

Arizona Department of Health Services

Division of Behavioral Health Services

PROVIDER MANUAL

Section 3.26 Housing for Individuals determined to have a Serious Mental Illness (SMI)

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3.26.1 Introduction

The Arizona Department of Health Services, Division of Behavioral Health Services (ADHS/DBHS) and Tribal and Regional Behavioral Health Authorities (T/RBHAs) have worked collaboratively to ensure a variety of housing options and support services are available to assist persons determined to have a Serious Mental Illness (SMI) live as independently as possible. Recovery often starts with safe, decent and affordable housing so that individuals are able to live, work, learn and participate fully in their communities. Safe, stable, and familiar living arrangements are critical to a person's ability to benefit from treatment and support services.

For persons determined to have SMI who are able to live independently, T/RBHAs have a number of programs to support independent living, such as rent subsidy programs, supported housing programs, bridge subsidy housing assistance while obtaining federal funding, and provider owned or leased homes and apartment complexes that combine housing services with other covered behavioral health services. Similarly, TRBHA housing programs include rent subsidy programs, owner occupied home repairs, move-in assistance and eviction prevention programs coupled with needed supported housing services to maintain independent living.

3.26.2 References

The following citations can serve as additional resources for this content area:

[24 CFR Part 582](#)

[24 CFR 582.1](#)

[24 CFR Part 583](#)

[9 A.A.C. 20](#)

[9 A.A.C. 21](#)

[ADHS/RBHA Contracts](#)

[ADHS/TRBHA IGAs](#)

[Section 5.3, Grievance and Requests for Investigations for Persons Determined to have a Serious Mental Illness](#)

[Section 5.5, Notice and Appeal Requirements \(SMI and Non-SMI/Non-Title XIX/XXI\)](#)

[ADHS/DBHS Covered Behavioral Health Services Guide](#)

[SAMHSA Permanent Supportive Housing Toolkit](#)

3.26.3 Scope

To whom does this apply?

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All persons determined to have Serious Mental Illness (SMI) who are enrolled in the public behavioral health system.

3.26.4 Did you know...?

- Medicaid (TXIX/XXI) does not cover supported housing services. However, ADHS/DBHS has limited funding allocated specifically for the provision of supported housing for Medicaid-eligible (Title XIX/XXI) individuals determined to have a SMI and for Non-Title XIX persons determined to have a SMI .
- In August 2000, ADHS/DBHS developed a permanent housing property acquisition program that allowed the RBHAs and their non-profit partners to purchase property for the first time in the history of Arizona, specifically for persons determined to have SMI. RBHAs used these funds to purchase homes and apartments through non-profit organizations that serve as contracted housing administrators/owners.
- ADHS/DBHS believes in permanent supportive housing and has adopted the SAMHSA model for permanent supportive housing programs. The 12 Key Elements of the SAMHSA Permanent Supportive Housing Program are:
 1. Tenants have a lease in their name, and, therefore, they have full rights of tenancy under landlord-tenant law, including control over living space and protection against eviction.
 2. Leases do not have any provisions that would not be found in leases held by someone who does not have a psychiatric disability.
 3. Participation in services is voluntary and tenants cannot be evicted for rejecting services.
 4. House rules, if any, are similar to those found in housing for people who do not have psychiatric disabilities and do not restrict visitors or otherwise interfere with a life in the community.
 5. Housing is not time-limited, and the lease is renewable at tenants' and owners' option.
 6. Before moving into Permanent Supportive Housing, tenants are asked about their housing preferences and are offered the same range of choices as are available to others at their income level in the same housing market.
 7. Housing is affordable, with tenants paying no more than 30 percent of their income toward rent and utilities, with the balance available for discretionary spending.
 8. Housing is integrated. Tenants have the opportunity to interact with neighbors who do not have psychiatric disabilities.

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9. Tenants have choices in the support services that they receive. They are asked about their choices and can choose from a range of services, and different tenants receive different types of services based on their needs and preferences.
10. As needs change over time, tenants can receive more intensive or less intensive support services without losing their homes.
11. Support services promote recovery and are designed to help tenants choose, get, and keep housing.
12. The provision of housing and the provision of support services are distinct.

3.26.5 Definitions

[Arizona Department of Housing \(ADOH\)](#)

[Homeless](#)

[Housing](#)

[Housing Administrator](#)

[Housing Referral](#)

[HB 2003 Permanent Housing Programs](#)

[Independent Community Housing](#)

[Permanent housing](#)

[Public Housing Authority \(PHA\)](#)

[Section 8](#)

[Serious Mental Illness](#)

[Shelter Plus Care](#)

[Sponsor-based Rental Assistance](#)

[Supported Housing Services](#)

[Supportive Housing](#)

[Tenant-Based Housing](#)

[Transitional Housing](#)

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[U.S. Department of Housing and Urban Development \(HUD\)](#)

3.26.6 Objectives

To communicate expectations for housing services and assistance provided for persons determined to have SMI who are receiving services within Arizona's public behavioral health system.

3.26.7 Procedures

3.26.7-A: ADHS/DBHS Housing Requirements

State Funded Supported Housing Programs

T/RBHAs must comply with the following requirements to effectively manage limited housing funds in providing supported housing services to eligible individuals (see the [ADHS/DBHS Covered Behavioral Health Services Guide](#) for additional information on Supported Housing):

- T/RBHAs must use supported housing allocations for individuals with a SMI and according to any restrictions pertaining to the funding source. For example, a particular allocation may require it be used for TXIX/XXI persons, while another allocation may require it be used for Non-TXIX persons.
- Housing must be safe, stable, consistent with the member's recovery goals and be the least restrictive environment necessary to support the member. Shelters, hotels, and similar temporary living arrangements do not meet this expectation.
- T/RBHAs and T/RBHA providers must not actively refer or place individuals determined to have SMI in a Homeless shelter, licensed Supervisory Care Homes, unlicensed board and care homes, or other similar facilities.¹
- T/RBHAs may charge up to, but not greater than, 30% of a tenant's income towards rent. If a rent payment is increased in state funded housing programs, the T/RBHA must provide the tenant with a 30 day notice at the time of the tenant's annual recertification.
- T/RBHAs must not use supported housing allocations for room and board charges in residential treatment settings (Level II and Level III facilities). However, RBHAs may allow residential treatment settings to establish policies which require that persons earning income contribute to the cost of room and board.
- T/RBHAs may provide move-in assistance and eviction prevention services to those members in permanent housing. When move-in assistance is provided, T/RBHAs must prioritize assistance with deposits and payment for utilities over other methods of assistance, such as move-in kits or furnishings, consisting of pots and pans, dishes, sheets, etc. T/RBHAs are encouraged to seek donations for necessary move-in/home furnishing items whenever possible. T/RBHAs must not use supported housing allocations or other funding received from ADHS/DBHS (including block grant funds) to purchase furniture.

¹When a behavioral health recipient chooses to reside in an unlicensed board and care home, T/RBHAs and/or behavioral health providers must report any observations of unsafe conditions or provision of services that require licensure to the local housing authority and the Office of Behavioral Health Licensing (OBHL) at (602) 364-2595.

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- For appeals related to supported housing services, T/RBHAs and providers must follow requirements in [Section 5.5, Notice and Appeal Requirements \(SMI and Non-SMI/Non-Title XIX/XXI\)](#).
- Housing related grievances and requests for investigation for persons determined to have SMI must be addressed in accordance with [Section 5.3, Grievance and Requests for Investigations for Persons Determined to have a Serious Mental Illness](#).

Other ADHS/DBHS Housing Requirements

T/RBHAs must additionally submit T/RBHA plans describing the T/RBHA housing programs and submit periodic reports on housing programs, as outlined in the ADHS/RBHA contracts and ADHS/TRBHA intergovernmental agreements.

3.26.7-B: T/RBHA Housing Programs and Requirements

T/RBHA housing programs include specialized housing units to meet the needs of persons determined to have SMI who are difficult to place in the community partly due to crime free/drug free ordinances and specific behavioral health related service needs. Current specialized housing includes housing that is specifically designed to provide and accommodate the following services or conditions for persons determined to have SMI:

- Housing for females with co-occurring disorders who are homeless,
- Apartment complexes for persons determined to have SMI with criminal backgrounds released from jail with a major biological disorder,
- Housing for persons determined to have SMI who are hearing impaired or deaf,
- Housing for persons determined to have SMI who have sexualized behaviors and are in need of on-site support,
- Gender based house model living for older females determined to have SMI,
- Apartment complex housing and services to 18-25 year old adults transitioning from the children's behavioral health system to the adult behavioral health system,
- Respite homes for persons with developmental disabilities who are determined to have SMI (joint ADHS/DBHS, DES/DD program),
- Specialized homes for polydipsia,
- Homes that specialize in dialectical behavioral therapy,
- Housing for persons determined to have SMI with limited English proficiency, and
- Housing suited to meet medical needs of persons determined to have SMI with diabetes and other chronic diseases.

For additional information specific to Magellan's Housing Programs and Requirements contact Stephanie Knox, Director of Residential Services at 602-572-8280 or smknox@magellanhealth.com or go to [Residential Housing Desktop Manual](#).

3.26.7-C: Federal Programs and Assistance

The US Department of Housing and Urban Development (HUD) provides funding for adults who are homeless and disabled. On May 20, 2009, President Obama signed into law a bill to reauthorize HUD's McKinney-Vento Homeless Assistance Programs. The bill, known as the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act, made numerous changes to HUD's homeless assistance programs:

- Significantly increases resources to prevent homelessness

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- New incentives will place more emphasis on rapid re-housing, especially for homeless families.
- The existing emphasis on creating permanent supportive housing for people experiencing chronic homelessness will continue, and families have been added to the definition of chronically homeless.
- Rural communities will have the option of applying under a different set of guidelines that may offer more flexibility and more assistance with capacity building.

HUD published the HEARTH Continuum of Care (CoC) Program interim rule on July 31, 2012 and it became effective August 31, 2012. Changes made include codifying the Continuum of Care process, expanding the definition of homelessness, and focusing selection criteria more on performance. The purpose of the CoC Homeless Assistance Program is to reduce the incidence of homelessness in CoC communities, by assisting homeless individuals and families in quickly transitioning to self-sufficiency and permanent housing, as authorized under Title IV of the McKinney–Vento Homeless Assistance Act.

The HEARTH Act consolidates the programs formerly known as the Supportive Housing Program (SHP), the Shelter Plus Care (S+C) Program, and the Section 8 Moderate Rehabilitation for Single Room Occupancy (SRO) Program into one grant program: the Continuum of Care program.

RBHAs are required to work in collaboration with the Arizona Department of Housing (ADOH) and ADHS/DBHS and the three Continuums of Care to ensure the revised requirements of the HEARTH Act are met, allowing Arizona to maximize the HUD Continuum of Care Homeless Assistance Programs awarded throughout the State.

RBHAs and Providers awarded HUD funding are required to participate in the Homeless Management Information System (HMIS), a software application designed to record and store client-level information on the characteristics and service needs of homeless persons. The HMIS is used to coordinate care, manage program operations, and better serve clients.

Federal HUD Housing Choice Voucher Program:

- Tenants pay 30% of their adjusted income towards rent.
- Vouchers are portable throughout the entire country after one year.
- Permanent housing is obtainable for individuals following program rules.
- The program is accessed through local Public Housing Authorities through a waiting list.
- Initial screening is conducted by the Public Housing Authority; however, the final decision is the responsibility of the landlord.
- A Crime Free - Drug Free Lease Addendum is required.

To receive additional information regarding these programs contact Stephanie Knox, Director of Residential Services 602-572-8280 or smknox@magellanhealth.com.