***Commonwealth of Massachusetts***

***Executive Office of Health and Human Services***

## Office of Medicaid

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**MassHealth**

**Managed Care Entity Bulletin 8**

**July 2018**



**TO:** Senior Care Options (SCO) Plans

**FROM:** Daniel Tsai, Assistant Secretary for MassHealth

**RE:** Housing-Related Activities and the MLR

**Housing-Related Activities and the Medical Loss Ratio (MLR):**

**Guidance for SCO Plans**

With the goal of improving health and patient care for its members, MassHealth understands the importance of addressing the social determinants of members’ health, such as housing. Through care coordination and interactions with members, managed care plans have an opportunity to positively affect the housing situation of members, which in turn is expected to improve members’ quality of life, reduce medical utilization, and have financial benefit for payers.

While MassHealth does not require Senior Care Options (SCO) plans to conduct housing- related activities or provide housing-related services outside of Community Support Program (CSP) services, plans may voluntarily choose to do so per 42 CFR 438.3(e)(1)(i), though the cost of these services will not be included when determining payment rates.

A plan that elects to provide such additional benefits, pursuant to 42 CFR 438.8(e)(2)(A) and 42 CFR 438.3(e)(1)(i), may include the cost of any optional housing-related services that it voluntarily provides to an enrollee when calculating its “incurred claims.” Incurred claims are a component of the numerator of the plan’s Medicaid-only MLR, as defined in Section 2.13.Q.1 of the First Amended and Restated Contract between Senior Care Organizations and the Executive Office of Health and Human Services, effective January 1, 2018.

Stated more simply, plans that provide optional housing services may treat the costs of providing such services as countable expenses for purposes of its Medicaid-only MLR calculation.

Such housing-related services may include the following.

• **Assisting a member with housing search activities**. These activities could include such things as helping members to overcome barriers to housing related to criminal history or errors in their criminal record; helping members overcome poor credit and/or housing histories; securing required documentation; visiting potential housing units; and communicating with landlords.

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**Housing-Related Activities and the MLR: Guidance for SCO plans *(cont.)***

• Paying for costs related to a member’s transition into housing from institutionalization or homelessness. These costs could include such things as first month’s rent or security deposit; costs for filing applications and obtaining and correcting needed documentation; and/or purchase of household furnishings needed to establish community-based tenancy.

• Ensuring a member’s housing stability. This could include activities such as helping to apply for benefits; assisting with the housing recertification process; educating and training the member on how to be a responsible tenant; educating the member on money management and budgeting; assisting the member in resolving disputes with landlords and other tenants; and communicating and coordinating with onsite housing staff to identify and intervene when a member’s behavior may jeopardize housing. This could also include the use and implementation of proven housing-related Evidenced Based Practices to support members to maintain tenancy.

• Home modifications for a member to obtain or maintain housing or limited physical adaptations to the member’s community-based dwelling, when necessary to ensure the member’s health, welfare, and safety, or to enable the member to function independently in a community-based setting. This could include costs related to such things as the installation of grab bars and hand showers; doorway modifications; in-home environmental risk assessments; refrigerators for medicine such as insulin; HEPA vacuum cleaners; pest management; air conditioners; traction or non-skid strips; and night lights.

• Identifying other community resources to assist members with housing. This may include developing a process to identify outside resources and making referrals for members.

• Supporting staff embedded onsite at housing properties to provide nonduplicative services to residents. This could include funding for housing staff located onsite in senior housing properties that provide resident service coordination; wellness programming activities; or providing medical support, such as through a nurse or social worker.

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**Questions**

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