

WHAT IS SUPPORTIVE HOUSING?

Supportive Housing (SH) is an evidence-based solution that combines affordable housing with tenant-centered supportive services to help people who face the most complex challenges get and stay housed. It targets people who experience chronic homelessness and cycle between institutional settings and the streets.

Recent findings of a [5 year randomized control study](#) (concluded in 2020) proved that households experiencing chronic homelessness can achieve stability and improve health through SH. Participants in SH saw a **40% reduction in arrests and 38 fewer days in jail (a 30% reduction in jail stays)** compared to the control group. Two years after referral to SH, participants had a **40% decrease in emergency department visits and a 155% increase in office-based visits**. Across all these reductions, there was a **\$6,875 annual cost-offset per person**.

WHY IS SSTF IMPORTANT?

In 2022, 6,266 households in Michigan experienced long-term homelessness with one or more disabling condition. Additionally, 46% of people experiencing homelessness in Michigan are Black, despite being only 14% of Michigan’s overall population.

CRITICAL GAPS IN SERVICES FUNDING

Michigan’s [Statewide Housing Plan](#) and the Michigan Interagency Council on Homelessness call for increased funding and fully leveraging Medicaid for SH services. To adequately serve all those in need of SH in Michigan, CSH has determined that \$37 million annually is needed. While Medicaid should be a primary source of funding, it currently covers less than \$1 million of the total expenses for SH services annually, and \$11 million comes from other federal, local, and private funding. This means there is a funding gap of \$25 million. This gap can be reduced as Michigan increases Medicaid reimbursement.

PROPOSAL

Appropriate \$25M per year starting in FY25 to the Michigan Supportive Services Transformation Fund (SSTF) through MDHHS Bureau of Community Services, reducing the total investment annually as Medicaid reimbursement for SH services increases.

- Target funding to existing SH tenants needing additional services and currently homeless households.
- Allocate \$1M annually for the first 3 years to capacity building and technical assistance resources needed for SH providers to develop and sustain high quality service delivery systems and build administrative capacity to leverage Medicaid.

Questions? Contact Catherine Distelrath, CSH Michigan Director at catherine.distelrath@csh.org

