

## RESOLUTION NO. 2019-0351

Adopted by the City of Sacramento

September 10, 2019

### Authorization to Apply for One-Time Housing Funding from the California Department of Health Care Services for the Whole Person Care Pilot Program

#### BACKGROUND

- A. A. On June 13, 2017, City Council authorized execution of an agreement between the City and the State of California's Department of Health Care Services (DHCS) for the City to design and implement a Whole Person Care (WPC) program, locally called Pathways to Health + Home or "Pathways." The City's Pathways program runs through December 31, 2020 and is in partnership with all four local hospital systems, five federally qualified health centers, all five MediCal managed care plans, and multiple local community-based organizations.
- B. DHCS administers all WPC programs, which provide federal matching dollars (from the Center for Medicaid and Medicare Services) for the development of local programs that coordinate health, behavioral health, and social services for vulnerable Medi-Cal populations.
- C. While Pathways provides significant supportive services, care coordination, and housing related services, the City is currently prohibited from using WPC funding to pay for direct housing subsidies.
- D. Many WPC pilots throughout the State of California ("State") target individuals who are mentally ill and are experiencing homelessness or are at risk of homelessness, and have a demonstrated medical need for housing. Recognizing this, the State recently authorized a one-time allocation of \$100 million to support WPC pilots for the costs of long-term and short-term housing, such as hotel vouchers and rental subsidies, as well as capital investment for housing projects for MediCal beneficiaries who are mentally ill and are experiencing homelessness, or are at risk of homelessness.
- E. WPC pilot lead entities must apply to DHCS for receipt of such one-time housing funding. WPC pilots are provided flexibility in determining the scope of their projects as well as the number of clients served, all applications for housing must:
  - 1) Serve clients who are mentally ill and are experiencing homelessness or at risk of homelessness.

2) Demonstrate how the funding will complement existing housing programs and not supplant existing funding.

3) Comply with "Housing First" principles.

F. If the City's application is approved, Sacramento's allocation for the State housing funds is up to \$3,059,351.

G. Pathways is currently providing its clients with housing case management services, such as housing navigation services and tenancy sustaining services.

H. If allocated one-time housing funds, the City intends to develop more flexible and varied housing options for Pathways clients who are mentally ill and are experiencing homelessness, or are at risk of homelessness. Many of the clients could benefit from supportive shared housing, room and board housing, board and care, or other non-traditional housing opportunities. If DHCS approves the City's application, City staff intends to release a Request for Proposals for housing partners who can create flexible housing subsidy initiatives that help clients access non-traditional housing options. The City will seek housing partners that:

- 1) Demonstrate an ability to complement existing housing support services offered in Pathways.
- 2) Fully embrace Housing First principles, and demonstrate proven experience in re-housing vulnerable homeless populations.
- 3) Serve people experiencing homelessness who are mentally ill, prioritizing those enrolled in Pathways.
- 4) Are client centered and offer multiple housing options to meet the needs of Pathways clients.
- 5) Employ critical time intervention strategies to assess needs and assign housing interventions, recognizing the limited term of the funding.
- 6) Are ready to deploy, with a focus on committing funds in 2020, to take advantage of care coordination through Pathways.
- 7) Serve the most number of Pathways enrollees, with a focus on rapidly re-housing those currently living unsheltered or in emergency or temporary shelters.
- 8) Are willing to participate in an evaluation of the program, and support the City with data to support this effort.

- I. Pathways already aligns with the federal directive and City commitment that funding for addressing homelessness follow a “housing first” approach, which offers permanent housing as quickly as possible for individuals and families experiencing homelessness. Any use of one-time housing funds would also comply with this “housing first” approach as defined in California Welfare and Institutions Code Section 8255-8256.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. The City Manager or the City Manager’s designee is authorized to submit a letter of interest to the State of California, Department of Health Care Services to apply for up to \$3,059,351 in one-time housing funds for Whole Person Care Pilots (Letter of Interest template is attached as Exhibit A).
- Section 2. The City Manager or the City Manager’s designee is authorized to enter into an agreement with the State of California, Department of Health Care Services for up to \$3,059,351 to receive funding and implement housing services as part of the City’s Whole Person Care Pilot program.
- Section 3. The City Manager or the City Manager’s designee is authorized to adjust the revenue and expenditure budgets in the Whole Person Care Program Multi-year Operating Project (I02000900) up to \$3,059,351 in Operating Grants (Fund 2702).

**Table of Contents:**

Exhibit A: Template Letter of Interest

Adopted by the City of Sacramento City Council on September 10, 2019, by the following vote:

- Ayes: Members Ashby, Carr, Guerra, Harris and Warren
- Noes: None
- Abstain: None
- Absent: Members Hansen, Jennings, Schenirer and Mayor Steinberg

Attest: **Mindy Cuppy** Digitally signed by Mindy Cuppy  
Date: 2019.09.17 16:55:47  
-07'00'  
Mindy Cuppy, City Clerk

*The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.*

September 11, 2019

California Department of Health Care Services  
Managed Care Quality and Monitoring Division  
1501 Capitol Avenue, P.O. Box 997413, MS 4400  
Sacramento, CA 95899-7413

Re: City of Sacramento Letter of Interest –One Time Housing Funds for Whole Person Care Pilots

To Whom it May Concern:

Please accept this Letter of Interest (LOI) from the City of Sacramento for \$3,059,351.17 of One-Time Housing Funds for Whole Person Care (WPC) Pilots and Resolution 2019-0351 from the Sacramento City Council, authorizing this LOI.

The City of Sacramento has been implementing Pathways to Health + Home (the City's WPC program) since June 2017. As of July 31, 2019, the program had served a total of 1,429 individuals experiencing homelessness with over 100,000 services, including outreach, navigation, care coordination and housing support. Additionally, Pathways has housed a total of 376 individuals. Pathways is currently collaborating with over 20 health care, housing support, and social service providers to ensure continuity of care for program enrollees and is continuing to explore other partnerships. While Pathways has been successful at referring vulnerable clients to traditional homeless housing programs, Housing Choice Vouchers, and other housing programs (and providing supportive services to assist with such transition), the City intends to use the one-time housing dollars to enhance these activities. The City will be releasing a Request for Proposals (RFP) for service partners able to administer housing assistance payments that:

- Demonstrate an ability to complement existing housing support services offered in Pathways.
- Fully embrace Housing First principles as defined in California Welfare and Institutions Code Sections 8255-8256, and demonstrate proven experience in re-housing vulnerable homeless populations.
- Serve people experiencing homelessness who are mentally ill, prioritizing those enrolled in Pathways.
- Are client centered and offer multiple housing options to meet the needs of Pathways clients.
- Employ critical time intervention strategies to assess needs and assign housing interventions, recognizing the limited term of the funding.
- Are ready to deploy, with a focus on committing funds in 2020, to take advantage of care coordination through Pathways.
- Serve the most number of Pathways enrollees, with a focus on rapidly re-housing those currently living unsheltered or in emergency or temporary shelters.
- Are willing to participate in an evaluation of the program, and support the City with data to support this effort.

In anticipation of the award of funds from DHCS, the City intends to release this RFP in October, 2019, to have housing partners in place by early 2020, and ready to provide re-housing funds to clients quickly. The City will require a fully developed proposal, noting number and types of housing units, anticipated

average housing subsidy payment per household, anticipated length of assistance, and approach to coordinating with Pathways housing support services and other community service programs.

We appreciate the opportunity to apply for these funds and look forward to a continued partnership with DHCS.

Sincerely,

Emily Halcon  
Homeless Services Manager  
City of Sacramento