

Summary of HUD Notice CPD-14-012

Notice on Prioritizing Persons Experiencing Chronic Homelessness and Other Vulnerable Homeless Persons in Permanent Supportive Housing and Recordkeeping Requirements for Documenting Chronic Homeless Status

Purpose:

In issuing this notice, HUD **strongly encourages** CoCs to adopt and incorporate an order of priority for **ALL** CoC Program-funded Permanent Supportive Housing (PSH) into their written standards and coordinated assessment systems. In doing so, CoCs ensure that these units are used as strategically and effectively as possible and accelerate progress towards the goal of ending chronic homelessness.

Background:

- In 2005, HUD began encouraging CoCs to create new PSH **dedicated** for use by persons experiencing chronic homelessness (herein referred to as *dedicated PSH*)
- The number of dedicated PSH beds for chronically homeless increased from 24,760 in 2007 to 51,142 in 2013
- Nationally, we saw a 25% decrease in chronic homelessness in PIT counts from 2007 to 2013
- Dedicated PSH still only represents 30% of all CoC Program-funded PSH
- Communities and recipients of CoC Program-funded PSH continue to use first-come, first-served approach and many are screening out those most in need

HUD seeks to achieve three goals through this Notice:

- 1) Establish an order of priority for dedicated and prioritized PSH beds which CoCs are encouraged to adopt in order to ensure that those persons with the most severe service needs are given first priority.
- 2) Inform the selection process for PSH assistance not dedicated or prioritized for chronic homelessness to prioritize persons who do not yet meet the definition of chronic homelessness but are most at risk of becoming chronically homeless.
- 3) Provide uniform recordkeeping requirements for all recipients of CoC Program-funded PSH for documenting chronically homeless status of program participants when required to do so as well as provide guidance on recommended documentation standards that CoCs may require of its recipients of CoC Program-funded PSH if the priorities included in the Notice are adopted by the CoC.

Key Terms:

- **Housing First** – Housing First is an approach in which housing is offered to people experiencing homelessness without preconditions (such as sobriety, mental health treatment, or a minimum income threshold) or service participation requirements and in which rapid placement and stabilization in permanent housing are primary goals.
 - HUD encourages its use to the **maximum extent practicable** and calls out that grant recipients that said they would use a housing first approach in the 2013 application must do so in the FY 2013 and FY 2014 operating years, because CoCs were competitively scored and recipients that said they would use a housing first approach scored higher.

- **Chronically Homeless**

The definition of "chronically homeless" currently in effect for the CoC Program is that which is defined in the CoC Program interim rule at 24 CFR 578.3, which states that a chronically homeless person is:

(a) An individual who:

i. Is homeless and lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; and

ii. Has been homeless and living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter continuously for at least one year or on at least four separate occasions in the last 3 years; and

iii. Can be diagnosed with one or more of the following conditions: substance use disorder, serious mental illness, developmental disability (as defined in section 102 of the Developmental Disabilities Assistance Bill of Rights Act of 2000 (42 U.S.C. 15002)), post-traumatic stress disorder, cognitive impairments resulting from brain injury, or chronic physical illness or disability;

(b) An individual who has been residing in an institutional care facility, including a jail, substance abuse or mental health treatment facility, hospital, or other similar facility, for fewer than 90 days and met all of the criteria in paragraph (1) of this definition [as described in Section I.D.2.(a) of this Notice], before entering that facility; or

(c) A family with an adult head of household (or if there is no adult in the family, a minor head of household) who meets all of the criteria in paragraph (1) of this definition [as described in Section I.D.2.(a) of this Notice, including a family whose composition has fluctuated while the head of household has been homeless.

- **Severity of Service Needs**

This Notice refers to persons who have been identified as having the most severe service needs.

(a) For the purposes of this Notice, this means an individual for whom at least one of the following is true:

i. History of high utilization of crisis services, which include but are not limited to, emergency rooms, jails, and psychiatric facilities; or

ii. Significant health or behavioral health challenges or functional impairments which require a significant level of support in order to maintain permanent housing. Severe service needs as defined in paragraphs i. and ii. above should be identified and verified through data-driven methods such as an administrative data match or through the use of a standardized assessment tool that can identify the severity of needs such as the Vulnerability Index (VI), the Service Prioritization Decision Assistance Tool (SPDAT), or the Frequent Users Service Enhancement (FUSE). The determination must not be based on a specific diagnosis or disability type, but only on the severity of needs of the individual.

(b) In states where there is an alternate criteria used by state Medicaid departments to identify high-need, high cost beneficiaries, CoCs and recipients of CoC Program-funded PSH may use

similar criteria to determine if a household has severe service needs instead of the criteria defined paragraphs i. and ii. above. However, such determination must not be based on a specific diagnosis or disability type.

Dedication and Prioritization of PSH Strategies

There are two significant ways in which CoCs can increase progress towards ending chronic homelessness in their communities using only their existing CoC Program-funded PSH:

- 1) Increase the number of CoC Program-funded PSH beds that are ***dedicated*** to persons experiencing chronic homelessness.
 - Recipients of non-dedicated CoC Program-funded PSH can request a grant amendment to dedicate one or more of its beds for chronically homeless.
 - If no chronically homeless households are left in the CoC area, recipient would follow the order of priority described later in this notice.
 - Once beds get the CH designation, you need a grant agreement amendment to change it back.
- 2) Prioritize ***non-dedicated*** PSH beds for use by persons experiencing chronic homelessness.
 - Implement *admissions preferences* for chronically homeless.
 - CoCs that scored highest in NOFA were those that committed to prioritizing **85% or more** of their non-dedicated CoC Program-funded PSH for chronically homeless.
 - Project applicants had to indicate the number of their beds they'd prioritize, and that application is now part of the grant agreement.
 - Recipients of CoC Program-funded PSH are encouraged to the maximum extent practicable to prioritize **ALL** turnover beds to chronically homeless and should until there are no chronically homeless households left.

Order of Priority in CoC Program-funded PSH

There are two sets of orders of priority for CoC Program-funded PSH:

- ✓ One set of 4 ordered priorities for CoC Program-funded PSH that is ***dedicated or prioritized*** for chronically homeless
- ✓ One set of 4 ordered priorities for CoC Program-funded PSH that is ***NOT*** dedicated or prioritized for chronically homeless

A. Order of Priority for CoC Program-funded PSH that is dedicated or prioritized for chronically homeless

- 1) Chronically homeless individuals and families with the longest history of homelessness AND the most severe service needs
 - i. Continual 12 months OR on at least 4 separate occasions in the last 3 years where the cumulative total length is **at least** 12 months
 - ii. Streets, safe haven or shelter
- 2) Chronically homeless individuals and families with the longest history of homelessness
- 3) Chronically homeless individuals and families with the most severe service needs
- 4) All other chronically homeless individuals and families
 - i. 4 separate occasions in the last 3 years where the cumulative total length is **less than** 12 months
 - ii. Streets, safe haven or shelter

- 1) CH + Longest + Highest Acuity (VI-SPDAT, F-VI-SPDAT, SPDAT or F-SPDAT Score)
- 2) CH + Longest
- 3) CH + Highest Acuity Score (VI-SPDAT, F-VI-SPDAT, SPDAT or F-SPDAT Score)
- 4) CH

- ✓ In communities that can't find a chronically homeless individual or family, they can use the order below for non-chronically homeless
- ✓ Projects that target specific populations, like persons with serious mental illness, should follow this order within that subset of the population
- ✓ Outreach and assessment must be good to ensure that we're not missing these folks

B. Order of Priority for CoC Program-funded PSH that is NOT dedicated or prioritized for chronically homeless

- 1) Homeless individuals and families with a disability with the most severe service needs
 - i. Streets, safe haven, shelter for **any period of time** including
 - ii. Persons exiting an institution where they have resided for **less than 90 days** **AND** were on streets, safe haven, shelter immediately before the institution
- 2) Homeless individuals and families with a disability with a long period of continuous or episodic homelessness
 - i. Streets, safe haven, shelter for **continuously for at least 6 months** or **on at least 3 separate occasions in the last 3 years where the cumulative total is at least 6 months** including
 - ii. Persons exiting an institution where they have resided for **90 days or less** **AND** were on streets, safe haven, shelter immediately before the institution **AND** were there **continuously for at least 6 months** or **on at least 3 separate occasions in the last 3 years where the cumulative total is at least 6 months**
- 3) Homeless individuals and families with a disability coming from places not meant for human habitation, safe havens, or emergency shelters
- 4) Homeless individuals and families with a disability coming from transitional housing
 - i. Must have been on streets or in emergency shelter or safe haven prior to moving into transitional housing, **EXCEPT**
 - ii. If the homeless individual or family is a domestic violence household and currently in transitional housing – they didn't have to be on streets, shelter or safe haven prior to being in the transitional housing

- 1) Literal H + Disability + Highest Acuity (VI-SPDAT, F-VI-SPDAT, SPDAT or F-SPDAT Score)
- 2) Literal H + Disability + Longest / Longest Episodic
- 3) Literal H + Disability
- 4) Transitional Housing + Disability **AND** were Literally H prior or Transitional Housing + DV victim (not Literally H prior)

- ✓ CoCs should still adopt written policies that require recipients to offer their non-dedicated or non-prioritized CoC-funded PSH to chronically homeless first, and then use the order above.
 - We want to prioritize those most at risk of BECOMING chronically homeless

- **ANY** household member with a disability may qualify the family for **non-dedicated** PSH (head of household must have the disabling condition for purposes of meeting the chronic homelessness definition for **dedicated** PSH)
- ✓ Projects that target specific populations, like persons with serious mental illness, should follow this order within that subset of the population
- ✓ Outreach and assessment must be good to ensure that we're not missing these folks

Using a Coordinated Assessment and a Standardized Assessment Tool or Process to Determine Eligibility and Establish a Prioritized Waiting List

- The system should produce a single prioritized waiting list for all CoC-funded PSH
- CoC should require that the policies and procedures governing coordinated assessment system requires all CoC Program-funded PSH accept referrals **ONLY** through the single prioritized waiting list
 - The notice goes on to say that organizations could continue to maintain project level waiting lists, but that **all** households would be referred to those based on where they fall on the single prioritized waiting from the coordinated assessment system.
 - *In consultation with HUD, this provision is included specifically to account for other non-CoC Program, HUD-funded programs that may require project-specific chronological waiting lists and is NOT intended to provide an alternative to the single, prioritized list produced from a coordinated assessment system for CoC Program-funded PSH programs.*
- HUD provides an appendix for key considerations in choosing a common assessment tool that possesses certain universal qualities
 - HUD has affirmed that the VI-SPDAT, F-VI-SPDAT, SPDAT AND F-SPDAT meet these criteria and are acceptable for use in coordinated assessment.

Recordkeeping Requirements

The notice also provides guidance – some new – on recordkeeping requirements for the **BOTH** the CoC AND project recipients on documenting policies, procedures, chronically homeless status, duration of homelessness, evidence of diagnosis for disabling condition component of chronically homeless status, etc. As many CoCs are in the process of developing written standards for the first time around prioritization of PSH and coordinated assessment, the summary below focuses primarily on the CoC Records requirements.

CoC Records:

- Evidence of written standards that incorporate the priorities of the notice, as adopted by the CoC
 - May be evidenced by written CoC or CoC subcommittee meeting minutes where the written standards are adopted
 - May be evidenced by an updated, approved governance charter where the written standards are adopted
- Evidence of a standardized common assessment tool
 - May be evidenced by written policies and procedures referencing single tool used by all CoC Program-funded PSH in the CoC

- Evidence that the written standards were incorporated into the coordinated assessment policies and procedures
 - May be evidenced by updated policies and procedures for coordinated assessment system

Recipient Records:

For CoC Program-funded PSH that requires by grant agreement that the recipient document chronic homelessness status in some or all of its PSH, the following records are required:

- Written intake procedures
- Evidence of chronic homelessness status
 - Evidence of homeless status
 - Evidence of duration of homelessness
 - Continuous, for at least one year
 - At least 4 separate homeless occasions over 3 years
 - Evidence of diagnosis of disabling condition
 - Substance use disorder
 - Serious mental illness
 - Developmental disability
 - Post-traumatic stress disorder
 - Cognitive impairments resulting from brain injury
 - Chronic physical illness or disability

Recommendations for CoC Program-funded PSH Recipients to demonstrate that they are following the order of priority in this notice (If the CoC adopts them)

1. Evidence of Cumulative Length of Occasions
 - It is important to document the start and end date of each occasion of homelessness and these occasions must cumulatively total 12 months
 - At least 9 months of the 12-month period must be documented through ***third-party documentation***
2. Evidence of Severe Service Needs
 - Data-driven methods such as administrative data match, or
 - Use of a standardized assessment conducted by a qualified professional
3. Evidence that the Recipient is Following the CoC's Written Standards for Prioritizing Assistance
 - Document that the CoC's written standards have been incorporated into the Recipient's intake procedures AND that the Recipient is following them in their practice