



2026 KENTUCKY MEDICAID CROSSWALK

Medicaid and Services Analysis



About the Kentucky Housing Corporation (KHC)

Created by the 1972 General Assembly with a \$150,000 state budget appropriation, the Kentucky Housing Corporation (KHC) is a self-supporting, public corporation of the Commonwealth of Kentucky. Supported by a 15-member governing Board of Directors, KHC uses state appropriations to promote housing solutions and homeownership for more than 76,000 Kentucky families. Through state and federal funding, KHC also manages federal programs, including the Kentucky Balance of State Continuum of Care, the Emergency Solutions Grant program, and others. KHC collaborates with numerous partners across the state to invest in and develop affordable housing opportunities. To date, KHC has spent \$9.8 million on programming to assist those experiencing homelessness and has provided rental assistance to over 27,500 low-income Kentuckians. For more information about KHC, please visit their website, [available here](#).

About Corporation for Supportive Housing (CSH)

CSH (Corporation for Supportive Housing) advances affordable housing aligned with services by advocating for effective policies and funding, investing in communities, and strengthening the supportive housing field. Since our founding in 1991, CSH has been the only national nonprofit intermediary focused solely on increasing the availability of supportive housing. Over the course of our work, we have created more than 512,500 units of affordable and supportive housing and invested more than \$2.2 billion in communities. Our workforce is central to accomplishing this work. We employ approximately 170 people across 30 states and U.S. Territories. As an intermediary, we do not directly develop or operate housing but center our approach on collaboration with a wide range of people, partners, and sectors. For more information, visit www.csh.org.

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INTRODUCTION

In recent years, state and federal partners have identified new tools and opportunities to link housing and services in ways that are more effective and efficient for those who need assistance. These services often operate beyond the traditional office- or hospital-based health care system and are more place-based and community-focused. Research shows that the evidence-based supportive housing model increases housing stability and improves health outcomes.¹ These funding opportunities build on the advocacy, collaboration, and effective programs created by champions in the housing field, especially partners focused on improving health outcomes for those experiencing homelessness and housing instability.

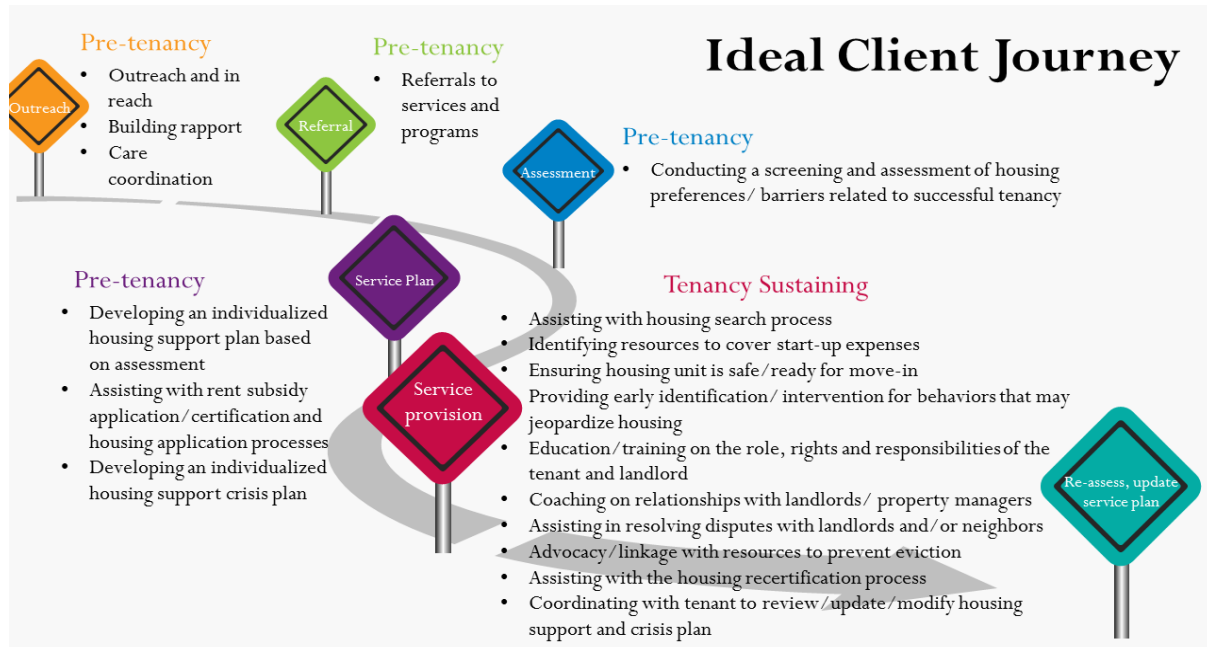
On January 7, 2021, the Centers for Medicare & Medicaid Services (CMS) sent a [letter](#) to State Health Officials (SHO) outlining opportunities under Medicaid to better address social determinants of health (SDOH) and to help states design programs, benefits, and services that more effectively improve population health, reduce disability, and lower overall health care costs.² Recognizing the positive impact of supportive housing for Medicaid enrollees who need stable housing and better access to health care, Kentucky sees supportive housing as a way to improve population health outcomes and address homelessness and housing instability. Since July 2025, the state has offered supportive housing services through a Medicaid state plan amendment³ called the 1915(i) Recovery, Independence, Support, and Engagement (RISE) program.

Kentucky also sees an opportunity to further grow supportive housing services in the state. The Kentucky Housing Corporation (KHC) contracted with CSH to complete a Medicaid Supportive Housing Services Crosswalk to determine how closely [Kentucky's Medicaid program](#) aligns with supportive housing services in policy and practice and where gaps remain, so people with the greatest needs can live in their own homes and communities with stability and autonomy. CSH's crosswalks help housing and service providers understand Medicaid in their state, including covered populations, services offered, delivery systems, and opportunities to improve access to quality health care services. CSH has analyzed Medicaid programs in over a dozen states, comparing covered services and populations with services offered in quality supportive housing. CSH has also assisted multiple states develop new Medicaid benefits for supportive housing services, referred to here as pre-tenancy and tenancy support services. Drawing on analysis from other states, Kentucky's Medicaid Crosswalk aims to show how Medicaid can make health care and housing more accessible for Kentucky Medicaid enrollees with the greatest needs. Figure 1 below illustrates the ideal journey for Kentucky residents.

¹ [Permanent Supportive Housing](#)

² [Social Determinants of Health \(SDOH\) State Health Official \(SHO\) Letter \(medicaid.gov\)](#)

³ [Medicaid State Plan Amendments | Medicaid](#)



The Crosswalk is organized into four parts:

- 1) Background on Supportive Housing
- 2) Overview of Medicaid in Kentucky
- 3) Crosswalk Findings
- 4) CSH Recommendations

PART ONE: BACKGROUND ON SUPPORTIVE HOUSING

Supportive Housing

Supportive housing combines affordable housing with intensive tenancy-support services and whole person care coordination to help people who face the most complex challenges live with stability, autonomy, and dignity. People who benefit from supportive housing include people experiencing chronic homelessness⁴ (extended periods of homelessness and one or more disabling conditions); people living in public institutions or licensed residential settings because of limited access to affordable housing with tenancy supports; people returning to their communities from carceral settings; and people who cycle between homelessness and these institutional settings.

As a federally recognized evidence-based practice,⁵ research shows that supportive housing provides stability, improves health outcomes, and reduces public-system costs. Supportive housing is not affordable housing with resident services; rather, it is a tenant-specific intervention that uses voluntary supportive services and consumer choice in service delivery, and it provides assertive, specialized tenancy-support services with low staff-to-client ratios of 1:10 or 1:15.

The **housing** component of supportive housing is deeply affordable, designed for households with incomes up to 30% of the area median income (AMI). Tenants pay 30% of income toward rent and utilities, while subsidies cover remaining operating costs. Supportive housing functions as independent rental housing and requires a lease with full tenancy rights and responsibilities. It also serves as a platform for connecting tenants to health-related and other supportive services that help them thrive.

The core **services** in supportive housing include pre-tenancy supports—such as outreach, engagement, housing search, application assistance, and move-in assistance—and tenancy-sustaining services, including landlord-relationship management, education on tenancy rights and responsibilities, eviction prevention, crisis intervention, and adherence to subsidy programs. Additional services, such as home-modification and home-accessibility supports, align with the model's goal of long-term community living. Providers also connect tenants to income supports, primary and behavioral health care, and other community resources. Services may include counseling, peer support, independent-living-skills coaching, supported employment, end-of-life planning, childcare, crisis support and transportation. Supportive housing operates within a whole-person care-coordination model.

⁴ HUD's Definition of Homelessness: Resources and Guidance - HUD Exchange

⁵ SAMHSA Supportive Housing Evidence Based Toolkit. <https://store.samhsa.gov/product/Permanent-Supportive-Housing-Evidence-Based-Practices-EBP-KIT/SMA10-4509>

Research shows that supportive housing is one of the most effective ways to decrease avoidable overspending on emergency health services and reduce the criminalization of people who need accessible housing and health care.⁶

Financing supportive housing requires “three legs of a stool,” (1) capital funds to develop housing; (2) rental assistance to supplement the rents that tenants with extremely low incomes can pay; and (3) services that help tenants access housing and health care so that they can thrive in their communities. Most states and localities do not have resources to implement this model at scale. A lack of sustainable services funding often delays the creation of new supportive housing. Historically, services funding has come through short-term grants and contracts, which attempt to address long-term needs. Instead of using those funds to create more housing, many communities devote a significant share to tenancy-support services that Medicaid could cover. Limited Medicaid coverage for supportive housing services restricts communities' ability to scale supportive housing, leaving many people homeless or institutionalized unnecessarily.

The Need for Supportive Housing in Kentucky

CSH Supportive Housing Needs Assessment Data

A subset of Medicaid enrollees in Kentucky has critical, unmet housing and health care needs. In 2019, CSH completed a nationwide assessment of supportive housing need. Based on CSH's analysis, 888 people in Kentucky experiencing chronic homelessness needed housing supports and services. When the assessment was updated in 2024, more than 19,000 people across multiple subpopulations needed permanent supportive housing in Kentucky.⁷

According to CSH's analysis, Kentucky held 170,271 “extremely low-income” renter households in 2023, with only 43 affordable housing units per 100 “extremely low-income” renters.⁸ To better understand need, CSH also utilized publicly available federal and state data to compare analyses and understand current demand among subpopulations experiencing homelessness. Using 2023 publicly available data, the National Low Income Housing Coalition (NLIHC) reported that Kentucky needs more than 96,600 rental homes that are affordable to “extremely low-income renters” who have an average household income of \$30,070.⁹ People who need supportive housing—affordable housing linked with services—are a subset of these 96,600 households.

In 2024, according to the HUD 2024 Continuum of Care Homeless Assistance Programs Report, Kentucky identified 4,213 households experiencing unstable housing; of this total, 54%

⁶ [Permanent Supportive Housing: Evaluating the Evidence for Improving Health Outcomes Among People Experiencing Chronic Homelessness | The National Academies Press](#) and more recently [What We Learned from the Evaluation | Urban Institute](#)

⁷ [National Needs Assessment | Tableau Public](#)

⁸ [National Needs Assessment | Tableau Public](#)

⁹ [Kentucky | National Low Income Housing Coalition](#)

(2,285) lived in emergency housing locations, and 36% (1,505) were unhoused. During the same year, 5,231 individuals experiencing homelessness resided in Kentucky, of which the majority comprised households with at least one adult between 35 and 54 years old. The majority of those experiencing unstable housing in Kentucky were White (67%), men (60%), and did not have children under 18 within the household (91%).¹⁰

It is also important to note that CSH's 2024 analysis highlights supportive housing need across specific subpopulations. According to the latest analysis, 942 people with substance-use treatment needs, 4,981 people with involvement in the justice system, and 4,635 people with developmental and intellectual disabilities needed permanent supportive housing in Kentucky in 2024.¹¹

Despite significant public sector investments in institutions, long-term care facilities, jails, shelters, residential treatment facilities, and hospitals, people experiencing homelessness and housing instability often do not receive the care they need, making it harder to improve their health and well-being. Instead, they face costly and often preventable institutionalization, limited access to primary care, and lack of integrated services to address complex needs. Although these residents represent a small share of the state's population, the state makes disproportionately large investments in the most accessible systems without adequately addressing people's needs or the needs of their communities.

Homelessness and Health: Understanding Health Insurance and Health Care Utilization for Kentuckians Experiencing Homelessness

Understanding the demographics of Kentuckians experiencing homelessness offers insight into trends in Medicaid use. Before the federal government approved Medicaid enrollment expansion in 2013, more than half (57%) of unhoused people served by Health Resources and Services Administration (HRSA)-funded Health Care for the Homeless (HCH) programs nationwide were uninsured. By 2023, 62% of unhoused people in expansion states had Medicaid coverage.¹²

Based on publicly available data, Kentucky provided Medicaid-reimbursed services—physical and behavioral health—to 2,775 Medicaid enrollees experiencing homelessness in 2021.¹³ Trends in Medicaid utilization after 2021 suggest the number of unhoused and unstably housed individual families increased both nationally and in Kentucky.

In 2024, according to the Health Center Program Uniform Data System (UDS) data system, 298 HRSA-funded awardees nationally provided services to more than 1.035 million patients experiencing homelessness. In Kentucky, 25 health centers delivered care to 294,718 patients

¹⁰ [CoC PopSub State KY 2024.pdf](#)

¹¹ [National Needs Assessment | Tableau Public](#)

⁷ National Health Care for the Homeless Council, [Homelessness-and-Medicaid-Whats-the-Connection .pdf](#)

¹³ [OHDA Homeless Indicator Statistics Reference Sheet \(2021\), pg. 2](#)

with Medicaid coverage in 2025. Notably—and underscoring the importance of coordination among homeless shelters, housing providers, and health service providers—43,454 patients experiencing varying levels of homelessness and 13,107 permanent supportive housing residents received services from HRSA-funded health centers.¹⁴ Although different data sets may yield different totals, they point to the same conclusion: Kentucky needs a significant increase in supportive housing to meet community needs.

This context frames CSH’s recent supportive housing needs assessments and helps explain Kentucky’s Medicaid programs and services, especially for people experiencing homelessness and housing instability with complex care needs.

Housing and Service Programs in Kentucky

Housing and service programs typically operate in funding siloes, which places the coordination burden on a small number of provider agencies that understand both sectors. Several local and state initiatives are underway to link resources, address the supportive housing needs in Kentucky, and increase resources that braid funding to create new supportive housing. Key examples include:

1. [Department for Behavioral Health, Developmental and Intellectual Disabilities \(DBHDID\) – RISE Initiative](#)
2. Kentucky Housing Corporation (KHC) – [Housing Opportunities for Persons With AIDS \(HOPWA\)](#) program
3. [Housing Choice Voucher program](#)
4. [Kentucky Olmstead Housing Initiative](#)

Significant cross-sector partnership work is underway to better coordinate housing and services for people served by both sectors across the state. More details will follow later in the report on how they relate to supportive housing in the state.

¹⁴ [2024 HRSA Health Center Data Report \(Kentucky - Special Populations\)](#)

PART TWO: OVERVIEW OF MEDICAID IN KENTUCKY

The Medicaid Program Nationally

Medicaid is a public health insurance program that pays for essential medical and medical-related services for people with low incomes. Kentucky has expanded Medicaid, so people who meet income requirements can qualify for coverage.¹⁵ By statute, Medicaid does not pay for room and board or bricks-and-mortar housing costs. To receive Medicaid reimbursed services, a person must first be Medicaid-eligible and enrolled, then meet any program specific criteria. For example, the RISE initiative requires that people 18 or older have a primary diagnosis of serious mental illness (SMI) or a co-occurring substance use disorder (SUD) **and** a functional impairment in two or more areas of daily functions (such as social, cognitive, or physical functioning). In addition, any agency delivering services must be enrolled as a Medicaid provider to bill;¹⁶ agencies that are not enrolled cannot receive Medicaid reimbursement.

At the federal level, Centers for Medicare & Medicaid Services (CMS) oversees all state Medicaid programs. A Medicaid state plan is the contract between a state and the federal government; it defines covered services, eligible populations, and payment methods. All state plans include certain mandatory benefits set by federal law, and states may add optional benefits.¹⁷ States can modify their state plan by submitting a state plan amendment (SPA) to CMS for review and approval, or they can request authority to waive certain parts of the Social Security Act through a waiver application. (Medicaid authorities are often referenced by their section numbers.) Examples that can include housing-related services or coordination include:

- **Section 1115 demonstrations (waivers):** Allow states to pilot innovative services, serve new populations, or test payment models. Kentucky uses a Section 1115 demonstration for many behavioral health services.¹⁸
- **Section 1915(c) Waivers and 1915(i) SPAs:** Allow states to provide home- and community-based services (HCBS) for specific populations (e.g., older adults with functional impairments; people with physical disabilities who need community supports or specialized equipment; individuals with severe or persistent mental illness; individuals with intellectual and developmental disabilities (IDD); children with special health care needs; and people living with traumatic brain injuries). These authorities help people remain in their homes and communities rather than move into institutions.¹⁹

States can pay providers directly under fee-for-service (FFS), or they can contract with managed care organizations (MCOs) to build networks pay for services. States typically pay

¹⁵ [Status of State Medicaid Expansion Decisions | KFF](#)

¹⁶ [KYHealth-Net](#)

¹⁷ For more detail on mandatory and optional Medicaid benefits -

<https://www.medicaid.gov/medicaid/benefits/mandatory-optional-medicaid-benefits/index.html>

¹⁸ [KY Section 1115 Authorities - Cabinet for Health and Family Services](#)

¹⁹ <https://www.kff.org/medicaid/report/medicaid-and-long-term-services-and-supports-a-primer/>

MCOs a per-member, per-month (PMPM) rate, which shifts financial risk to the plan. While MCOs can be more flexible than state agencies in contracting, they may limit covered services or participating providers to stay within budget. States and MCOs set licensing, credentialing, and staff qualification requirements that determine which providers may receive Medicaid reimbursement. In Kentucky, most Medicaid services – including primary care and behavioral health—are delivered through MCOs;²⁰ the RISE program is an exception and operates through a FFS delivery system administered by the state.

The Indian Health Service (IHS)—within the U.S. Department of Health and Human Services—provides federal health services to American Indian and Alaska Native people. The federal government provides 100% of Medicaid payments for services delivered to American Indian and Alaska Native enrollees at IHS facilities, which include Tribal Contract or Compact Health Centers (outpatient programs) and Urban Indian Health Centers, many of which are designated federally qualified health centers (FQHCs) providing comprehensive primary care. These facilities are owned or leased by Urban Indian organizations and Title V funding under the Indian Health Care Improvement Act.²¹ Kentucky does not have any federally recognized tribes or tribal nations.

In addition to standard benefits, states can authorize certain in lieu of services (ILOS) through managed care.²² ILOS are medically appropriate, cost-effective alternatives to state plan benefits that MCOs may offer to address health-related social needs, such as housing instability and nutrition insecurity.²³ Under [2023 guidance from CMS](#), ILOS programs must:

- Advance Medicaid program objectives
- Be cost-effective
- Be medically appropriate
- Preserve enrollee rights and protections
- Be subject to monitoring and oversight
- Be subject to retrospective evaluation, when applicable

ILOS typically require prior authorization and are limited to MCO members; they do not automatically extend to all people on Medicaid. Through the ILOS design process, states work with MCOs to define which services qualify. Some states include housing coordination, pre-tenancy supports, and tenancy-supporting services as ILOS.

²⁰ [Managed Care Organizations - Cabinet for Health and Family Services](#)

²¹ [Tribal & Urban Indian Health Centers | HRSA](#)

²² [In Lieu of Services and Settings | Medicaid](#)

²³ <https://www.chcs.org/media/Using-In-Lieu-of-Services-to-Address-Health-Related-Social-Needs-Upshots-from-the-Recent-Federal-Rule.pdf>

Medicaid in Kentucky

Kentucky offers Medicaid benefits primarily through a managed care organization (MCO) delivery system.²⁴ Kentucky first offered voluntary managed care coverage to eligible low-income adults and children in 1986 under the Kentucky Patient Access and Care (KenPAC) program.²⁵ As the program evolved, Kentucky's Medicaid Managed Care Program—which requires MCOs to provide coverage statewide²⁶—expanded to serve more enrollees. Today, eligible Medicaid enrollees must enroll in one of the state's health plans. Kentucky also offers a separate plan for justice-involved youth, youth in foster care and former foster care youth through the Supporting Kentucky Youth (SKY) Program.²⁷ The [Cabinet for Health and Family Services](#) (CHFS) contracts with MCOs to provide Medicaid services for eligible low-income Kentuckians, including:

- Children and adolescents
- Pregnant women
- Adults ages 19 to 64 who meet income requirements
- People with disabilities
- Justice-involved and foster care youth (through the SKY Program)

As of this report, the Department for Medicaid Services (DMS), within CHFS contracts with five health plans—Aetna Better Health of Kentucky, Humana, Molina Healthcare of Kentucky, UnitedHealthcare of Kentucky, and WellCare Health of Kentucky—to deliver managed care Medicaid benefits in eight MCO regions covering all 120 counties.²⁸ Aetna is the sole plan for the SKY program.

Home and Community-Based Services in Kentucky

Kentucky provides home- and community-based services (HCBS) through special Medicaid waivers that complement services available under the state Medicaid plan. These waivers allow people who might otherwise be placed in a residential or long-term care facility to live and receive services in the community of their choice. HCBS programs generally focus on activities of daily living (ADLs) based on a clinical level-of-need designation and can be paired with other services depending on the waiver.

Before adding the RISE program, Kentucky operated seven HCBS programs:

- [Acquired Brain Injury \(ABI\) Waiver](#)
- [Acquired Brain Injury – Long-Term Care \(ABI-LTC\) Waiver](#)
- [Community Health for Improved Lives and Development \(CHILD\) Waiver](#)
- [Home and Community Based \(HCB\) Waiver](#)

²⁴ [Medicaid Managed Care Penetration Rates by Eligibility Group | KFF](#)

²⁵ [Managed Care in Kentucky | Medicaid.gov](#)

²⁶ [Kentucky Department of Public Health: Medicaid Managed Care Contracts \(2020\)](#)

²⁷ [SKY - Supporting Kentucky Youth - Cabinet for Health and Family Services](#)

²⁸ [Managed Care Organizations - Cabinet for Health and Family Services](#)

- [Model II \(MIIW\) Waiver](#)
- [Michelle P. Waiver \(MPW\)](#)
- [Supports for Community Living \(SCL\) Waiver](#)

The following services are included in [Kentucky's HCBS waivers](#). A review of each HCBS program will explain what populations are eligible for which waivers and services.

Name	Services
Model II Waiver for individuals who are on a ventilator for more than 12 hours a day ²⁹	• Skilled Services by an LPN (licensed practical nurse) • Skilled Services by an RN (registered nurse) • Skilled Services by an RT (respiratory therapist)
Michelle P. Waiver for individuals with Intellectual and Developmental Disabilities ³⁰	• Adult Day Health Care • Adult Day Training • Attendant Care • Behavioral Support Service • Case Management • Community Living Supports (personal hygiene, activities of daily living, etc.) • Environmental and Minor Home Adaptation Service • Financial Management Services • Goods and Services • Homemaker • Occupational Therapy • Personal Care • Physical Therapy • Respite • Speech Therapy • Supported Employment
Acquired Brain Injury is for individuals with an Acquired Brain Injury ³¹	• Adult Day Training • Behavioral Programming Services • Case Management • Participant-Directed Services Case Management • Companion • Counseling / Group Counseling • Environmental and Minor Home Modifications • Financial Management Services • Goods and Services

²⁹ [Model II Waiver - Cabinet for Health and Family Services](#)

³⁰ [Michelle P. Waiver - Cabinet for Health and Family Services](#)

³¹ [Acquired Brain Injury Branch - Cabinet for Health and Family Services](#)

Name	Services
	• Occupational Therapy • Personal Care • Respite • Specialized Medical Equipment • Speech Therapy • Supervised Residential Care (Level I, Level II, or Level III) • Supported Employment
Acquired Brain Injury - Long Term Care is for individuals with an acquired brain injury that meets a nursing home level of care.³²	• Adult Day Health Care • Adult Day Training • Behavioral Programming Services • Case Management • Participant-Directed Services Case Management • Community Living Supports • Counseling / Group Counseling • Environmental and Minor Home Modifications • Family Training • Financial Management Services • Goods and Services • Nursing Supports • Occupational Therapy • Physical Therapy • Respite • Specialized Medical Equipment • Speech Therapy • Supervised Residential Care (Level I, Level II, or Level III) • Supported Employment
Home and Community Based Waiver for persons who are age 65 and older and/or with physical disabilities³³ (part of Kentucky's broader 1915c HCBS program)	• Adult Day Health Care • Attendant Care • Case Management • Participant-Directed Services Case Management • Environmental and Minor Home Modifications • Financial Management Services • Goods and Services • Home Delivered Meals • Non-Specialized Respite

³² [Acquired Brain Injury Branch - Cabinet for Health and Family Services](#)

³³ [Home- and Community-Based Services Waiver Programs - Cabinet for Health and Family Services](#)

Name	Services
	• Specialized Respite
Supports for Community Living for persons with intellectual and developmental disabilities ³⁴	• Case Management • Consultative Clinical and Therapeutic Services – Nutritional Services • Consultative Clinical and Therapeutic Services – Psychological Services • Consultative Clinical and Therapeutic services – Positive Behavior Supports • Consultative Clinical and Therapeutic Services – Functional Analysis • Day Training • Personal Assistance • Residential Support (Level I and Level II) • Respite • Shared Living • Supported Employment • Financial Management Services • Community Access • Community Guide • Community Transition • Environmental Accessibility Adaptation Services • Goods and Services • Natural Supports Training • Positive Behavior Supports Plan • Person-Centered Coaching • Specialized Medical Equipment and Supplies • Technology-Assisted Residential Support • Transportation • Vehicle Adaptation Services

Behavioral Health Services and Programs

Kentucky offers a variety of Medicaid-funded and state-funded behavioral health programs. A key service for people in recovery is access to peer support specialists. Unlike other behavioral health services, peer supports leverage lived experience and specialized training to assist community members with behavioral health needs.

³⁴ [Supports for Community Living Waiver - Cabinet for Health and Family Services](#)

As of January 1, 2026, Kentucky recognizes two main categories of peer support specialists: Certified Peer Support Specialists or Registered Alcohol and Drug Peer Support Specialists.³⁵ In Kentucky, three types of certified peer supports are available community members: Adult Peer Supports, Family Peer Supports, and Youth Peer Supports.³⁶ Certified peer supports can provide services in group settings or one-on-one. While eligibility and access vary by program, people seeking services, especially peer support services—must meet program requirements, including having Medicaid coverage and having either a serious mental health diagnosis or a substance use diagnosis.

Below is a list of key behavioral health programs and services that align with quality supportive housing principles.

Name	Services
Assertive Community Treatment (ACT)	• Multidisciplinary Care Teams • Targeted, In-Community Services
Certified Community Behavioral Health Centers	• Kentucky provides Certified Community Behavioral Health Clinic (CCBHC) services through a Substance Abuse and Mental Health Services Administration (SAMHSA)-funded demonstration (through 2027). • Services offered through the CCBHC demonstration include: • Crisis Services • Outpatient Mental Health and Substance Use Services • Person- and Family-Centered Treatment Planning • Community-Based Mental Health Care for Veterans • Peer Family Support and Counselor Services • Targeted Care Management • Outpatient Primary Care Screening and Monitoring • Psychiatric Rehabilitation Services • Screening, Diagnosis, and Risk Assessment
Community Mental Health Centers	• Services are reviewed and renewed every seven years (current menu set to expire in June 2029). • Services include: • Individual Outpatient Therapy • Group Outpatient Therapy • Family Outpatient Therapy • Collateral Outpatient Therapy • Therapeutic Rehabilitation Services

³⁵ [Department for Behavioral Health, Developmental and Intellectual Disabilities](#)

³⁶ [Department for Behavioral Health, Developmental and Intellectual Disabilities](#)

Name	Services
	• Psychological Testing • Screening • Assessment • Crisis Intervention • Service Planning • Screening, Brief Intervention, and Referral to Treatment (SBIRT) • Mobile Crisis Services • Assertive Community Treatment (ACT) • Intensive Outpatient Program (IOP) Services • Residential Crisis Stabilization Services • Partial Hospitalization • Residential Services for Substance Use Disorders • Day Treatment • Comprehensive Community Support Services • Peer Support Services • Parent or Family Peer Support Services ▪ Note: If a Community Mental Health Center (CMHC) serves as a patient's primary care provider, it may also provide additional services.
RISE Initiative	• Supervised Residential Care (supportive and health-related residential services in a staffed facility to support activities of daily living (ADLs)) • In-Home Independent Living Supports (routine supports in a participant's home to assist with ADLs) • ADLs • Meal Preparation • Financial Management • Medication Education • Social Skill Training • Transportation Coordination / Provision • Participation in Behavioral Health (BH) and Physical Health Appointments • Tenancy Supports • Pre-Tenancy: ▪ Conducting an assessment to identify the participant's housing needs and preferences (e.g., type, location, living alone or with a roommate, accommodations) and community integration goals ▪ Assisting with budgeting for housing and living expenses, including financial literacy education

Name	Services
	▪ Assisting with housing search and applications, including utilities and rental assistance, fees, and required documentation ▪ Reviewing and consenting to a rental agreement/lease ▪ Assisting with reasonable-accommodation requests and disability verifications ▪ Coordinating with the 1915(i) Recovery, Independence, Support and Engagement (RISE) case manager to develop an individualized Person-Centered Service Plan (PCSP) and housing-supports plan ▪ Identifying and securing community resources (e.g., documentation, fees, transportation) ▪ Ensuring the unit is safe and accessible for move-in ▪ Arranging and supporting move-in logistics, including transportation • Tenancy-Sustaining Supports: ▪ Partnering with the participant to plan, review and update the individualized housing-support plan regularly (at least every 90 days), including at redetermination ▪ Coordinating with the RISE case manager to maintain entitlements and benefits (including rental assistance) ▪ Coordinating supports that maximize independent living ▪ Ensuring referrals for services that promote housing stabilization, neighborhood adaptation, lease adherence and landlord-tenant problem-solving ▪ Coaching on independent living skills (e.g., housekeeping, budgeting, neighbor/roommate relations, reducing isolation, using local transit) ▪ Supporting landlord/tenant communication; educating on tenant and landlord rights/responsibilities and lease compliance ▪ Reducing eviction risk (e.g., conflict-resolution coaching; role-play and communication strategies with landlords/neighbors; addressing behaviors that put housing at risk; linking to legal resources) ▪ Supporting responses to threats to housing stability (e.g., disasters, imminent health/safety risks) including planning and temporary housing referrals if needed ▪ Early identification, risk management and proactive intervention when housing may be jeopardized

Name	Services
	• Supported Education (e.g., navigating learning environments; social-emotional skills; study/time management; self-advocacy and accommodations; building natural supports) • Individual Placement and Support - Supported Employment • Case Management • Medication Management ▪ Medication Training and Support (linked to participant-driven treatment goals in the PCSP; habilitative goals allowed when documented; documentation must show benefit and address health/safety risks related to medication) • Assistive Technology • Nonmedical transportation
2020 Substance Use Benefits SPA	• SUD and Mental Health Treatment Services • Screening • Assessment • Psychological Testing • Crisis Intervention • Mobile Crisis • Residential Crisis Stabilization • Day Treatment • Peer Support • Intensive Outpatient Program (IOP) • Individual Outpatient Therapy • Group Outpatient Therapy • Family Outpatient Therapy • Collateral Outpatient Therapy • Partial Hospitalizations • Service Planning • Residential Services for Substance Use Disorder (SUD) (SUD only) • Screening, Brief Intervention, and Referral to Treatment (SBIRT) (SUD Only) • Assertive Community Treatment (mental health only) • Comprehensive Community Support Services (mental health only) • Withdrawal Management • Medication-Assisted Treatment (MAT) • Applied Behavior Analysis (mental health only) • Inpatient Chemical Dependency Treatment (SUD only) • Therapeutic Rehabilitation (mental health only)

Name	Services
TEAMKY 1115 Demonstration Waiver	• Substance Use Disorder (SUD) • Reentry • Serious Mental Illness (SMI) • Health Related Social Needs (HRSN) (e.g., Recuperative Care Pilot, Recovery Residence Support Service (RRSS) for participants in the Behavioral Health Conditional Dismissal Program) • Pre-Release Services • Medication Assisted Treatment (MAT) • Case management • 30-Day Supply of Prescription and Over-the-Counter Medications • Episodic Housing Interventions with Clinical Services, including Room and Board, for up to six months, when clinically appropriate

Other Important Services and Programs

Kentucky also implements several other programs—funded by Medicaid and other state sources—that provide housing and housing stability services (e.g., educational supports). The following table lists other programs available as of the time of this report:

Name	Services
Kentucky Transitions (Money Follows the Person) for persons leaving an institutional level of care	• Housing Security Deposit • Utility Start-Up Deposits (water, gas, electricity or telephone) • Pest Eradication • Household Setup (furniture, dishes, bedding, towels, etc.) • Food Stocking (sufficient food until the individual receives a Social Security check or Supplemental Nutrition Assistance Program (SNAP) benefits) • Pre-Transition transportation • Unforeseen Transition Expenses (must directly mitigate a barrier to transitioning from a nursing facility to independent living with minimal support) • MFP does not pay for past due utilities or ongoing living expenses, including rent. • Services are capped at \$2,500 per person.
Olmstead Housing Initiative for persons leaving an institutional level of care	• Funding can pay for: • Moving Expenses • Basic Furnishings • Security and Utility Deposits

Name	Services
	• Ongoing Rental Subsidy
Kentucky Resources for Independence Success and Empowerment (RISE) Youth Benefits for Foster Care Youth	• Senior-Year Student Expenses (extracurricular events; up to \$650) • Independent Living Curriculum (gift card of \$250 upon completion) • State ID Card • Birth Certificate • Driver's Education (reimbursement up to \$500 for lessons/courses) • Learner's Permit and Driver's License • Car Insurance Coverage (up to \$1,000 for deductible and for adding an eligible youth to a caregiver's plan) • Youth Development Funds (e.g., sports, tutoring, college orientation fees) • Extended Commitment (transitional-living supports, including housing, up to the 21st birthday) • Independent Living and Scattered-Site Apartment Placement — Programs and Supports • Tuition Waiver (Kentucky public universities and community/technical colleges) • Education Assistance

PART THREE: CROSSWALK FINDINGS AND ANALYSIS

Materials Reviewed for the Crosswalk

This Crosswalk concentrates on Kentucky's Medicaid services that address the health care needs of beneficiaries with functional impairments who are likely to be impacted by housing instability, homelessness, and unnecessary institutionalization. The Crosswalk draws on multiple sources to determine the degree to which Kentucky Medicaid covers supportive housing services in policy and practice. Sources include (1) a review of publicly available, relevant documents and (2) interviews with providers who serve these populations.

Documents reviewed:

- [Community Health Worker state plan amendment \(2023 version\)](#)
- [Substance Use Benefits Medicaid state plan amendment \(2020 version\)](#)
- [State plan amendment to add hearing, vision, and dental benefits](#)
- [Program of All-inclusive Care for the Elderly \(PACE\) state plan amendment \(2021 version\)](#)
- [Behavioral Health Section 1115 Medicaid Demonstration waiver](#)
- [Section 1915\(i\) Recovery, Independence, Support, Engagement \(RISE\) state plan amendment](#)
- [Model II Waiver \(home- and community-based services, or HCBS\)](#)
- [Michelle P. Waiver \(HCBS\)](#)
- [Acquired Brain Injury \(ABI\) Waiver \(HCBS\)](#)
- [Acquired Brain Injury – Long Term Care \(ABI-LTC\) Waiver \(HCBS\)](#)
- [Home and Community-Based \(HCB\) Waiver](#)
- [Supports for Community Living \(SCL\) Waiver \(HCBS\)](#)
- Medicaid-funded behavioral health services and programs (e.g., [Assertive Community Treatment \(ACT\)](#) and [Certified Community Behavioral Health Centers \(CCBHCs\)](#))
- [Required Medicaid state plan benefits](#)

Note: CSH did not review Kentucky's latest, full Medicaid state plan for this analysis because it was not available at the time. CSH staff reviewed key programs within Kentucky's Medicaid program and accompanying state plan amendments (SPAs).

Findings from the Document Review

The following brief descriptions summarize each Medicaid authority reviewed and indicate how closely each aligns with supportive housing services. While CSH examined additional authorities, the programs below align most closely with quality supportive housing.

- **Michelle P. Waiver – Home- and Community-Based Services (HCBS)**
 - This waiver shows limited alignment with supportive housing services and principles and provides access to key services for Kentuckians experiencing homelessness and housing instability.
- **Supports for Community Living (SCL) Waiver - Intellectual and Developmental Disabilities (IDD) (HCBS)**
 - This waiver shows some alignment with supportive housing services and principles and provides access to key services for Kentuckians experiencing homelessness and housing instability.
- **Section 1115 Medicaid Demonstration (Behavioral Health)**
 - This demonstration shows moderate alignment with supportive housing services and principles and provides access to key services for Kentuckians experiencing homelessness and housing instability.
- **Section 1915(i) State Plan Amendment – Recovery, Independence, Support and Engagement (RISE)**
 - This state plan amendment aligns most closely with supportive housing services and principles and provides access to key services that can assist Kentuckians experiencing homelessness and housing instability.
- **State Behavioral Health Services funded by Medicaid (including Assertive Community Treatment (ACT) and Certified Community Behavioral Health Centers (CCBHCs))**
 - These services show some alignment with supportive housing services and principles and provides access to key services for Kentuckians experiencing homelessness.

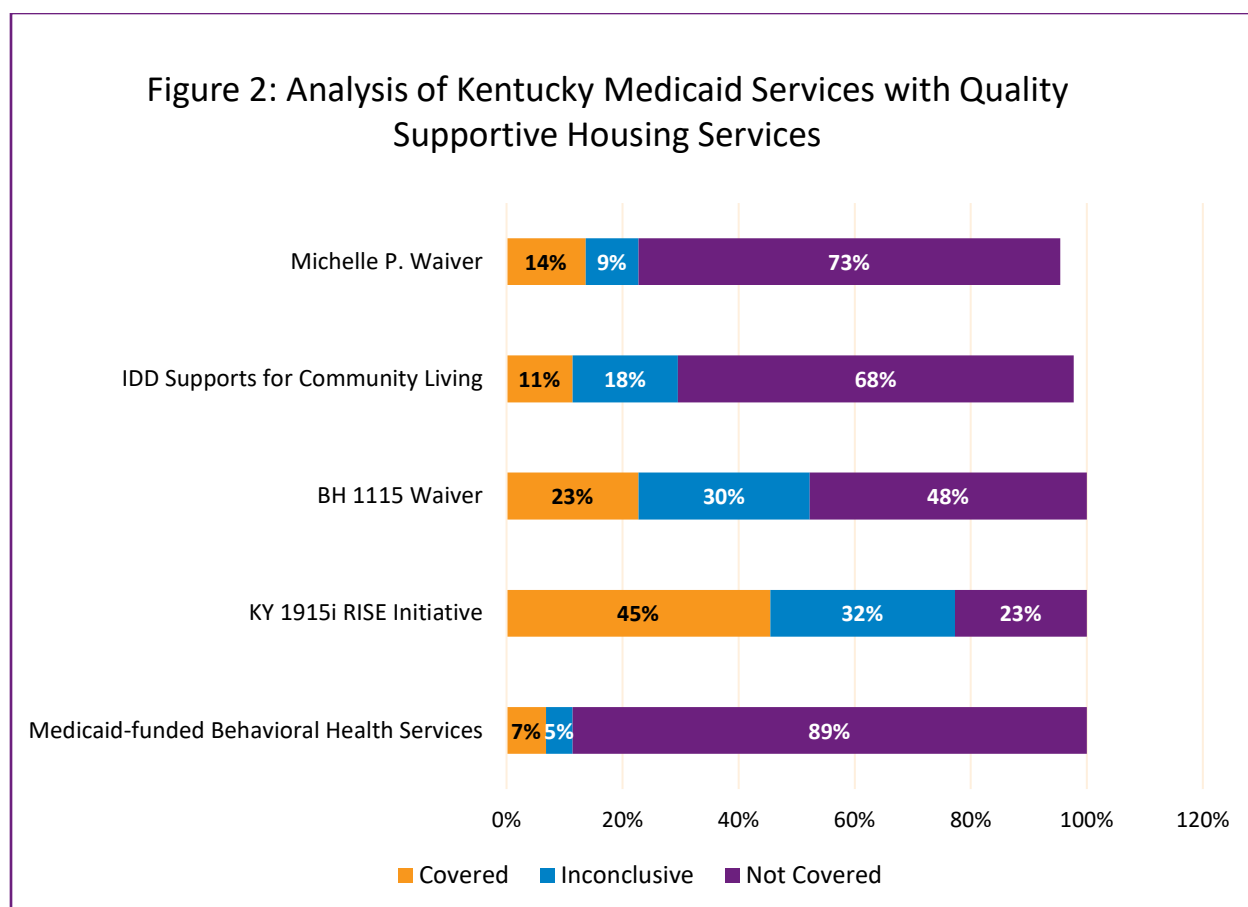


Figure 2

CSH uses its [Quality Supportive Housing Standards](#) to determine whether each activity in those standards is (1) an explicit part of a specific Medicaid authority (“YES”), (2) possible under an existing Medicaid authority, but not explicitly identified (“POSSIBLE”), or (3) not an allowable activity under the specific Medicaid authority (“NO”). Figure 2 highlights the five Medicaid authorities that align most closely with quality supportive housing.

All the programs listed below provide valuable services; however, these programs do not align with specific supportive housing services.

- Acquired Brain Injury (ABI) Waiver — Home- and Community-Based Services (HCBS)
- Acquired Brain Injury – Long-Term Care (ABI-LTC) Waiver — HCBS
- Home and Community Based (HCB) Waiver (general program)
- Community Health Worker (CHW) state plan amendment (SPA, 2023)
- Substance Use benefits Medicaid SPA (2020)
- Medicaid SPA adding hearing, vision and dental benefits
- Program of All-Inclusive Care for the Elderly (PACE) Medicaid SPA (2021)
- Model II (MIIW) Waiver — HCBS
- Required Medicaid state-plan benefits

Findings from Provider Interviews

CSH interviewed supportive housing providers across the state to understand how their agencies interact with, and navigate, Kentucky's Medicaid program. Across interviews and engagement sessions, CSH identified common themes and takeaways. The interviews aimed to pinpoint where supportive housing services and Medicaid align—and where gaps appear—in practice. Through fall 2025, CSH staff interviewed leaders from four provider organizations across different regions of the state. Highlights from providers that completed CSH's custom interview include:

- Nearly all provider organizations interviewed in fall 2025 offer a mix of behavioral health, housing, and activities of daily living (ADLs) services in their communities.
- Participants represented a range of locations and service profiles. Some providers deliver supportive services to the broader community; others focus on services and housing for program participants and tenants (e.g., adult day services, recovery centers, and groups).
- Providers serve clients across rural, urban, and suburban counties in Kentucky.
- Providers offer services such as case management, workforce development, mental health services, crisis management, tenancy skill building, parenting support, housing counseling, and peer supports—such as Certified Recovery Support Specialist (CRSS). Providers also cited other services that help people transition to long-term housing, including transitional shelter services.

Interview questions covered program funding and operations, Medicaid reimbursement for supportive housing services, and perceptions of how well Medicaid aligns with supportive housing delivery. CSH also gathered information about services that supportive housing providers currently offer to tenants, regardless of funding source.

Key themes providers shared:

- Billing Medicaid carries a significant administrative burden. Payment rates often do not reflect the full scope of work, including documentation of case notes, travel time, and supervision.
- Medicaid reimbursement rates, especially for targeted case management, adult day health, and outpatient behavioral health educational services—are insufficient to cover the true cost of care.
- Most organizations that bill Medicaid use a single billing software vendor. Staff reported that the product is easy to use and integrates well with existing systems.
- Some services (for example, nonemergency transportation) may be eligible for Medicaid reimbursement, but the administrative effort may outweigh the benefit for providers.
- Billing Medicaid alone will not sustain supportive-services delivery in supportive-housing programs. Housing organizations need to braid multiple funding streams to maintain services.

- To prepare for Medicaid billing, providers say strong leadership buy-in is essential before making operational and administrative changes. While mid-level staff may see the value of adding Medicaid to the payer mix, leadership concerns—especially about audits and potential clawbacks of funds due to incomplete documentation—must be addressed by knowledgeable internal staff (who may have limited time) and external experts.
- Connecting people who are potentially eligible for housing is time-intensive and often underestimated. It requires case-management support and follow-through that providers may not always have capacity to deliver.

Summary and Recommendations

CSH's recommendations aim to help Kentucky's state agencies and the Kentucky Housing Corporation (KHC) act on the recent approval by the Centers for Medicare & Medicaid (CMS) of the Section 1915(i) state plan amendment. The Crosswalk provides a comprehensive review of state documents and insights from provider interviews to determine how well tenancy support services do—or do not—deliver quality supportive housing services. Findings from state materials and interviews lay a foundation to maximize current housing services, and the new 1915(i) RISE program offers additional opportunities to serve people experiencing homelessness. The recommendations below outline how state leaders can strengthen this benefit by adopting a comprehensive statewide approach to funding and tracking outcomes in supportive housing.

Align 1915(i) RISE Housing Services with Other State Medicaid and Housing Services

Drawing on this analysis, Kentucky can better use information about services available under Medicaid authorities. As officials implement the 1915(i) state plan amendment (SPA)—the RISE program—it is important to identify where services may overlap across different Medicaid populations that RISE or similar programs could serve. CSH recommends that state leaders establish a process to review access points, service eligibility, services menus, and desired outcomes across KHC, DMS, and DBHDID—including the 1915(i) RISE program—to pinpoint provider education, training, and messaging needs across sectors and regions.

Coordination of Local and State Housing Access Points

To connect Medicaid members to housing solutions through the 1915(i) RISE SPA, Kentucky should coordinate local and state housing access points so they align with new RISE benefits. Coordination should address populations, access pathways, guidance on braiding funding, data system needs, and quality monitoring. CSH also recommends that the state assess whether current implementation plans and service definitions for housing support services will expand supportive housing development.

Quality supportive housing relies on three financing components—capital, operating subsidies, and services. The new SPA creates a unique opportunity to expand quality supportive housing capacity. That outcome depends on aligning housing resources with the new services in several ways:

- **Populations:** People eligible for 1915(i) RISE housing support services should also be eligible for, and prioritized for, affordable and supportive housing long-term rental assistance. Aligning service and housing eligibility helps providers deliver supports that lead to successful housing placements for Medicaid members.
- **Access Points:** Coordination should occur at the systems level rather than rely on individual providers or applicants. There are multiple ways to access affordable and supportive housing in Kentucky, each with its own criteria and application process. These pathways include, but are not limited to, Coordinated Entry. The state should also consider additional resources—such as Section 811/SRN, Mainstream Vouchers, Housing Opportunities for Persons with AIDS (HOPWA), U.S. Department of Housing and Urban Development (HUD) multifamily and senior housing, local public housing authorities and any state, county or city rental assistance programs.
- **Financial Guidance:** Providers new to Medicaid billing will need support on allowable strategies to braid different funding sources without duplication across similar programs. While Medicaid is essential to scaling housing support services, providers cannot assume all tenants will have Medicaid or qualify for these services; therefore they must understand how to braid funding to stay sustainable.
- **Data Systems:** To maximize efficiency and consistency, providers should enter data into **one** primary system whenever possible.
- **Quality Monitoring:** Create an integrated quality monitoring approach that accounts for requirements across the housing and Medicaid sectors.

Kentucky can learn from other states that cover supportive housing services and align housing and services, but the resulting system must remain sustainable within Kentucky’s Medicaid and housing structures.³⁷

Create and Sustain Provider Capacity Building

Providers with expertise in housing finance, operations, and serving people experiencing homelessness and housing instability are rarely also expert Medicaid billers. CSH has found that providers without Medicaid billing infrastructure typically need 18 to 24 months to transition to verified billing. Agencies that want to grow this line of business will need start-up funds and ongoing resources to support systems building and operational modifications.

Some states use state-appropriated capacity building funds to finance provider capacity and technical assistance. Others—especially during state budget constraints—leverage philanthropic funding for training and technical assistance. Even with new federal and state

³⁷ [Using-Medicaid-Housing-Related-Services-to>Create-New-Supportive-Housing.pdf](#)

budget pressures, states must create or adapt resources to help providers navigate this transition, particularly as new federal requirements increase compliance demands on providers.

Evaluate Cost Savings from the RISE Program and Reinvest in Behavioral Health and Housing-Related Services

National evaluations show that supportive housing can reduce healthcare costs. Cost savings arise when stable housing and support services reduce emergency department visits, inpatient hospital days, and days spent in long-term care facilities. A statewide analysis of Medicaid claims for people who are homeless and frequent users of high-cost emergency services could help Kentucky quantify potential savings from supportive housing services.

Once identified, federal savings should be reinvested in supportive housing services—especially those with research-based evidence. Savings can also support rental subsidies alongside services. As Medicaid continues to cover supportive housing services, providers can redirect other funding sources (described earlier in this report) to expand rental subsidies and cover nonbillable supportive housing expenses.

CONCLUSION

CSH applauds the Cabinet for Health and Family Services, the Department of Medicaid Services (DMS), the Department of Behavioral Health and Intellectual and Developmental Disabilities (DBHDID) and Kentucky Housing Corporation (KHC) for their partnership and collaboration to better serve all their residents. They and their partners are making strategic efforts to align the health and housing sectors more effectively and for their emphasis on increasing supportive housing services capacity and quality in the state. The recommendations in this report are in line with the goals of the 1915(i)RISE initiative to help people recover in the community and with the goals of all participants in this process who know supportive housing is the solution for a subset of Medicaid beneficiaries. Successfully implementing this benefit, aligning systems building provider capacity, and focusing on state-wide housing and services coordination would drive changes that would be beneficial to the state, local jurisdictions, providers, and Kentucky residents who are most in need.