

*Last Updated 4/07/04*

## **The Department of Human Services’ CAAP Benefit Package Implementation Plan**

### **Executive Summary**

The San Francisco Department of Human Services plans to begin implementation of the *CAAP Benefit Package* (CBP) for homeless CAAP clients on May 3, 2004. CAAP is San Francisco’s cash aid program for adults without dependent children. CBP implements changes in local law regarding benefits to homeless CAAP clients, including the ordinances referred to as *Care Not Cash* and *Real Housing, Real Care*.

**The primary goal of CBP is to reduce homelessness and improve the health and welfare of homeless indigent adults receiving cash assistance through permanent housing opportunities and enhanced services.**

Under CBP, homeless CAAP clients are offered housing (including utilities), or shelter (including utilities) and meals as a portion of their benefit package (i.e., the in-kind value of the services offered is considered part of their cash grant). Funding that would have otherwise been used for cash aid payments will be used for expanded services to homeless CAAP individuals, including the development of affordable housing opportunities, and access to mental health, substance abuse, and other support services.

Homeless CAAP clients will be given up-front direct access to permanent supportive housing whenever possible. Once in housing, wrap-around supportive services will help clients avoid a recurrence of homelessness. The emergency shelter system will focus on temporary stays and connecting clients to permanent housing, services, and treatment, so they can successfully transition out of homelessness.

### **Background**

On November 5, 2002, the voters of San Francisco passed Proposition N (the “*Care Not Cash*” initiative), which made specific changes to the City’s four aid programs collectively known as the County Adult Assistance Programs (CAAP). CAAP provides cash aid and services to single, indigent adults residing in San Francisco who have no other means of support.

Below is a brief description of the four CAAP sub-programs:

- ❖ *Personal Assisted Employment Services (PAES)*: For employable adults receiving education, training and supportive services necessary to gain lasting employment.
- ❖ *Supplemental Security Income Pending (SSIP)*: For individuals with a disability that has lasted or will last 12 consecutive months.

- ❖ *Cash Assistance Linked to Medi-Cal (CALM)*: For aged or disabled persons who do not qualify for other state or federal aid (usually due to immigration status).
- ❖ *General Assistance (GA)*: For adults who do not qualify for SSIP or CALM, and refuse to participate in the PAES employment program.

Of a current caseload of about 9,200 CAAP clients, approximately 2,600 declare themselves to be homeless residents of San Francisco. Despite the provision of enhanced employment, counseling and supportive services made available to CAAP recipients over the last several years, the issue of homelessness has remained an obstacle to stabilizing the lives of this population. Many homeless recipients have mental health and substance abuse issues and regularly re-cycle through the City's shelter system, mental health facilities, emergency rooms, and detox centers without achieving permanent housing. *Care Not Cash* was proposed as a means to better serve this target population.

In May 2003, San Francisco's Superior Court ruled that the voters did not have the legal authority to amend the state-mandated General Assistance (GA) program (one of the four CAAP sub-programs). In July 2003, the San Francisco Board of Supervisors passed an ordinance referred to as *Real Housing, Real Care* that changed the GA regulations. *Real Housing, Real Care* differs from Proposition N with respect to the definition of housing (under *Real Housing, Real Care*, shelter is not included in the definition of housing).

In response to changes in local law regarding benefits to homeless CAAP clients, the San Francisco Department of Human Services (DHS) is implementing the *CAAP Benefit Package* (CBP).

### **What does Proposition N do?**

Proposition N directs the Department of Human Services to offer homeless CAAP clients housing, utilities, and meals in lieu of a portion of the maximum cash aid payment. These individuals would receive either the remainder of their monthly cash grant after the in-kind value of the services is deducted or \$59 (whichever is greater). Funding that would have otherwise been used for cash aid payments will support expanded services to homeless CAAP individuals, including the development of affordable housing opportunities, and increased access to mental health, substance abuse, and other support services.

Based on the Superior Court ruling, Proposition N only applies to three of the four CAAP sub-programs (PAES, SSIP, and CALM).

### **What does Proposition N NOT do?**

Proposition N has no effect on the grant amount of housed CAAP clients, or on those individuals who become housed either with DHS assistance or on their own. CAAP clients in residential treatment programs are also not affected. They will generally continue to receive a monthly cash grant ranging from \$332 to \$410.

Additionally, if housing and/or shelter is not available for a homeless CAAP client, that individual will receive the maximum aid payment for which he or she is otherwise eligible.

## **Related Ordinances**

The Board of Supervisors approved three related ordinances following the passage of Proposition N. Each is summarized below.

- ❖ *193-03 [General Assistance – In-Kind Assistance]*: Applies only to the GA sub-program of CAAP. This ordinance is also known as *Real Housing, Real Care* and differs from Proposition N in one specific way, whereby shelter is not included within the definition of housing. Under Proposition N, homeless CAAP clients staying in shelter can have the in-kind value of housing deducted from their cash grant. In order to deduct the in-kind value of housing from the cash grants of GA clients, *Real Housing, Real Care* requires that they be living in either single occupancy residential hotels, master lease rooms, transitional housing, supportive housing programs, or residential substance abuse and mental health treatment facilities.
- ❖ *198-03 [Preservation of Emergency Nature of Shelter; Prevention of Displacement, Prioritization, or Set-Asides of Shelter Beds Based Solely on Income]*: Prohibits displacement within the emergency shelter system based on income source.
- ❖ *237-03 [Establishing a Department of Human Services Care Fund]*: Establishes a fund from savings in cash aid payments generated by Proposition N and similar laws, and outlines permissible uses of the fund (including drug and alcohol treatment, mental health care, job training, master lease contracts for SRO hotels, and expanded shelter operations). This ordinance dictates that only homeless CAAP clients can access services funded by the Human Services Care Fund, and prevents DHS from using the savings to fund services for San Francisco’s homeless population at-large.

## **CAAP Benefit Package Goals and Expectations**

**In implementing the CAAP Benefit Package (CBP) DHS’ primary goal is to reduce homelessness and improve the health and welfare of homeless indigent adults receiving cash assistance through permanent housing opportunities and enhanced services.**

The following core principles are guiding the Department’s implementation plan:

1. People are better served in housing/shelter than on the streets.
2. Affordable housing options should be expanded.
3. Length of time in shelters should be minimized.
4. Services should be tailored to meet individuals’ needs.

The Department’s expectations for CBP are as follows:

1. Decrease the number of CAAP clients who are homeless.
2. Expand affordable housing units and services for CAAP clients.
3. Increase accountability throughout the public assistance delivery system for homeless indigent adults.

In order to achieve the CBP goals, DHS will implement a model that provides up-front, direct access to housing whenever possible and emphasizes assessment to identify the most appropriate services for each homeless CAAP client. Each component of the *CAAP Benefit Package* is summarized below.

### **Housing First**

Whenever possible, homeless CAAP clients will be given up-front direct access to permanent supportive housing. DHS will streamline and centralize the housing referral process to reduce potential hurdles and waiting time. The expansion of DHS' Single Room Occupancy (SRO) Housing Program (formerly the Hotel Master Lease Program), where clients have tenants' rights, will serve as CBP's primary resource for long-term housing.

In addition to the SRO Housing Program, some homeless CAAP clients may also be referred to special needs housing programs (described below).

If no long-term housing is available at any given time, then an effort will be made to temporarily secure the client a shelter bed until permanent housing becomes available. Available shelter beds will also be offered to clients who refuse or fail to follow-through with permanent housing offers.

**Attachment 1** (page 9) is a flow chart that details the CBP Housing First model and shows the likely grant level received by the client under all possible scenarios. **Attachment 2** (page 10) is a diagram that more precisely describes how each of the grant levels is calculated.

Each of these housing options is described in more detail below.

### ***SRO Housing Program***

The original SRO Housing Program portfolio consists of six hotels and 847 units. The Human Services Care Fund is already financing three additional hotels consisting of 145 units that were opened during the current fiscal year. The opening of two additional hotels (with 154 combined units) will coincide with the start of CBP implementation. What's more, DHS is aggressively working to add 631 more units throughout the remainder of FY03-04 and FY04-05. The CAAP Program and certain community-based organizations currently make referrals to the SRO Housing Program.

Once CBP is implemented, the ordinance that created the Human Services Care Fund (described above) requires that any pre-existing or new hotels financed by the Fund serve as an exclusive referral source for homeless CAAP clients. It is projected that the number of units supported by the Human Services Care Fund will reach 930 units during FY04-05. Both CAAP and non-CAAP homeless clients will continue to be referred into the original 847 units. Consistent with the existing SRO Housing Program, the expansion under CBP includes on-site services appropriate for the resident population and building management performed by private property management agencies.

## ***Special Needs Housing***

DHS may sometimes make referrals outside of the SRO Housing Program for clients with chronic health issues and/or behavioral health treatment needs. These may include supportive housing, the Department of Public Health's Direct Access to Housing Program, congregate living and residential treatment beds.

## ***Shelters***

The single adult shelter system in San Francisco consists of 10 shelters with approximately 1,500 individual spaces. There is also a 40-bed youth shelter serving 18-24 year olds.

Many non-profit and public homeless service providers have special referral beds within the shelter system. With the implementation of CBP, CAAP will become yet another referral source into the shelters. Data from the homeless information system (CHANGES) is being compiled to determine how many CAAP clients sleep in the shelters on a nightly basis and based on that data, DHS will determine the number of beds currently used by CAAP clients for future referral purposes. DHS will ensure that the CAAP referral mechanism does not displace any non-CAAP shelter residents.

Shelters participating in the *CAAP Benefit Package* will ensure accessibility for clients with disabilities. In addition, clients staying at these shelters will have access to three meals per day.

If a client fails to show up for the first night of a shelter reservation made by his or her CAAP worker, the remaining reservation will be cancelled.

The DHS Division of Housing and Homeless Programs is charged with monitoring the safety and cleanliness of the shelters. Shelter Case Managers are responsible for guiding individuals through an assessment process, which includes access to a comprehensive medical exam, TB testing, and an evaluation of other medical and behavioral health issues. Clients also have access to primary care services.

## **San Francisco's Homeless Management Information System: CHANGES**

The CHANGES system is the homeless management information system for San Francisco. CHANGES stands for **C**oordinated **H**omeless **A**ssessment of **N**eeds and **G**uidance through **E**ffective **S**ervices. It is used to centralize the emergency shelter bed reservation process and to track services provided to clients throughout the homeless service delivery system.

All CAAP clients, as well as non-CAAP homeless persons seeking shelter, are currently enrolled in CHANGES. CAAP clients continue to be finger imaged (as they were in another system before CHANGES). Everyone using the shelter must have his or her fingers "read" as part of the reservation and check-in process (having fingers "read" is very different from "imaged", as the former process does NOT store any data related to the client's finger image in the system). Persons who are not receiving CAAP benefits, but who are seeking a shelter bed are NOT required to be finger imaged; however, many do volunteer to have their finger imaged because it

accelerates the shelter check-in process. Everyone enrolled in the system is photographed and their photo images are stored in CHANGES.

Bed reservations within the single adult shelter system are made using CHANGES. Many clients obtain reservations on a first-come, first-served basis via neighborhood resource centers. Other clients enter the shelter system through special referral sources. When CBP is implemented, CAAP homeless clients will be offered shelter reservations at the CAAP office (1235 Mission St.) when they meet with their workers.

The confidentiality of all information in CHANGES is strongly safeguarded. It is important to note that the DHS administered finger image system is a “closed system” and is not compatible with and cannot be accessed by or shared with any other government entities, including law enforcement and the U.S. Citizenship and Immigration Service (formerly the Immigration and Naturalization Service, or INS).

The automated system is facilitating for the first time in San Francisco, an unduplicated count of persons utilizing the emergency shelter system and will also provide important information to effectuate better service delivery, program planning and accountability.

**Services/Treatment**

In addition to expanding housing options for clients, DHS will expand mental health and substance abuse treatment, medical care through its partnership with DPH, as well as money management, SSI advocacy services and case management. The emphasis will be to focus services toward obtaining and maintaining permanent housing.

It is important to note that CBP funds will not be used to supplant existing services that would otherwise be available via public and non-profit service providers. Rather, CBP-funded services will go towards otherwise unsupported services, thereby augmenting current service capacity. Homeless CAAP clients currently access existing services and will continue to do so after CBP is implemented. However, the new CBP-funded services will be specifically targeted at homeless CAAP clients. Some of the specific services DHS plans to fund via the Human Services Care Fund are described below.

<i><b>Service Component</b></i>	<i><b>Description</b></i>
Behavioral Health Roving Team	The team will perform outreach to all residents of the SRO Housing Program. The focus will be on helping clients maintain housing by linking them to mental health, substance abuse, primary health care services and SSI advocacy. SRO residents will have access to a full-time psychiatric nurse and nurse practitioner, as well as a licensed clinical social worker and other behavioral health case management staff.

Residential Treatment Slots	Approximately 130 additional homeless persons will undergo residential treatment for substance abuse thanks to CBP. To accomplish this, DHS plans to fund 32 beds at a variety of residential treatment programs in order to provide a wide range of treatment options.
Detoxification Slots	DHS plans to increase medical detoxification capacity by paying for approximately 24 persons to access this service each year. An additional 12 persons will benefit from access to a dual-diagnosis stabilization bed for post detoxification.
Methadone Maintenance	Priority will be given to clients converted to CBP who previously used their CAAP cash benefits to purchase methadone. DHS plans to support approximately 30 methadone patients on an annual basis.
Treatment Case Manager	DPH's Treatment Access Program (TAP) will gain a full-time position to perform outreach to CAAP homeless clients and serve as the gatekeeper for all of the expanded CBP treatment services. This person will act as a liaison with the Behavioral Health Roving Team and Shelter Case Managers to match clients with needed services (both CBP-funded services and existing services available to the community at-large).
Move-In Grants	A fund will be created to provide direct financial assistance to pay for costs associated with obtaining housing (e.g., security deposits, and first and last month's rent).

DHS also funds the Conard House Transitional Support Program (TSP). A key component is intensive case management services to help shelter residents with special needs make the transition to permanent housing. The program also provides supportive case management, representative payee, and SSI advocacy services to residents of the SRO Housing Program and emergency shelter users. TSP serves a blended CAAP and non-CAAP population, and is funded by DHS outside of the Human Services Care Fund.

### **Planning and Communication Process**

DHS began its planning process soon after Proposition N was passed in November of 2002. Community input has been a cornerstone of this planning process, including the following efforts:

- ❖ A Service Providers Advisory Committee, comprised of representatives of non-profit providers and City Departments, was convened in late January 2003 to advise DHS regarding implementation issues.
- ❖ A Public Advisory Committee was convened in March 2003 to provide a forum for neighborhood groups, business groups and interested citizens to provide feedback to the Department.

- ❖ The San Francisco Human Services Commission agenda includes an implementation planning update from the Department. Public comment is invited following the Department's presentation.
- ❖ The DHS Executive Director's designee to the Local Homeless Coordinating Board continues to provide ongoing reports during their regular meetings in order to elicit input from Board members and the public.
- ❖ The Director of DHS' Housing and Homeless Division gives updates and gathers input at the regular meetings of the SRO Health and Safety Task Force and the Homeless Seniors Task Force.

DHS has used input from the community to fine-tune the CBP implementation plan and will continue to rely on such input as part of CBP continuous improvement activities. Additionally, DHS held a series of public forums in late March (including at shelters and resource centers) to explain the CBP implementation plan to homeless persons and service providers and answer their questions.

### **Projected Implementation Timeline and Budget**

DHS plans to begin implementation of CBP on May 3, 2004. Not all homeless CAAP clients will be converted to CBP at once. All clients *applying* for CAAP on or after May 3<sup>rd</sup> will be subject to CBP. As of May 3<sup>rd</sup>, pre-existing homeless clients will be converted to CBP during their next renewal appointment, which occurs every six months.

A projected budget summary for CBP, which is supported by the Human Services Care Fund, is shown in the table below. The projected budget for the current fiscal year is lower than for next year, essentially because CBP is being implemented near the end of this fiscal year.

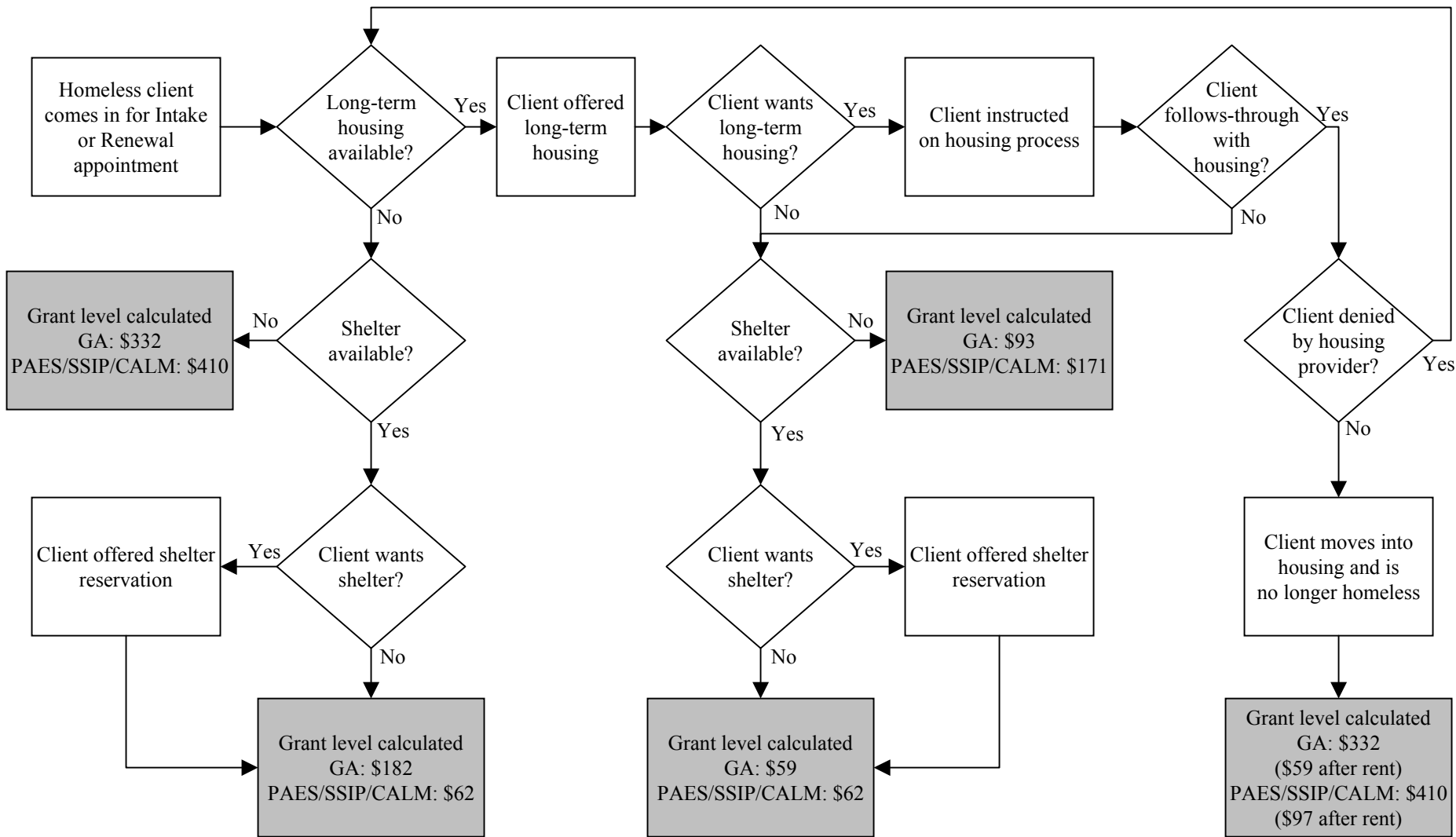
	<b>FY 03-04</b>	<b>FY 04-05</b>
<b>CBP Projected Budget</b>		
SRO/Supportive Housing	\$1,774,673	\$8,690,631
Services/Treatment	\$658,586	\$1,737,428
Emergency Shelter	\$131,073	\$245,990
<b>Total</b>	<b>\$2,564,332</b>	<b>\$10,674,049</b>

See **Attachment 3** (page 11) for a more detailed breakdown of the projected budget.

### **Summary**

The Department of Human Services believes that implementation of the *CAAP Benefit Package* will improve the lives of homeless persons in San Francisco by ensuring greater access to housing, treatment and other services. The focus will be on up-front, direct access to permanent supportive housing. The shelter system will be developed into a more effective resource emphasizing temporary stays and linking clients to services that will help them successfully transition to long-term housing. In short, the *CAAP Benefit Package* seeks to decrease homelessness in San Francisco by establishing an improved way to help homeless CAAP clients overcome barriers to obtaining and maintaining permanent housing.

# Attachment 1: *CBP* Housing First Flow Chart



NOTE: Grant levels are shown in the gray boxes. See Attachment 2 for an explanation of how each grant level is calculated.

## Attachment 2: Breakdown of CBP Grant Levels<sup>1</sup>

CAAP Maximum Monthly Cash Grants:		Monthly In-Kind Values <sup>2</sup> :	
GA	\$332	Housing	\$198
PAES/SSIP/CALM	\$410	Utilities	\$41
		Food	\$109

	GA	PAES/SSIP/CALM
Client Moves Into Permanent Housing	<p><b>\$332 Cash Grant</b></p> <p><i>SRO Housing Program:</i>                      \$465 Rent                      \$192 Rent Subsidy                      \$59 Leftover After Rent</p>	<p><b>\$410 Cash Grant</b></p> <p><i>SRO Housing Program:</i>                      \$465 Rent                      \$152 Rent Subsidy                      \$97 Leftover After Rent</p>
Client Refuses or Does Not Follow Through with Permanent Housing Offer Shelter NOT Available	<p><b>\$93 Cash Grant</b></p> <p>(max. grant – housing &amp; utilities in-kind)</p>	<p><b>\$171 Cash Grant</b></p> <p>(max. grant – housing &amp; utilities in-kind)</p>
Client Refuses or Does Not Follow Through with Permanent Housing Offer Client Offered Shelter	<p><b>\$59 Cash Grant</b></p> <p>(max. grant – housing, utilities &amp; food in-kind; can't be less than \$59)</p>	<p><b>\$62 Cash Grant</b></p> <p>(max. grant – housing, utilities &amp; food in-kind)</p>
Permanent Housing NOT Available <sup>3</sup> Client Offered Shelter	<p><b>\$182 Cash Grant</b></p> <p>(max. grant – utilities &amp; food in-kind)</p>	<p><b>\$62 Cash Grant</b></p> <p>(max. grant – housing, utilities &amp; food in-kind)</p>
Permanent Housing NOT Available <sup>3</sup> Shelter NOT Available	<p><b>\$332 Cash Grant</b></p>	<p><b>\$410 Cash Grant</b></p>

<sup>1</sup> Assumes homeless CAAP client would normally qualify for the maximum cash grant.

<sup>2</sup> Values determined by Title 22 of the California Code of Regulations, Section 50511.

<sup>3</sup> If a client is denied by the housing provider, then housing is considered unavailable to him or her.

# Attachment 3: CBP Projected Budget, FY03-04 & FY04-05

Budget Item	FY03-04 Budget*	FY04-05 Budget	Description
<b><u>SRO/Supportive Housing</u></b>			
The Arlington - St. Vincent de Paul	\$86,924	\$86,924	Covers operations, maintenance & supportive services for 25 units.
The Royan - THC	\$505,885	\$505,885	Covers operations & maintenance for 69 units.
The Cal Drake - THC	\$82,507	\$110,009	Covers operations & maintenance for 51 units.
The McAllister - Conard House	\$292,789	\$907,565	80 units with a projected start date of 5/1/04.
The Graystone - THC	\$136,692	\$564,979	74 units with a projected start date of 5/1/04.
The Elm - Episcopal Community Services	\$317,185	\$857,331	86 units with a projected start date of 6/1/04.
Additional SRO Housing Units	\$68,580	\$5,242,205	545 additional units projected.
Additional Money Management and Case Management Services	\$200,869	\$200,869	Pays for representative payee and supportive services at THC-administered sites.
Program Support	\$63,243	\$94,864	Salary & fringe for manager of CBP-funded SRO Housing Program units.
SRO Food Program	\$0	\$100,000	Provides meals for SRO residents.
Move-in Costs	\$20,000	\$20,000	Covers costs associated with moving into private housing.
<b><i>Housing Sub-total</i></b>	<b>\$1,774,673</b>	<b>\$8,690,631</b>	
<b><u>Services/Treatment</u></b>			
Behavioral Health Roving Team	\$132,813	\$531,253	Funds behavioral health specialists to provide on-site services at SRO hotels and facilitate access to medical/behavioral health services through DPH.
Residential Treatment	\$406,663	\$801,651	Funds 32 residential treatment slots at the Redwood Center and other sites.
Detoxification Services	\$37,253	\$149,014	Funds 1 medical detox bed and 1 dual-diagnosis stabilization bed.
Methadone Maintenance	\$41,003	\$164,010	Funds 30 methadone maintenance slots.
TAP Case Manager	\$20,854	\$71,500	Outreach, coordination and management duties related to expanded CBP treatment services.
Training	\$20,000	\$20,000	Training for shelter case managers and SRO Housing support counselors.
<b><i>Services Sub-total</i></b>	<b>\$658,586</b>	<b>\$1,737,428</b>	
<b><u>Emergency Shelter</u></b>			
Shelter Improvements	\$119,575	\$200,000	Pays for capital improvements (e.g., replacing shelter beds).
Augmentation of meals at shelters	\$11,498	\$45,990	Funds some meals at two shelters.
<b><i>Shelter Sub-total</i></b>	<b>\$131,073</b>	<b>\$245,990</b>	
<b>GRAND TOTAL</b>	<b>\$2,564,332</b>	<b>\$10,674,049</b>	
* The FY03-04 budget amounts are partial year because CBP begins May 3, 2004.			