

*Lead Sponsor: Representative Joan Meschino*

## The Opportunity

The COVID-19 pandemic has laid bare the inadequacy of the safety net system in Massachusetts as a public health response for adults, youth and families experiencing homelessness, pushing our crisis response system to the limit, and further straining the state's patchwork of critical services and supports that keep low-income households stable. Now is the time to **take coordinated, comprehensive action to ensure these resources are leveraged effectively and equitably**.

**Supportive housing is a highly effective, cost-efficient strategy** that combines affordable housing with intensive, coordinated services to help people struggling with chronic physical and mental health issues maintain stable housing and access critical health care services. According to the Center on Budget and Policy Priorities, **this model saves an average of over \$6,000 a year per person in healthcare costs**. Furthermore, according to our Massachusetts Pay For Success Initiative, **84% of individuals experiencing chronic homelessness who receive supportive services and a housing voucher remain housed one year later**.

Major metropolitan regions like Chicago and Los Angeles have taken an innovative approach to address this issue – creating a **nimble, flexible pool of funding, coupled with private support and health care investments, to help fill in the existing gaps**. Here in Massachusetts, stakeholders have identified the need for a similar fund that braids public and private funding and is responsive to the needs of our most vulnerable neighbors. We have a unique opportunity to strengthen the coordination and delivery of supportive services that help people exit streets, jails, doubled-up housing, and the shelter system.

## The Massachusetts Flexible Housing Pool Program (MFHP) would:

### 1. Streamline the administration of services to individuals, youth, and families experiencing homelessness.

The bill will braid and prioritize public and private funding streams to provide flexible, responsive funding for housing subsidies as well as tenancy stabilization and supports when there is no other alternative payer (i.e., MassHealth). The MFHP focuses on bundling and delivering these resources in a new way that improves the efficiency of housing placement, centralizes the housing and services coordination function, and ultimately reduces the time to achieve long-term stabilization.

### 2. Ensure that existing state programs are deployed equitably to reach our most vulnerable residents.

While the state administers and funds dozens of programs to support individuals, youth, and families experiencing homelessness, it is extremely challenging and burdensome for folks experiencing a crisis to navigate and access this complex web of services. The MFHP seeks ways to re-orient the current crisis system response – from crisis to stability. Importantly, this bill focuses on reaching high utilizers of crisis systems, including residents with behavioral health needs, justice-involved individuals, victims of domestic violence, and older adults.

### 3. Create a statewide Funder's Collaborative to End Homelessness.

The legislation would establish a Funder's Collaborative, tasked with securing private contributions into the MFHP, investing around a unified, data informed vision to end homelessness, and seeding local innovations.

### 4. Launch new statewide flexible funding stream through DHCD, managed by a third-party nonprofit, to support trauma-informed service delivery, regional coordination efforts, and integrated housing and healthcare services.

Using data and working with local partners, eligibility and prioritization criteria will be defined to fit the target population, focus on geographic areas of high need and equity issues, streamline the housing placement process, and provide services to address complex social and behavioral health needs. The third-party nonprofit will serve as an intermediary between DHCD and applicants.

### 5. Improve outcomes and identify best practices for sustained investments.

The MFHP seeks to achieve the following goals: improvement in overall health of participants, increased use of appropriate health services, and corresponding reduction in use of crisis care such as hospital emergency rooms; fewer days in jail, court, or police custody; and increased stability and length of residency in supportive housing.