REPORT TO THE LEGISLATURE

The Supportive Housing and Managed Care Pilot

December 2002

Prepared by the Department of Human Services
Economic and Community Support Strategies
and Division of Continuing Care

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Minnesota Statutes, chapter 3.197 requires disclosure of the cost to prepare this report. Approximately $1,000 for staff salaries and materials was spent to write the report.
EXECUTIVE SUMMARY

This is the second annual report submitted to the Minnesota Legislature pursuant to Minnesota Statutes 2001, Article 10, Section 55 (256K.25).

The Supportive Housing and Managed Care Pilot is a five-year demonstration project created from an intergovernmental, public-private partnership. The premise of this pilot is to test and evaluate a new model to help families and single adults who have long histories of homelessness achieve increased levels of stability and satisfaction in their lives, while improving the efficiency of service delivery.

The project began for families in Blue Earth County in March 2001, and in Ramsey County in May 2001. As of June 30, 2002, there were 47 families enrolled, including 137 children, for a total of 192 participants. Outreach and engagement of single adults began in both counties in August 2002, targeting 16 people in Blue Earth County and 64 in Ramsey County. Both Blue Earth County and Ramsey County operate the pilot through contracts with a local non-profit, Hearth Connection.

This report provides an update on the pilot after a full year of working with families, and at the start-up phase working with single adults. It provides an overview of the independent evaluation underway. It discusses the use of public funds, as well as leveraging of other public and private monies.

The pilot was established to achieve the following goals:

- To improve participant outcomes;
- To document the cost-effectiveness of the model;
- To improve coordination among service providers; and
- To increase accountability for outcomes.

The project has continued to show good progress towards these ends. Although it is too soon in a five-year demonstration project to have concrete results, early indications show that the pilot is well-positioned to deliver good results in the coming years.

1. Families and children participating in the pilot have stayed in the program an average of 295 days. Disenrollment rates have been lower than expected with only 26% of families disenrolling. (Families that disenrolled stayed in the program an average of 140 days.)

2. The first year of operation for families focused heavily on housing. Housing stability is being established successfully for most families. 41 of 47 families have stayed in the same housing since they moved in initially. This stability creates an opportunity to address other areas, including family reunification, health, education and employment.
3. The scarcity of affordable housing and mainstream rental assistance in the metropolitan area have required Hearth Connection to become a direct provider of rental assistance. Access to mainstream rental assistance continues to be a critical challenge for participants to maintain stable housing.

4. Hearth Connection has contracted with an independent evaluator, the National Center on Family Homelessness (formerly The Better Homes Fund). Data collection has begun to document the pilot’s success relative to its goals. The rigorous evaluation methodology should enable the evaluator to document the program’s effectiveness in reducing utilization of crisis and institutional services and improving outcomes for participants.

5. The first annual process study findings will be available early in 2003. Advance information from the National Center on Family Homelessness suggests the following:

- The pilot is reaching those considered “hardest-to-serve.”
- The pilot is having a positive impact on participants.
- Change for participants is, as expected, incremental.
- A broad range of public and private stakeholders remain interested in the success of the pilot.
- Hearth Connection has put accountability and communication structures in place for its stakeholders.

6. Hearth Connection, the counties and primary providers are also focused on continuously making improvements in specific areas where the challenges are greatest:

- Improving coordination across agencies and systems.
- Promoting participant accountability.
- Supporting front-line staff and providing resources for engaging people who are alienated from traditional service delivery, working with people with mental illness and co-occurring chemical dependency, and working effectively with children.

7. The project was implemented successfully for single adults. Outreach and engagement are underway. The pilot appears to be enrolling people who have long histories of homelessness compounded by problems of mental illness and substance use.

8. The infrastructure is in place to manage this demonstration project successfully and to deliver rigorous documentation on the results of the project through June 2006. State and county government, as well as private sector stakeholders, continue to be invested in the pilot, both financially and collaboratively. It continues to show potential to demonstrate an effective response to the growing problem of long-term homelessness.
OVERVIEW

In 1999, the Minnesota Legislature authorized DHS to establish a Supportive Housing and Managed Care Pilot. In 2000, the Legislature appropriated $1 million for each of three years from 2001 through 2003, from the Temporary Assistance for Needy Families (TANF) reserves to establish a pilot in two counties for homeless families. The 2001 Legislature appropriated $1 million for each year in 2002-2005 to expand the program to include single adults. In 2002, that funding was delayed by one year and $1 million. Expansion to single adults began in August 2002.

The Supportive Housing and Managed Care Pilot focuses on the integration of housing, health care and social services. The project works with families and single adults with long histories of homelessness, compounded by substance use, mental illness, trauma, violence and chronic health problems. Adults will have improved stability in housing, which will in turn promote the attainment of goals related to health and self-reliance. Children will have safe and stable environments that support the attainment of health, developmental and educational goals.

The project operates through a collaboration between the Department of Human Services, Ramsey and Blue Earth counties, Hearth Connection, the Amherst H. Wilder Foundation, Mental Health Resources and Guild Incorporated.

This report describes the first full year of experience working with families in the program, the implementation of the program for single adults, the implementation of an independent evaluation, the use of public funds and the leveraging of public and private monies.

Families

Blue Earth County

Journey Home (a unit of Blue Earth County Human Services) employs three staff with experience working with children and families. As of June 30, 2002, 18 families were enrolled, including 59 children, for a total of 83 participants. Families had been enrolled an average of 223 days. For the 18 active families, enrollment averages 255 days. Eight families who disenrolled were in the pilot an average of 152 days:

- One disenrolled after achieving stability;
- Five of these families left the county; and
- Two would not accept support from the program.

Table 1 on the next page shows characteristics of the families at the time of enrollment.
Table 1. Blue Earth County Participant Profile

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>N=26</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average family size</td>
<td>3.5</td>
</tr>
<tr>
<td>Average age of adults</td>
<td>32.2</td>
</tr>
<tr>
<td>Average age of children</td>
<td>7.9</td>
</tr>
<tr>
<td>Average MFIP months remaining</td>
<td>44</td>
</tr>
<tr>
<td>Average years of county residence</td>
<td>9.6</td>
</tr>
<tr>
<td>Employed parent(s)*</td>
<td>13</td>
</tr>
<tr>
<td>Families with member receiving disability*</td>
<td>12</td>
</tr>
<tr>
<td>Families with active child protection case</td>
<td>6</td>
</tr>
</tbody>
</table>

*The number of employed parents and family members receiving disability are as of June 30, 2002.

In Blue Earth County, housing for participants is either private market units scattered throughout the City of Mankato, or at River Town Homes, also in Mankato. River Town Homes is an eight-unit supportive housing project developed by Partners for Affordable Housing with a target population that includes pilot families. Presently, all eight units at River Town Homes are occupied by pilot participants.

Pilot financing includes a housing budget intended to assist participants in obtaining a mainstream housing subsidy, such as Section 8 from the Mankato Economic Development Agency. In addition, the River Town Homes project has access to Rental Assistance for Family Stabilization (RAFS) vouchers, a “shallow” or partial rent subsidy. As of June 30, 2002, families in housing were using the following sources of rental assistance:

Table 2. Source of Rental Assistance

<table>
<thead>
<tr>
<th>Source</th>
<th>Families</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pilot funding</td>
<td>4</td>
</tr>
<tr>
<td>Rental Assistance for Family Stabilization (RAFS)</td>
<td>3</td>
</tr>
<tr>
<td>Mankato EDA Section 8</td>
<td>9</td>
</tr>
<tr>
<td>None, participant covers full rent</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>18</strong></td>
</tr>
</tbody>
</table>

As of June 30, 2002, all 18 families were in housing.

- It took an average of 35 days for families to move into housing, with a maximum of 98 days. One family was housed when they enrolled, but required immediate assistance to stabilize and maintain their housing.

- Fifty-seven percent (57%) of families were housed in the first month, and 91% were housed within the first three months.
- Of the 9 families that disenrolled, 5 had been placed in housing. The remaining 4 disenrolled families did not acquire housing through the program.

- Housing has been stable, with all families active in the program remaining in the first unit they occupied.

- The average rent for a family’s apartment or house is $628, with participants contributing on average $269 towards that rent. (Participant contributions are based on guidelines used by the Section 8 program.)

In working with families in Blue Earth County, several themes are emerging.

- Blue Earth County has shelter and transitional housing programs, but not a full continuum of homeless prevention programs. As a result, Blue Earth’s involvement in the pilot has raised awareness about the need to have effective county-based strategies for dealing with a broader continuum of homelessness than just long-term homelessness.

- Coordination of services, especially within the county, but also with other community agencies, already happens frequently. Journey Home, the primary provider for families in Blue Earth County, is therefore called upon less to lead coordination efforts than to foster their continuation.

- Inclusion of a financial planner in the routine set of services offered to participants has helped address budgeting and credit problems. Participants are learning money management skills.

- Journey Home now has office space at River Town Homes, the eight-unit supportive housing apartment building in which some participating families reside. This allows Journey Home to interact both formally and informally with family members living there. It also provides a service hub for other participants who live in private market housing around Mankato.

- There are still challenges for primary providers engaging people who are not eager to be engaged, developing relationships and working on participant-driven goals and plans.

Ramsey County

Project Quest within the Amherst H. Wilder Foundation employs five direct service staff to work with 30 families. This team is supported by housing staff who also support housing and landlord relationships for other Wilder programs.

Enrollment stability has been strong — better than Ramsey County and Hearth Connection projected. As of June 30, 2002, there have been 38 families in the pilot, and only 9 have
disenrolled. For active families, 79% (23 of 29) had been enrolled for ten months or more. Six of nine families who disenrolled were enrolled for 60 days or less.

For the families that disenrolled:

- One entered an extended residential treatment program;
- One found housing on their own;
- One family decided they did not want to participate;
- One family already lived in a supportive housing program;
- Three left the state; and
- Two families were separated and permanent arrangements were made for the children.

Table 3 shows a profile of these participants at the time of enrollment.

**Table 3. Ramsey County Participant Profile**

<table>
<thead>
<tr>
<th>Characteristics</th>
<th>N=38</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average family size</td>
<td>4.6</td>
</tr>
<tr>
<td>Average age of adults</td>
<td>35.4</td>
</tr>
<tr>
<td>Average age of children</td>
<td>10.5</td>
</tr>
<tr>
<td>Average MFIP months remaining*</td>
<td>28</td>
</tr>
<tr>
<td>Average years of county residence</td>
<td>17</td>
</tr>
<tr>
<td>Families with employed parent(s)</td>
<td>5</td>
</tr>
<tr>
<td>Families with member receiving disability</td>
<td>5</td>
</tr>
<tr>
<td>Families with active child protection case</td>
<td>11</td>
</tr>
</tbody>
</table>

*Families need at least 12 months of MFIP remaining to be eligible.

In Ramsey County, all the housing is private market with sites located throughout the county. Finding housing has been a challenge. Additionally, the market is very tight, and the rental histories of participating families make them the least appealing to landlords.

Pilot financing includes a housing budget based on an average damage deposit and six months of rental assistance per family. The Metropolitan Council and the St. Paul Housing Authorities have seen shifts from low utilization to over-utilization of Section 8. Hearth Connection has responded by exploring special designation Section 8 programs, Shelter Plus Care, and securing a Housing Trust Fund grant from the Minnesota Housing Finance Agency (MHFA). As of June 30, 2002, families in housing were using the following sources of rental assistance:
As of June 30, 2002, 28 of 29 families were in housing.

- Housing placements had been made for 28 of 29 active families. It took an average of 58 days for families to move into housing, with a minimum of 12 days and a maximum of 156 days. The family without a housing placement enrolled June 20, 2002.

- Within four months, 89% of families were housed.

- Only 2 of the 9 families that disenrolled had been placed in housing.

- Housing has been stable for 23 of the 29 families, who have stayed in the first unit they acquired through the program. Among the remaining 6 families, there were a total of 10 changes in housing after the initial placement: 3 families had 1 change, 2 families had 2 changes and 1 family had 3 changes.

- The average rent for a family’s apartment or house is $959, with participants contributing roughly $56 towards that rent. (Participant contributions are based on guidelines used by the Section 8 program.)

There are several important themes in service delivery for families in Ramsey County:

- It is complicated to navigate the large systems and many agencies that provide services and support to families in Ramsey County. Dialogues are taking place with the housing authorities, schools, child protection, employment and training vendors and health plans to develop ways to coordinate effectively and efficiently on behalf of participants. Commitment to the pilot is strong. Hearth Connection is working to formalize agreements for cooperation, and to identify and remove barriers where they exist.

- The complex situations of families require primary provider staff to be both generalists as well as specialists in many areas. Hearth Connection will increase support by adapting best practices in many fields, including work with children, adult mental health, co-occurring substance abuse, and domestic violence.

### Table 4. Source of Rental Assistance

<table>
<thead>
<tr>
<th>Source</th>
<th>Families</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pilot funding</td>
<td>18</td>
</tr>
<tr>
<td>St. Paul PHA Section 8</td>
<td>5</td>
</tr>
<tr>
<td>Metro HRA Section 8</td>
<td>2</td>
</tr>
<tr>
<td>Project-Based Section 8</td>
<td>1</td>
</tr>
<tr>
<td>Public Housing</td>
<td>1</td>
</tr>
<tr>
<td>Ramsey County Mental Health</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>28</strong></td>
</tr>
</tbody>
</table>
As in Blue Earth County, there are many challenges associated with engaging people who are in very complicated situations.

The pilot’s goals are broad and systemic. Primary providers and families achieve successes in smaller steps. One challenge is connecting the attainment of incremental successes for families with systemic goals to improve appropriate use and efficiency of government-funded programs.

**Single Adults**

In August 2002, DHS signed contracts with Blue Earth County and Ramsey County to expand this demonstration project to include single adults.

**Blue Earth County**

In Blue Earth County, the county directly employs primary provider staff to work with single adults, as it does for families. This team of two is connected to the mental health and chemical health programs in the county. The target group is single adults with long histories of homelessness exacerbated by chemical dependency, often with a co-occurring mental illness.

At least sixteen single adults have been identified by the county for the pilot, and staff have been doing outreach and engagement to solicit their active participation in the pilot. Finding appropriate housing is the initial focus, but relationship development, assessment and goal planning are also occurring during these first months of operation.

**Ramsey County**

Hearth Connection has a contract with Mental Health Resources to work with the first 32 single adults who participate in Ramsey County. Guild Incorporated is scheduled to begin working with an additional 32 people in February.

The Mental Health Resources team is called Project Homeward. They have three staff with experience in street outreach and mental health. Ramsey County has targeted people with co-occurring mental illness and substance use with long histories of homelessness. Prospective participants find out about the program from staff in county and community programs that work with people who are homeless, including:

- Dorothy Day
- Health Care for Homeless Veterans
- Health Care for the Homeless
- People Incorporated Metropolitan Homeless Outreach Project
- Ramsey County Access Team
- Ramsey County Chemical Dependency Case Management
- Ramsey County Detox
- Ramsey County Mental Health Case Management
Project Homeward meets prospective participants, usually by being introduced by the person who made the referral. As in Blue Earth County, the initial focus is on relationship-building, housing, and assessment and service planning.

**PROGRESS TOWARDS DEMONSTRATION PROJECT GOALS**

**Evaluation**

The statute for the Supportive Housing and Managed Care Pilot requires an evaluation that measures the pilot’s effectiveness in achieving the following goals:

- Improving participant outcomes, including increasing employment and improving the housing status of participants;
- Increasing accountability for outcomes;
- Improving coordination among service providers; and
- Proving the cost-effectiveness of the model.

Hearth Connection has retained the National Center on Family Homelessness to design and conduct a rigorous, independent evaluation of the demonstration project.

Throughout the design process, Hearth Connection was assisted by project stakeholders from Allina Health Systems, Amherst H. Wilder Foundation, Blue Earth County, Corporation for Supportive Housing, Family Housing Fund, Guild Incorporated, Hearth Connection’s Board of Directors, Hennepin County, Mental Health Resources, the Minnesota Department of Human Services and Ramsey County.

The National Center on Family Homelessness, based in Boston, Massachusetts, is a nationally-recognized leader in evaluating and disseminating information regarding homelessness in America. Its work focuses on answering the question of “what works for whom,” and partnering with charitable organizations and government to improve the effectiveness of homeless programs. The evaluation team that created this design includes two faculty members from Harvard Medical School.

The evaluation has two components: a cost and outcome study and a process study. The cost and outcome study will assess whether the pilot results in a reduction in participants’ use of costly public programs and provide information on outcomes. The process study will document the evolution of the pilot over time; its impact on systems, agencies, and individuals; and provide interim feedback to improve the pilot as it progresses. The cost and outcome study will indicate if the pilot impacts systems and individuals. The process study will document how the pilot impacts the service system and individuals, how it operates, and what it means in participants’ lives.
**Process Study**

The process study has these four goals:

1. To describe how the pilot is implemented and the experiences of those involved.
2. To describe the pilot’s service system and its evolution over time.
3. To document the effects of the pilot on agencies and service systems and, in conjunction with the cost and outcome study, on individuals.
4. To improve and refine the pilot by providing interim feedback.

The process study utilizes annual site visits for stakeholder interviews, focus groups, case studies, and questionnaires. Annual reports will include information about each site, cross-site themes relative to participant and provider involvement, the nature and status of various project components, and levels of service coordination.

Data for the first annual process study have been collected and the National Center on Family Homelessness is due to release those findings at the beginning of next year.

**Cost and Outcome Study**

The cost and outcome study has two broad goals:

1. To assess costs and impacts of the pilot relative to a comparison group.
2. To provide quantitative information on key participant outcomes, including housing stability, health, productivity and satisfaction.

To make causal claims about the effectiveness of the pilot, service utilization and outcomes for participants will be compared to utilization and outcomes for a matched comparison group, comprised of individuals who did not receive pilot services. The matched comparison group will be identified using administrative data from service providers, government agencies and other organizations. Work to construct this comparison group has begun.

Once the comparison group is established, administrative data will be correlated for 18 months before and after each pilot participant’s enrollment date for that participant and the corresponding member(s) of the comparison group. If more than 18 months of data are available and collecting more information is feasible, the timeframe will be expanded.

To provide descriptive information concerning pilot participants, in-person interviews with pilot participants are being conducted at their entry into the program, and again at 9 and 18 months thereafter. The interviews last one hour, and focus on assessing key project outcomes of housing stability, satisfaction with services, and quality of life, as well as use of pilot services. Information on service usage is also being collected from primary providers concerning the participants with whom they work.
Because different government entities pay differing shares of the costs associated with pilot participants, costs will be assessed from the points of view of county, state and federal governments and, ultimately, county, state, and federal taxpayers.

The administrative data sources will contain outcome measures in addition to service utilization and costs, e.g., school attendance figures, mental health status measures, or substance dependence measures. To the extent that these data are available, they will be used to form other contrasts between pilot participants and comparison group members.

**Statistical Power and Sample Size**

A preliminary analysis indicates that approximately 150 households who complete the study will be necessary for the evaluation to draw statistically significant conclusions about the impact attributable to the program. It would be necessary to double the pilot’s capacity from the current level of 130 households to achieve this level of statistical power.

**Use of Public Resources**

In 2000, the Minnesota Legislature appropriated $3 million from the state's Temporary Assistance for Needy Families (TANF) reserves to enroll homeless families in the pilot. One million dollars was made available for each of three state fiscal years, beginning July 1, 2000, and ending June 30, 2003. The 2001 Legislature appropriated an additional $1 million from the general fund per year in fiscal years ’02, ’03, ’04 and ’05, to expand the program to single adults.

The Blue Earth County pilot budget includes $350,000 per year of TANF, supplemented by Child Welfare Targeted Case Management (CW-TCM) and Mental Health Targeted Case Management (MH-TCM) funds. Additionally, the project leverages rental assistance, including RAFS and Section 8, and housing capital, including the U.S. Department of Housing and Urban Development (HUD), Minnesota Families Affordable Rental Assistance Fund Program (MARIF) and foundation funding for River Town Homes.

The Ramsey County pilot budget includes $650,000 per year of TANF, supplemented by county funds. The project also leverages rental assistance from many different sources (see Table 4 on page 7).

A total of $2 million had been appropriated for state fiscal years 2001 and 2002. $977,499 went unspent, the majority in SFY ’01, due to the time it took to start-up the program.
Table 5. Financial Summary (April 2001- June 2002)

<table>
<thead>
<tr>
<th></th>
<th>Ramsey County</th>
<th>Blue Earth County</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>DHS pilot revenue</td>
<td>$ 739,154</td>
<td>$ 283,347</td>
<td>$1,022,501</td>
</tr>
<tr>
<td>MA-Targeted Case Management</td>
<td>0</td>
<td>88,912</td>
<td>88,912</td>
</tr>
<tr>
<td>County contribution</td>
<td>36,690</td>
<td>0</td>
<td>36,690</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td><strong>$ 775,844</strong></td>
<td><strong>$ 372,259</strong></td>
<td><strong>$1,148,103</strong></td>
</tr>
<tr>
<td>County administration</td>
<td>$ 13,000</td>
<td>$ 23,489</td>
<td>$ 36,489</td>
</tr>
<tr>
<td>Hearth Connection</td>
<td>47,969</td>
<td>14,217</td>
<td>62,186</td>
</tr>
<tr>
<td>Primary provider services</td>
<td>494,075</td>
<td>302,277</td>
<td>796,352</td>
</tr>
<tr>
<td>Primary provider housing</td>
<td>200,412</td>
<td>32,276</td>
<td>232,688</td>
</tr>
<tr>
<td>Primary provider reserve</td>
<td>20,388</td>
<td>0</td>
<td>20,388</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td><strong>$ 775,844</strong></td>
<td><strong>$ 372,259</strong></td>
<td><strong>$1,148,103</strong></td>
</tr>
</tbody>
</table>

Based on 552 months of participant enrollment, the average cost per family per month is $2,080. Rental assistance accounts for a considerable portion of the total expenditures (20% or $422), but should represent a decreasing amount, since the amount of revenue earmarked for housing is limited, and as families are expected to move onto mainstream rental assistance programs.

Another critical component of the financial model is the ability to use funding flexibly to address unmet needs and to be responsive to individual situations. On average, $205 per family per month was invested in flexible supports.

Table 6. Use of Pilot Flexible Funds

<table>
<thead>
<tr>
<th>Category</th>
<th>Ramsey County</th>
<th>Blue Earth County</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic needs &amp; housing supports (excluding rent)</td>
<td>$ 26,477</td>
<td>$ 19,877</td>
<td>$ 46,354</td>
</tr>
<tr>
<td>Family and community building</td>
<td>23,592</td>
<td>11,811</td>
<td>35,403</td>
</tr>
<tr>
<td>Child care and respite</td>
<td>-</td>
<td>9,114</td>
<td>9,114</td>
</tr>
<tr>
<td>Participant transportation</td>
<td>2,030</td>
<td>4,098</td>
<td>6,128</td>
</tr>
<tr>
<td>Life skills &amp; counseling</td>
<td>-</td>
<td>5,630</td>
<td>5,630</td>
</tr>
<tr>
<td>Education and tutoring</td>
<td>-</td>
<td>1,345</td>
<td>1,345</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>1,441</td>
<td>7,995</td>
<td>9,436</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$ 53,540</strong></td>
<td><strong>$ 59,870</strong></td>
<td><strong>$113,410</strong></td>
</tr>
<tr>
<td>Average per family per month</td>
<td>$ 150</td>
<td>$ 307</td>
<td>$ 205</td>
</tr>
</tbody>
</table>

For singles, beginning July 1, 2002, Blue Earth County has an annual budget of $170,000 per year, and Ramsey County has a budget of $830,000 per year, both supplemented with Mental Health Targeted Case Management funds.
**Other Public Resources**

As of July 1, 2002, Hearth Connection has a contract with MHFA to administer a rental assistance program for pilot participants. The value of that contract is $185,856 per year.

Hearth Connection and Ramsey County also have funding pending with HUD to administer Shelter Plus Care rental assistance for pilot participants beginning sometime in 2003.

The project is demonstrating that funding from many different sources, including TANF, Medical Assistance, MHFA and HUD can be joined together to provide a comprehensive, flexible and accountable package of housing and services for participants.

**Leveraging Private Funds**

Initially, foundations, local service providers, CSH and health plans invested $600,000 in the design and development of the pilot model. Today, the demonstration project is leveraging an additional $1.8 million in private, philanthropic grants made to Hearth Connection. These dollars cover the costs of staff who support and administer the pilot, as well as the costs projected for the evaluation. Current contributors include:

- Robert Wood Johnson Foundation
- F.R. Bigelow Foundation
- Mardag Foundation
- St. Paul Foundation
- Katherine B. Andersen Fund (St. Paul Foundation)
- Anonymous (for Blue Earth County)
- Blue Cross Blue Shield of Minnesota
- Patrick and Aimee Butler Family Foundation
- Initiative Fund of Southeast and South Central Minnesota
- John S. and James L. Knight Foundation
- Sheltering Arms Foundation
- The Minneapolis Foundation
- The Otto Bremer Foundation
- The Corporation for Supportive Housing
- The Allina Foundation
- Mankato area health care providers

**Conclusion**

Significant progress continues to be made on The Supportive Housing and Managed Care Pilot in implementation, financing, housing, service delivery and evaluation. Data collection for the evaluation has begun and there is reason to believe that the design will provide useful, practical information related to the goals set forth for this demonstration project.

The model appears to be working well for families, and now also for single adults. Although there are challenges related to housing and rental assistance, those challenges are being met.