

Arizona Department of Health Services
Division of Behavioral Health Services
PROVIDER MANUAL
Magellan Health Services of Arizona Edition

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, 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](#)

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3.26.3 Scope

To whom does this apply?

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 individuals determined to have a Serious Mental Illness who are eligible for Medicaid (Title XIX/XXI) benefits.

- In August 2000, ADHS/DBHS developed a permanent housing property acquisition program that allowed the Regional Behavioral Health Authorities 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. The acquisition of property for persons determined to have Serious Mental Illness increased the housing stock for up to 25 years. Deeds filed on each property mandate the use specifically for persons determined to have SMI actively enrolled in the behavioral health system.

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](#)

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[Shelter Plus Care](#)

[Sponsor-based Rental Assistance](#)

[Supported Housing Services](#)

[Supportive Housing](#)

[Tenant-based Housing](#)

[Transitional Housing](#)

[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 (see the [ADHS/DBHS Covered Behavioral Health Services Guide](#) for additional information on Supported Housing) to eligible individuals:

- T/RBHAs must use supported housing allocations to prioritize serving individuals with a Serious Mental Illness (SMI) who are Title XIX/XXI enrolled.
- RBHAs must not use supported housing allocations to provide supported housing services to any Non-Title XIX/XXI SMI members who were not already residing in state-funded housing prior to May 3, 2010. RBHAs may continue to use supported housing allocations for Non-Title XIX/XXI SMI members who were receiving supported housing services before May 3, 2010 and have not yet been transitioned to alternative housing. RBHAs are expected to make efforts to transition Non-Title XIX/XXI SMI members from state-funded supported housing services to alternative housing or housing funded by other sources.
 - Alternative housing must be safe, stable, and consistent with the member's recovery goals in the least restrictive environment. Shelters, hotels, and similar temporary living arrangements are not considered alternative housing.
 - RBHAs must not fix an arbitrary date for termination of housing services to Non-Title XIX/XXI persons determined to have SMI.
 - RBHAs must not evict individuals on the basis of Non-Title XIX/XXI enrollment status.

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- RBHAs must not actively refer or place individuals in Supervisory Care Homes or unlicensed board and care homes¹.
- T/RBHAs may charge up to, but not greater than, 40% 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 to pay for telephones or telephone usage fees. The T/RBHAs may utilize, whenever possible, alternate low cost telephone resources.
- 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. 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.
- 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,

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

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- 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 polydispia,
- 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 Residential Services at smknox@magellanhealth.com.

3.26.7-C: Federal Programs and Assistance

HUD provides a substantial amount of funding for adults who are homeless and disabled. With these funds, HUD requires states to have active community-based forums during which local representatives identify regional homeless needs and gaps in each community. There are three HUD continuum of care programs in Arizona that provide funding for homeless individuals with disabilities. The programs are comprised of civic, faith-based, business, non-profit and government leaders who rate and rank programs applying for HUD funding. ADHS/DBHS and RBHAs are members of the continuum of care programs and provide the funding match required for the program to maintain existing housing and create new housing programs for RBHA enrolled members. ADHS/DBHS and RBHAs provide funding for the following HUD programs:

Shelter Plus Care rent subsidy for homeless people with disabilities and their families:

HUD requires a funding match to receive and maintain federal funds. The day to day operations are administered by RBHAs and other non-profit organizations.

Supportive Housing:

RBHA contracted housing providers serve as both grantee *and* administrator of various HUD housing programs.

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.

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To receive additional information regarding these programs contact Magellan at 1-800-564-5465.