

[SAMPLE LETTER IN SUPPORT OF AB 74 ON YOUR LETTERHEAD]

June 26, 2017

Assemblymember David Chiu
Chair, Assembly Committee on Housing & Community Development
State Capitol
Sacramento, CA 95814
Lisa.Engel@asm.ca.gov

Re: Support for Assembly Bill 74, Housing for a Healthy California

Dear Assemblymember Chiu—

I am writing in support of Assembly Bill 74, Housing for a Healthy California. [TWO TO THREE SENTENCES ABOUT YOUR ORGANIZATION]

Californians experiencing homelessness incur disproportionate costs to local and state programs, acquiring, on average, \$2,897 per month in public costs. Two-thirds are Medi-Cal costs. Despite these high health costs, people experiencing homelessness have poor health outcomes and are at significant risk for early mortality. Providing services to homeless people, no matter how effective these same services may be for housed people, does not improve the health or decrease the costs of our homeless residents. In fact, homeless frequent hospital users continually *increase* their inpatient costs the longer they remain homeless.

The Department of Health Care Services (DHCS) recognized housing as health care in proposing using Medi-Cal to fund rental assistance in their 1115 Medicaid Waiver proposal. DHCS acknowledged decades of research demonstrating supportive housing decreases Medicaid costs among homeless beneficiaries. Though the Federal Centers for Medicare & Medicaid Services (CMS) did not approve using federal Medicaid funds for rental assistance, CMS did approve an 1115 Medicaid Waiver that includes the Whole Person Care pilot program, allowing counties to match federal funds to pay for services helping people find housing, and services promoting housing stability. DHCS is also working to implement a new Health Home Program that would fund these services for high-cost homeless beneficiaries. Though Whole Person Care pilots and the Health Home Program allow for funding through Medi-Cal for services in supportive housing, services alone will not reduce Medi-Cal spending on homeless beneficiaries unless service providers are able to link participants to rental subsidies as a way for these beneficiaries to afford a decent place to live.

Assembly Bill 74 would complete the “Whole Person Care” nature of the 1115 pilots and the Health Home Program by creating a “Housing for a Healthy California” Program. The Program would fund rental assistance tied to services dollars included programs like the Whole Person Care pilot and the Health Home Program. AB 74 is a one-time investment that would decrease Medi-Cal costs resulting from dramatic improvements in clinical outcomes. A rigorous evaluation would determine any changes to Medi-Cal costs from moving homeless participants into housing, providing the Legislature with the data to determine whether future investments are warranted.

Thank you for your leadership in drafting legislation that fosters federal-state-county investment in ending homelessness. We look forward to working with you to pass this important legislation.

Sincerely,

[YOUR NAME]
[YOUR TITLE]