



## 102ND GENERAL ASSEMBLY

### State of Illinois

2021 and 2022

HB0449

Introduced 2/8/2021, by Rep. Kathleen Willis

#### SYNOPSIS AS INTRODUCED:

New Act

Creates the Housing is Recovery Pilot Program Act. Creates the Housing is Recovery Pilot Program within the Department of Human Services, Division of Mental Health. Provides that the Program shall provide bridge rental subsidies for individuals at high risk of unnecessary institutionalization and individuals at high risk of overdose for purposes of stabilizing their mental illness or substance abuse disorder. Provides criteria for the award, computation, and payment of bridge rental subsidies. Sets forth the responsibilities of persons receiving from bridge rental subsidies. Provides for the identification and referral to the Program of persons eligible to receive bridge rental subsidies prior to their discharge from a hospital or release from a correctional facility. Provides standards for housing service providers, long-term housing, and temporary rental units. Provides that the Department will contract with an independent outside research organization to evaluate the Program's effectiveness, and shall report the results of the evaluation to the General Assembly after 5 years. Provides rulemaking authority. Defines terms. Effective immediately.

LRB102 05132 RLC 15153 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning health.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the  
5 Housing is Recovery Pilot Program Act.

6 Section 3. Definitions. As used in this Act:

7 "Individual at high risk of unnecessary  
8 institutionalization" means a person who has a serious mental  
9 illness who is homeless (or will be homeless upon hospital  
10 discharge or correctional facility release) and who has had:

11 (1) three or more psychiatric inpatient hospital  
12 admissions within the most recent 12-month period;

13 (2) three or more stays in a State or county  
14 correctional facility in the State of Illinois within the  
15 most recent 12-month period; or

16 (3) a disability determination due to a serious mental  
17 illness and has been incarcerated in a State or county  
18 correctional facility in Illinois for the most recent 12  
19 consecutive months.

20 "Individual at high risk of overdose" means a person with  
21 a substance use disorder who is homeless (or will be homeless  
22 upon hospital discharge or correctional facility release) who  
23 has had:

1           (A) three or more hospital inpatient or inpatient  
2 detoxification admissions for a substance use disorder  
3 within the most recent 12-month period;

4           (B) three or more stays in a State or county  
5 correctional facility in the State of Illinois within the  
6 most recent 12-month period; or

7           (C) one or more drug overdoses in the last 12 months.

8           "Engagement services" means home-based or community-based  
9 visits that assist the individual with maintaining his or her  
10 housing, and providing other wrap-around support, including  
11 linkage to mental health or substance use recovery support  
12 services. Such engagement services shall align with  
13 Medicaid-covered tenancy support services, and Medicaid  
14 community-based mental health and substance use treatment  
15 services, including case management, to ensure alignment with  
16 any existing or future Illinois Medicaid benefits, waivers or  
17 State plan amendments that include these services, and to  
18 maximize any potential federal Medicaid matching dollars that  
19 may be available to support engagement services.

20           "Homeless" means the definition used by the U.S.  
21 Department of Health and Human Services, Health Resources and  
22 Services Administration in Section 330(h)(5)(A) of the Public  
23 Health Services Act (42 U.S.C. 254(b)). Under Section  
24 330(h)(5)(A), a homeless individual is an individual who lacks  
25 housing (without regard to whether the individual is a member  
26 of a family), including an individual whose primary residence

1 during the night is a supervised public or private facility  
2 that provides temporary living accommodations, and an  
3 individual who is a resident in transitional housing. This  
4 includes individuals who are doubled up with other households.

5 "Serious mental illness" means at least one of the  
6 following psychiatric illnesses as defined in the most current  
7 edition of the Diagnostic and Statistical Manual published by  
8 the American Psychiatric Association:

9 (i) schizophrenia;

10 (ii) paranoid and other psychotic disorders;

11 (iii) bi-polar disorders;

12 (iv) major depressive disorders;

13 (v) obsessive-compulsive disorders;

14 (vi) schizoaffective disorders;

15 (vii) panic disorders; and

16 (viii) post-traumatic stress disorders.

17 "Substance use disorder" as defined in Section 1-10 of the  
18 Substance Use Disorder Act.

19 Section 5. Establishment of program. The Housing is  
20 Recovery pilot program shall be established and administered  
21 by the Department of Human Services, Division of Mental  
22 Health. The purpose of the program is to prevent a person with  
23 a serious mental illness who is at high risk of unnecessary  
24 institutionalization, or a person with a substance use  
25 disorder who is at high risk of overdose, due to homelessness,

1 a lack of access to recovery support services, and repeating  
2 cycles of hospitalizations or justice system involvement from  
3 being institutionalized or dying. This will be accomplished by  
4 enabling affordable housing through the use of a bridge rental  
5 subsidy combined with access to recovery support services or  
6 treatment. The triple aim of Housing is Recovery is:

7 (1) preventing institutionalization and overdose  
8 deaths;

9 (2) improving health outcomes and access to recovery  
10 support services; and

11 (3) reducing State costs.

12 Section 10. Eligibility. An individual meeting the  
13 requirements listed in this Section shall be eligible to  
14 receive a Housing is Recovery bridge rental subsidy for  
15 purposes of stabilizing his or her mental illness or substance  
16 use disorder.

17 (1) An individual at high risk of unnecessary  
18 institutionalization who is 21 years of age or older, or  
19 is aging out of guardianship under the Department of  
20 Children and Family Services, and who is eligible to  
21 enroll in, or is enrolled in, Medicaid for purposes of  
22 receiving mental health treatment pursuant to 89 Ill. Adm.  
23 Code 140.

24 (2) An individual at high risk of overdose who is 21  
25 years of age or older, or is aging out of guardianship

1 under the Department of Children and Family Services, and  
2 who is eligible to enroll in, or is enrolled in, Medicaid  
3 for purposes of receiving substance use treatment.

4 Section 15. Housing is Recovery bridge rental subsidy. A  
5 bridge rental subsidy received by an individual (the "subsidy  
6 holder") pursuant to this Act shall mirror the subsidies  
7 issued by the Department of Human Services, Division of Mental  
8 Health through the Moving On Program. The rental subsidy shall  
9 be for scattered-site rental units owned by a landlord or for  
10 rental units secured through a master lease. The rental  
11 subsidy shall assist the subsidy holder with monthly rental  
12 payments for rent that does not exceed the Fair Market Rent  
13 published annually for that year by the U.S. Department of  
14 Housing and Urban Development. The Department of Human  
15 Services, Division of Mental Health, shall have the discretion  
16 to allow a subsidy to apply to rent up to 120% of the Fair  
17 Market Rent if this is justified by the lack of available  
18 affordable housing in the local housing market. Community  
19 Mental Health Centers certified pursuant to 59 Ill. Adm. Code  
20 132 or supported housing service providers participating in  
21 this pilot program shall be responsible for assisting the  
22 subsidy holder with maintaining his or her housing that is  
23 supported by the bridge rental subsidy and either providing or  
24 coordinating engagement services with a mental health or  
25 substance use treatment provider.

1           (1) The subsidy holder shall be responsible for  
2 contributing 30% of his or her income toward the cost of  
3 rent (zero income does not preclude participation).

4           (2) The subsidy holder must agree to sign a lease with  
5 a landlord or a sublease agreement with the Community  
6 Mental Health Center or the housing services provider that  
7 has a master lease for the rental unit and agree to  
8 engagement services initiated by the supported housing  
9 provider, the Community Mental Health Center or contracted  
10 mental health or substance use treatment provider at least  
11 2 times a month, with at least one of those visits being a  
12 home visit. The engagement services shall be permitted in  
13 a home-based or community-based setting, and do not  
14 require a clinic visit.

15           (3) A goal of this program is to encourage the subsidy  
16 holder to engage in mental health and substance use  
17 recovery support services or treatment when the individual  
18 is ready. However, this is a Housing First model that does  
19 not require abstinence from substance or alcohol use and  
20 does not require mental health or substance use treatment.

21           (4) If a subsidy holder does not have an income due to  
22 a psychiatric disability, he or she shall be offered the  
23 opportunity for assistance with filing a "SOAR  
24 application" (Supplemental Security Income (SSI)/Social  
25 Security Disability Income (SSDI), Outreach, Access and  
26 Recovery application) by the Community Mental Health

1 Center participating in the Housing is Recovery program  
2 that is providing his or her mental health support or  
3 treatment within 6 months of the initiation of mental  
4 health services. If the subsidy holder is only receiving  
5 housing support services, the housing services provider  
6 must partner with a Community Mental Health Center to do  
7 SOAR applications for individuals who elect to apply for a  
8 psychiatric disability. A subsidy holder is not required  
9 to apply for a disability determination.

10 (5) The subsidy holder, if he or she is eligible, must  
11 apply for rental assistance or housing through the  
12 appropriate Public Housing Authority within 6 months of  
13 receiving a Housing is Recovery bridge rental subsidy or  
14 agree to apply when it is permissible to do so, and also be  
15 placed on the Illinois Housing Development Authority's  
16 Statewide Referral Network.

17 Section 20. Identification and referral of eligible  
18 individuals prior to hospital discharge or correctional  
19 facility release for purposes of rapid housing post  
20 discharge/release and illness stability. The pilot program is  
21 intended to enable affordable housing to avoid  
22 institutionalization or overdose death by providing for  
23 connection to housing through a variety of settings, including  
24 in hospitals, county jails, prisons, homeless shelters and  
25 inpatient detoxification facilities and the referral process



1 established must take this into account. Within 2 months of  
2 the effective date of this Act, the Department of Human  
3 Services, Division of Mental Health, in partnership with the  
4 Department of Healthcare and Family Services and the  
5 Department of Human Services, Division of Substance Use  
6 Prevention and Recovery (SUPR), the Department of Corrections,  
7 and with meaningful stakeholder input through a working group  
8 of Community Mental Health Centers, homeless service  
9 providers, substance use treatment providers, hospitals with  
10 inpatient psychiatric units or detoxification units,  
11 representatives from county jails, persons with lived  
12 experience, and family support organizations, shall develop a  
13 process for identifying and referring eligible individuals for  
14 the Housing is Recovery program prior to hospital discharge or  
15 correctional system release, or other appropriate place for  
16 referral, including homeless shelters. The process developed  
17 shall aim to enable rapid access to housing  
18 post-discharge/release to avoid unnecessary  
19 institutionalization or a return to homelessness or unstable  
20 housing. The working group shall meet at least monthly prior  
21 to development of an administrative rule or policy established  
22 to carry out the intent of this Act. The Department of Human  
23 Services, Division of Mental Health, shall explore ways to  
24 collaborate with the U.S. Department of Housing and Urban  
25 Development's Coordinated Entry System and other ways for  
26 electronic referral. The Department of Human Services,

1 Division of Mental Health, and the Department of Healthcare  
2 and Family Services shall collaborate to ensure that the  
3 referral process aligns with any existing or future Medicaid  
4 waivers or State plan amendments for tenancy support services.

5 Section 25. Participating Community Mental Health Centers  
6 and housing service provider responsibilities for locating and  
7 transitioning the individual into housing, assisting in  
8 retaining housing, and the provision of engagement and  
9 recovery support services. The Department of Human Services,  
10 Division of Mental Health, shall select interested Community  
11 Mental Health Centers that are certified pursuant to 59 Ill.  
12 Adm. Code 132 and interested housing service providers for  
13 participation in the Housing is Recovery program.

14 (1) For purposes of incentivizing continuity of care,  
15 the same participating Community Mental Health Center may  
16 be responsible for providing both the housing support and  
17 the mental health or substance use engagement, recovery  
18 support services and treatment to a subsidy holder. If a  
19 housing support services provider does not also provide  
20 the mental health or substance use treatment services the  
21 individual engages in, there must be strong coordination  
22 of care between the housing services provider and the  
23 treatment provider.

24 (2) The provider must demonstrate that the rental  
25 units secured through this program pass minimum quality

1 inspection standards.

2 (3) Community Mental Health Centers providing housing  
3 support through this program shall be responsible for any  
4 SOAR applications for a subsidy holder that has a  
5 psychiatric disability who does not have SSI or SSDI if  
6 the subsidy holder chooses to apply for disability. A  
7 housing services provider delivering the housing support  
8 services through this program must contract with a  
9 Community Mental Health Center to provide assistance with  
10 SOAR applications to subsidy holders electing to apply for  
11 SSI or SSDI within 6 months of the subsidy holder  
12 receiving the subsidy.

13 (4) Service providers shall be permitted to engage in  
14 master leasing to secure apartments for those who are hard  
15 to house due to criminal backgrounds, history of substance  
16 use and stigma.

17 Section 30. Securing rental housing units for purposes of  
18 immediate temporary housing following hospital discharge or  
19 release from a correctional facility while a long-term rental  
20 unit is secured. Up to 20% of the available annual  
21 appropriation for the Housing is Recovery program shall be  
22 available to Community Mental Health Centers or the housing  
23 services provider for purposes of securing critical time  
24 intervention rental units to house an eligible individual  
25 immediately following discharge from a hospitalization or

1 release from a correctional facility because locating an  
2 apartment unit for a longer-term one-year lease and the  
3 related move-in can take up to 3 months. Such temporary units  
4 may be used for immediate temporary housing, not to exceed 90  
5 days for purposes of preventing the individual from reentering  
6 homelessness or unstable housing, or avoiding unnecessary  
7 institutionalization. The Department of Human Services,  
8 Division of Mental Health, shall allow providers to certify  
9 that such rental units meet minimum housing quality standards  
10 and ensure a process by which community providers are able to  
11 secure vacant rental units for the purpose of immediate  
12 short-term housing post-hospital discharge or correctional  
13 system release while a longer term housing rental unit is  
14 secured.

15 Section 35. Basic move-in expenses. The Housing is  
16 Recovery program shall include reasonable payment for the  
17 basic move-in expenses of the subsidy holder, including, but  
18 not limited to, payment of a security deposit and other  
19 move-in fees or expenses, and basic household supplies and  
20 furnishings.

21 Section 40. Subsidy administration. The bridge rental  
22 subsidy administration (such as payment of rent to the  
23 landlord and other administration expenses) and quality  
24 inspection of the rental units may be done by community-based

1 organizations with experience and expertise in housing subsidy  
2 administration and by Community Mental Health Centers that the  
3 Department of Human Services, Division of Mental Health,  
4 determines have the administrative infrastructure for subsidy  
5 administration. Such organizations shall manage and administer  
6 all aspects of the subsidy (such as payment of rent, quality  
7 inspections) on behalf of the subsidy holder.

8 Section 45. Landlord education and stigma reduction plan  
9 and materials. The Department of Human Services, Division of  
10 Mental Health, with meaningful input from stakeholders, shall  
11 develop a plan for educating prospective landlords that may  
12 lease to individuals receiving a bridge rental subsidy through  
13 the Housing is Recovery program. This educational plan shall  
14 include written materials that indicate that individuals with  
15 psychiatric disabilities and substance use disorders often  
16 have criminal justice involvement due to their previously  
17 untreated mental health or substance use condition and periods  
18 of homelessness. Implementation of this plan shall be rolled  
19 out in conjunction with the implementation of the Housing is  
20 Recovery program.

21 Section 50. State agency coordination. The Department of  
22 Human Services, Division of Mental Health, shall partner with  
23 SUPR to ensure coordination of the services required pursuant  
24 to this Act and all substance use recovery support services

1 and treatment for which SUPR has oversight. The Department of  
2 Human Services, Division of Mental Health, shall also work  
3 with the Department of Healthcare and Family Services to  
4 maximize all recovery support services and treatment that are  
5 or can be covered by Medicaid.

6 Section 55. Provider and State agency education on the  
7 pilot program. The Department of Human Services, Division of  
8 Mental Health shall put together written materials on the  
9 Housing is Recovery program and eligibility criteria for  
10 purposes of educating participating providers, county jails,  
11 the Department of Corrections, hospitals and other relevant  
12 stakeholders on the program. The Department of Human Services,  
13 Division of Mental Health, shall engage in an ongoing  
14 education effort to ensure that all stakeholders are aware of  
15 the program and how to screen for eligibility and referral.

16 Section 60. Reimbursement for subsidy administration,  
17 housing support and engagement services and other program  
18 costs. The Department of Human Services, Division of Mental  
19 Health shall develop a reimbursement approach for community  
20 providers doing subsidy administration that covers all costs  
21 of subsidy administration, quality inspection and other  
22 services. The Department of Human Services, Division of Mental  
23 Health shall also develop a reimbursement approach that covers  
24 all costs incurred by Community Mental Health Centers and

1 housing services providers for identifying and securing rental  
2 units for subsidy holders, including all travel related to  
3 finding and locating an apartment and move-in of the subsidy  
4 holder, quality inspections for temporary housing units,  
5 completing and submitting SOAR applications, the costs  
6 associated with obtaining necessary documents associated with  
7 obtaining a lease for the subsidy holder (such as obtaining a  
8 State ID); for engagement services not covered by Medicaid;  
9 and for any other reasonable and necessary costs associated  
10 with the program outlined in this Act. Reimbursement shall  
11 also include all costs associated with collecting and tracking  
12 data for purposes of program evaluation and improvement. At  
13 the discretion of the Department of Human Services, Division  
14 of Mental Health, up to 5% of the annual appropriation may be  
15 applied to growing mental health or substance use treatment or  
16 recovery support capacity if a participating provider in the  
17 Housing is Recovery program demonstrates an inability to take  
18 eligible individuals due to such capacity limitations.

19 Section 65. Subsidy termination. The subsidy holder shall  
20 continue to hold the subsidy until he or she receives a housing  
21 voucher or rental subsidy through a Public Housing Authority  
22 unless:

23 (1) The individual has a stay in a nursing home,  
24 Institution for Mental Disease (IMD) or specialized mental  
25 health rehabilitation facility (SMHRF) exceeding 6

1 consecutive months. During a stay in nursing home, IMD or  
2 SMHRF of less than 6 months, the program will continue to  
3 pay the subsidized portion of the rent in order to  
4 maintain the housing unit for the subsidy holder upon  
5 discharge.

6 (2) The individual has a stay in a correctional  
7 facility exceeding 6 consecutive months. During a  
8 correctional facility stay of less than 6 months, the  
9 program will continue to pay the subsidized portion of the  
10 rent in order to maintain the housing unit for the subsidy  
11 holder.

12 (3) A subsidy does not terminate if the subsidy holder  
13 is required to move multiple times due to landlord  
14 eviction or does not engage in treatment, as the target  
15 population for this pilot program is expected to have  
16 multiple barriers to remaining housed.

17 Section 70. Developing public-private partnerships to  
18 expand affordable housing options for those with serious  
19 mental illnesses. The Department of Human Services, Division  
20 of Mental Health shall work with the Department of Healthcare  
21 and Family Services, Medicaid managed care organizations and  
22 hospitals across the State to develop public-private  
23 partnerships to incentivize private funding from hospitals and  
24 managed care organizations to match State dollars invested in  
25 the Housing is Recovery program for purposes of preventing



1 repeated preventable hospitalizations, overdose deaths and  
2 unnecessary institutionalization.

3 Section 75. Data collection and program evaluation.

4 (a) For purposes of evaluating the effectiveness of the  
5 Housing is Recovery program and for making improvements to the  
6 program, the Department of Human Services, Division of Mental  
7 Health shall contract with an independent outside research  
8 organization with expertise in housing services for  
9 individuals with serious mental illnesses and substance use  
10 disorders to evaluate the program's effectiveness on enabling  
11 housing stability, reducing hospitalizations and justice  
12 system involvement, encouraging engagement in mental health  
13 and substance use treatment, fostering employment engagement,  
14 and reducing institutionalization and overdose deaths. Such  
15 evaluation shall commence after 4 years of implementation of  
16 the program and shall be submitted to the General Assembly by  
17 the end of the fifth year of implementation. For purposes of  
18 assisting with this evaluation, the working group established  
19 pursuant to Section 20 shall also make recommendations to the  
20 Department of Human Services, Division of Mental Health,  
21 regarding what data must be tracked by providers and the  
22 Department of Human Services, Division of Mental Health, to  
23 evaluate the program and to make future changes to the program  
24 to ensure its effectiveness in meeting the triple aim stated  
25 in Section 5.

1           (b) Beginning after the first 12 months of implementation  
2 and on an annual basis, the Department of Human Services,  
3 Division of Mental Health, shall track and make public the  
4 following information: (1) the number of individuals receiving  
5 subsidies in reporting period (12-month average); (2)  
6 participant demographics including age, race, gender identity,  
7 and primary language; (3) the average duration of time  
8 individuals are enrolled in the program (by months); (4) the  
9 number of individuals removed from the program and reasons for  
10 removal; (5) the number of grievances filed by participants  
11 and a summary of grievance type; and (6) program referral  
12 sources. Reports shall be generated on an annual basis and  
13 publicly posted on the Department of Human Services website.

14           Section 80. Act subject to appropriation. This Act is  
15 subject to appropriation. The appropriation shall be divided  
16 equally between bridge subsidies issued to individuals who are  
17 at high risk of unnecessary institutionalization and those who  
18 are at high risk of overdose.

19           Section 85. Rulemaking authority. Any administrative rules  
20 necessary to implement this Act shall be filed within 12  
21 months following the effective date of this Act.

22           Section 99. Effective date. This Act takes effect upon  
23 becoming law.