicaid regions](#). Applications are also scrutinized within the region to meet the 30 percent set aside for projects that meet the rural designation.

Figure 1: By-and-For Organizations

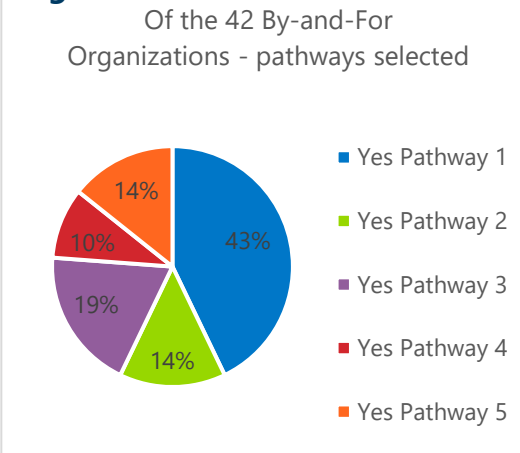


Table 5: Counties within Apple Health Medicaid Regions

Apple Health Medicaid Region	Counties included:
Greater Columbia	Kittitas, Yakima, Benton, Franklin, Walla Walla, Columbia, Garfield, Asotin, Whitman
Great Rivers	Grays Harbor, Pacific, Wahkiakum, Cowlitz, Lewis
King	King
North Central	Okanogan, Chelan, Douglas, Grant
North Sound	Whatcom, Skagit, Snohomish, San Juan, Island
Pierce	Pierce

Apple Health Medicaid Region	Counties included:
Salish	Clallam, Jefferson, Kitsap
Southwest	Clark, Skamania, Klickitat
Spokane	Ferry, Stevens, Pend Oreille, Lincoln, Spokane, Adams
Thurston-Mason	Thurston, Mason

Commerce also prioritized at least 10 percent of the AHAH capital funds for organizations that serve and are substantially governed by individuals disproportionately impacted by homelessness and behavioral health conditions, including Black, Indigenous, and other people of color, lesbian, gay, bisexual, queer, transgender, and other gender diverse individuals per RCW 43.330.184. These will be referred to as “By and For Organizations” in the application addendum.

Seven projects were funded with \$58.6 million set aside for the Apple Health & Homes (AHAH) program, creating 144 units for AHAH participants and 354 total units of permanent supportive housing. This brings the total AHAH projects to 14 and the total AHAH dedicated unit count to 263.

Commerce and other state partners have been speaking with AHAH capital awardees about operationalizing the AHAH initiative. We view the awardees of AHAH capital funding as partners to develop and mold the AHAH initiative. Meetings with capital awardees occur monthly.

Image 1: Counties within Integrated Managed Care Regions



Table 6: AHAH Awarded Capital Projects

Year awarded	Organization	Project name	Region	Total # of units	PSH units	AHAH dedicated units	Estimated placed in service date:
2023	Coastal Community Action Program	Coastal Housing Project	Great Rivers	37	12	12	6/1/25
2023	DESC	15 th Ave	King	109	109	21	5/15/25
2023	Kitsap Community Resources	Manette	Salish	9	9	6	9/3/25

Year awarded	Organization	Project name	Region	Total # of units	PSH units	AHAH dedicated units	Estimated placed in service date:
2023	Muckleshoot Housing Authority (MHA)	MHA Homeless Supportive Housing	King	50	50	50	12/30/24
2023	Olympic Community Action Program	Caswell Brown Village	Salish	44	13	13	5/1/25
2023	Opportunity Council	Camas Flats	North Sound	81	8	8	11/30/25
2023	Vancouver Housing Authority	Lincoln Place	Southwest	40	40	14	8/11/25
2024	Bayside Housing and Services	Vince's Village	Salish	23	19	19	2/1/26
2024	DESC	Lake City	King	120	120	33	2/15/26
2024	DESC	Woodland	King	95	95	25	8/29/25
2024	Eagles Wings	EWCC Supportive Housing	Salish	20	4	2	1/24/25
2024	Bremerton Housing Authority	Evergreen Bright Start	Salish	26	24	12	6/25/24
2024	LIHI	Clarion Inn	Pierce	117	53	23	3/1/25
2024	Yakima Neighborhood Health	Vecino	Greater Columbia	39	39	30	3/1/25
Total units				810	595	268	

Two organizations received direct appropriations from the AHAAH account - \$5,000,000 is provided solely for the St. Agnes Haven project in Spokane; and \$7,000,000 is provided solely for the CoLead Northgate project in Seattle.

In the 2023 Traditional Round, MHU awarded \$58,598,082 out of the \$107,492,900 available for the biennium, leaving a balance of \$48,894,818. This included seven project awards to create 144 AHAAH units.

After review of 2022 awardees, \$1.5 million of gap funding was awarded. The 2024 Supplemental Budget also appropriated \$7,000,000 directly to a specific project (CoLead). The available balance for the 2024 funding round stands at \$40,394,818.

Funds are intended to be used by providers to construct permanent supportive housing units or to acquire real property for quick conversion into permanent supportive housing according to the PSH definition listed in RCW 36.70A.030 (31). Eligible individuals must be enrolled or eligible for the community support service benefit through the FCS program (RCW 74.09.886).

Rental assistance

The Office of Apple Health and Homes has been working closely with HCA, DSHS, and Wellpoint as well as FCS service providers and capital awardees to establish a PBRA and TBRA program. Pending the finalization of a three-party data sharing agreement, regional drawings will occur for individuals who have interest and need for a TBRA voucher.

Wellpoint will conduct the drawings based on regional allocation and an eligibility assessment addendum. Once housing is secured, the property owner and tenant information will be entered into the FUTURE platform. Commerce will then pay property owners directly. A notice of funding announcement will be issued in 2024 for projects interested in PBRA vouchers for the AHAH-eligible population.

FCS workgroup

Per [RCW 74.09.888](#), HCA established a subcommittee under the existing FCS Advisory Council to meet the requirements of obtaining feedback on the FCS program and provide a forum to provide information on topics, such as best practices in eligibility screening, case rate, case management tools etc.

Wellpoint facilitates the FCS Advisory Council and has held two committee meetings thus far this state fiscal year. Information on the AHAH program was disseminated at the December 2022 meeting and the subcommittee will continue to address the topics identified in the legislation and report on the improvements of the FCS program. Since the FCS enrollment pause went into effect in April 2024, the Advisory Council has functioned as one of the main forums to discuss policy changes and program impacts of the enrollment pause on providers and participants.

Multisystem collaboration

HCA, DSHS, Wellpoint, and the Office of Apple Health and Homes regularly collaborate to ensure the effective implementation of the AHAH initiative. These entities work together to review the project management plan for each implementation milestone, develop key administrative functions, and establish tools for assessments, prioritization, data collection, and performance metrics. A project management dashboard has been created by the Office to monitor the task schedule, and several specialized subcommittees (Data Collection, AHAH Assessment, Prioritization, Guideline Dissemination, Capital Grantee Cohort) have been formed to enhance meeting efficiency.

The operationalization of the AHAH initiative is inherently complex, requiring a multisystemic approach that integrates capital, rent assistance, and services, which are the three essential components of permanent supportive housing. In January 2023, guidelines for the initiative were introduced for public feedback. This period of open commentary saw active participation from multiple stakeholders via an

online feedback platform. State agency partners continued to engage with stakeholders, including bill sponsors, in the months following the guidelines' release. Consequently, revised guidelines have been made available on the Office's website.

The ongoing marketing and dissemination of the AHAH initiative is a collaborative effort between state agencies and contracted partners. A presentation tracking system, implemented as part of the project management plan, has documented 71 joint presentations reaching approximately 2,500 attendees. These presentations have been delivered at key events, such as the 2023 Washington State Behavioral Health Conference, 2023 State of Reform Conference, Senate Housing Committee sessions, and various national conferences.

HHS/HUD Housing and Services Partnership Accelerator Program

In January 2024, a joint team from Washington, including HCA, COM, and DSHS were approved to participate in the Housing and Services Partnership Accelerator program (HSPA), sponsored by the U.S. D=departments of Housing and Urban Development and Health and Human Services. This year-long opportunity for peer-to-peer state learning and national technical assistance groups eight states and the District of Columbia aims to drive innovation in the space of aligning health care and housing. The goal of HSPA is to improve health among Medicaid-eligible people with disabilities and older adults who are experiencing or at risk of homelessness. Through support from community members from public housing authorities, managed care organizations, and community providers, Washington aims to develop and strengthen its continuum of housing and support services, including access to and expanding the impact of AHAH.

In applying for this opportunity, the state's core team identified the following as goals for the accelerator:

- Incorporating the HRSN Medicaid rent assistance into the homeless, health/behavioral health, and long-term care delivery system, while ensuring housing first and PSH fidelity principles.
- Exploring sustainable payment models and rate-setting methods, including bundled payment models and other value-based purchasing strategies that capture savings to reinvest in the housing system. Washington aims to optimize provider and participant utilization of MTP supportive services under the 1115 waiver, to identify all barriers to enrollment, eligibility, and reimbursement that providers articulate within the process, while simultaneously developing a clear sustainability plan that continues to enhance access to high-quality services.
- Better aligning funder requirements for project-based housing with stacked funding from multiple sources with differing priorities, criteria, and definitions.
- Developing global leasing (formerly master leasing) strategies to support more immediate access to housing for individuals whose justice, financial, and/or rental histories cause high barriers to accessing standard rental market housing.
- Developing and expanding Washington's statewide Landlord Mitigation Program. An element of provider interest in housing readiness relates to the high cost of insurance and increasing cost from damage caused by tenants with behavioral health issues.
- Guidance on addressing and expanding PSH and Housing First programs in rural areas and within tribal communities.
- Identifying stronger approaches to incorporating a lens of equity in the work of aligning housing and health services.

Data sharing agreement between HCA, Commerce, and Wellpoint

Streamlining linkages to Commerce's permanent supportive housing resources requires Wellpoint to share certain AHAH program assessment data relating housing preferences, income amount, and other information that pertains to obtaining affordable housing. At the close of SFY 2024, HCA continues to refine a data sharing agreement that would allow for the transmission of certain data from Wellpoint to Commerce via Commerce's FUTURE platform. This would ultimately allow for the coordination of timelier linkages to AHAH's affordable housing options.

Continuous improvement opportunities

To ensure the ongoing effectiveness of the AHAH program, various continuous improvement initiatives are being implemented. These efforts include:

- Monthly Q&A check ins
- Provider Network Trainings
 - Golden Thread of Documentation
 - Intentional Services
 - Principles of Supportive Housing
- Conversations and trainings provided around the importance of continuous quality improvement by following the evidence-based practice of SAMHSA's PSH
 - Capital Awardees
 - FCS/ AHAH Provider Network
 - PSH Advisory Council
- Working with Wellpoint on Quality Assurance tool for FCS/AHAH provider network
- Created Supportive Housing institute

By focusing on evidence-based practices and leveraging collaborative partnerships, AHAH aims to enhance service delivery and better meet the needs of individuals with complex needs.

Technical assistance

Collaborative offerings

AHAH-RAP implementation and info sessions

In April 2024, Wellpoint began collaborating with FCS Supportive Housing service providers to identify individuals currently enrolled individuals who meet AHAH eligibility criteria to disperse AHAH's TBRA vouchers, otherwise known as the Apple Health and Homes Rental Assistance Program (AHAH-RAP). Since AHAH's eligibility criteria does not fully mirror FCS Supportive Housing eligibility criteria, service providers are required to assess current program enrollees to ensure all eligible individuals are considered for one of AHAH-RAP's 10 managed care regional voucher drawing pools.

If an eligible FCS Supportive Housing enrollee is selected as an AHAH-RAP awardee via one of Wellpoint's drawings, their respective FCS Supportive Housing service provider will integrate the AHAH-RAP voucher

into the housing search. The FCS Supportive Housing service provider will perform an AHAH housing assessment to identify information needed to pair them with housing options that align with their housing goals and preferences.

To support the FCS Supportive Housing provider network's understanding of AHAH-RAP's processes, HCA partnered with Commerce and Wellpoint to provide three info sessions. Topics covered include:

- What is AHAH?
- Who is eligible?
- Timelines and processes
- Phase 1: Eligibility
- Phase 2: Enrollment
- Phase 3: Lease-up

As of June 2024, 4,224 assessments have been submitted by 98 agencies for AHAH-RAP.

Annual FCS/GOSH Learning Symposium

The FCS team, in collaboration with GOSH, hosted the first annual FCS/GOSH Learning Symposium. This one-and-a-half-day event hosted at Central Washington University in Ellensburg, Washington, was an opportunity for FCS and GOSH providers statewide to network with their peers, share their own subject matter expertise, and deepen their knowledge of the FCS program and fidelity to the evidence-based practices on which the program is built.

Attendees enjoyed inspirational large-group presentations highlighting the hard work and successes of FCS and GOSH programs statewide and learned through Nicky Stevens of Advocates for Human Potential, the keynote speaker, the ways in which implicit bias can affect service quality and outcomes. Additionally, attendees experienced interactive, peer-focused breakout sessions focused on best practices and emerging trends in supportive housing, supported employment, SDOH, and more. The event was attended by 200 attendees from across Washington State.

Sessions at the symposium included:

- Apple Health and Homes
- 1115 Waiver & Newest Updates for FCS
- Landlord Engagement Panel
- Fair Housing/Housing Quality Standards
- Commonly Braided Funding/Programs

Table 7: FCS's training and technical assistance calendar

Date	Presenter	Webinar title/event
1/10/2024	Crystal Socha, MS, LPC, CRC, NCC with Rutgers University	Integrating DBT Techniques into Supportive Housing to Achieve Recovery Goals
3/13/2024	Rutgers	Promoting Personal Safety and Risk Reduction in Supportive Housing Settings
3/14/2024	Joni Dolce	Providing On-Site Supports: Best Practices in Job Coaching

Apple Health and Homes Program Implementation update
December 1, 2024

4/9/2024	Crystal Socha, MS, LPC, CRC, NCC with Rutgers University	Understanding the needs of individuals with co-occurring disorder
4/10/2024	Rutgers	Assessing the Needs of Older Adults in Supportive Housing
4/11/2024	Joni Dolce	Introducing Yourself to Potential Employers
4/23/2024	Rutgers	Promoting Change for Individuals with Co-Occurring Disorders in Supportive Housing
5/21/2024	Ken Kinter	Motivational Interviewing Part 2-Tools

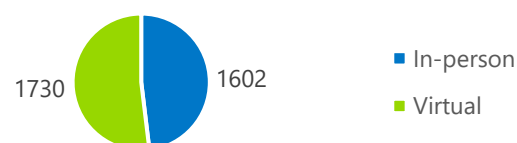
Commerce's technical assistance opportunities

The Office of Apple Health and Homes provides technical assistance through direct engagement with projects, stakeholders, and interested parties as well as enhanced technical assistance through a national Community Development Financial Institution (CDFI) called Enterprise Community Partners. The constructive alignment of yet-to-be secured state or local capital funds for the construction, acquisition, refurbishment, redevelopment, or conversion of units for PSH has been very successful. Enterprise Community Partners provided technical assistance to 29 organizations between SFY2023 and SFY2024 providing over \$937,000 in pre-development grants to organizations. Twelve of the organizations were in rural areas with 17 organizations receiving technical assistance in urban areas.

Operationalizing the AHAH initiative is multi-faceted, as it is multi-systemic, bringing the three legs of the permanent supportive housing stool together (capital, rent assistance, and services). Guidelines have been created for the AHAH initiative and were launched for public feedback January 2023. Multiple stakeholders submitted comments through a feedback platform. In addition, state agency partners meet with stakeholders throughout the months following the posting of the guidelines including meetings with the bill sponsors.

Marketing and dissemination of the AHAH initiative continues to be a partnership between the state agencies and contracted partners. As part of the project management planning, a presentation tracking system has been implemented and has identified 49 presentations to approximately 3,332 attendees. This includes presentations at the 2024 FCS/GOSH Symposium, Housing WA, and national conferences.

Figure 2: Total presentations
7/1/24 through 8/15/24
(n=49)



PSH Advisory Committee

In 2022, the Legislature passed [House Bill \(HB\) 1724](#), creating the Permanent Supportive Housing Advisory Committee to provide guidance and recommendations on the administration of permanent supportive housing programs managed by Commerce and the Office of Apple Health and Homes – Permanent Supportive Housing. PSH is defined in [RCW 36.70A.030 \(16\)](#) as non-time-limited housing for persons with disabling conditions who have experienced homelessness or risk of homelessness and are offered

voluntary supportive services aimed at assisting the client in maintaining the terms of their lease agreement.

[HB1724](#) (2022) prescribes 26 distinct member positions to be appointed by Commerce, 11 of which are persons with lived experience in PSH representing various populations, such as persons of color, persons with developmental disabilities, persons older than 55, and more.

The Committee held quarterly meetings on November 9, 2023, and January 18, April 11, and July 11, 2024. Commerce's subcontractor, Uncommon Bridges, met individually with Committee members between meetings to offer support, debrief, provide additional context, or address any unanswered questions or issues not addressed in the Committee meetings. As the Committee members are in different stages of understanding of the challenges of PSH, each meeting included an educational component on the issues, resources, and challenges.

During the February meeting in 2023, the Committee embarked on a strategic planning process to envision an ideal state of PSH in Washington 20 years in the future. This conversation also identified turning points and strategies to achieve those goals. The Committee then prioritized the eight strategies through a virtual poll. Beginning in August 2023, each meeting consisted of a deeper dive into a specific strategy, analyzing data, discussing various aspects, and identifying specific recommendations from the Committee.

The PSH Learning Collaborative is a result of one of those deep dive strategies to address the complex needs of individuals exiting inpatient settings and to expand, sustain, and increase the quality of PSH throughout Washington. A pilot PSH Learning Collaborative event occurred in Walla Walla, Washington on June 11, 2024. Approximately 30 members of the community attended the one-day event, which focused on expanding and improving the quality of PSH in their community. Attendees learned about how PSH wraps supports around individuals and how the community wraps supports around PSH. The presentations, virtual binder, and pictures from the event are available in the [PSH Learning Collaborative box folder](#).

Conclusion

AHAH begins to address chronic homelessness by treating it as a medical condition. Newly acquired affordable housing and pre-tenancy and tenancy sustaining supports will be offered to eligible individuals as a viable treatment option. Commerce's Office of Apple Health and Homes is leading the charge to acquire and develop PSH for AHAH enrollees. HCA's FCS Supportive Housing program, part of Washington's MTP, will deliver community support services to eligible individuals. Wellpoint, the current FCS program's TPA, will coordinate the service provision and authorize eligible individuals to receive 12 months of Medicaid-reimbursable community support services from a provider working within the FCS Supportive Housing network.

Acquiring affordable housing and coupling it with CSS has the power to improve health outcomes and reduce homelessness across Washington, and this requires steadfast collaboration among Commerce, DSHS, and HCA. While working together to build components of AHAH, each agency is planning and preparing for implementation in Fall of 2024.

Commerce is developing a software platform, FUTURE, that will track the number of people served, the number of units created and will post aggregate data onto a public dashboard on the Commerce website. HCA and RDA are preparing a new contract to establish data collection and reporting strategies. HCA is working to amend the FCS TPA contract to ensure the coordinating entity is prepared to perform its AHAH role upon the program's launch.

Meanwhile, all agencies have implemented training and technical assistance strategies to bolster provider capacity before and after the launch of AHAH. Through our partnership with the FCS provider network and other entities, we continue toward the goal of all people in Washington having equitable access to affordable housing and support services.