



December 6, 2021

Ms. Sarah Adelman
Acting Commissioner
NJ Department of Human Services
222 South Warren St.
Trenton, NJ 08625

Re: 2022-23 DHS Budget

Dear Acting Commissioner Adelman,

I am writing on behalf of the Board of Trustees and members of the Supportive Housing Association of NJ (SHA), a 23 year old membership organization representing over 100 agencies dedicated to the creation of permanent, affordable housing with flexible supportive services for people with disabilities and other special needs, the majority of whom are served by DHS. These needs include those with serious mental illness, addictions, intellectual and developmental disabilities, physical disabilities, seniors and the homeless. SHA is grateful for the continued emphasis and commitment to supportive housing by the Department and its Divisions. Supportive housing requires a combination of investments as follows: capital funding to build, operating support often in the form of rental assistance and service dollars that allow people with special needs to be safe and independent. We believe that a combination of investments in operating support, service dollars and capital funding will allow all those currently waiting to finally find a home.

SHA would like to bring to your attention, a problem with regards to rental assistance we hope to see rectified in the next budget cycle.

Operating Support/Rental Assistance - Most of the adults living with disabilities are SSI recipients with an income of \$825 a month. Independent living continues to remain a difficult or impossible achievement for those on extremely low incomes without some sort of supplemental assistance. Traditional rental vouchers (Section 8 and SRAP) as well as those provided by the **Supportive Housing Connection** offer that assistance and are the essential ingredient that allows people to maintain a stable home. Section 8 as well as State Rental Assistance (SRAP) vouchers are not within the purview of this Department's Budget. However rental vouchers for recipients of services under the Division of Developmental Disabilities as well as the Division of Mental Health and Addiction Services as managed by the Supportive Housing Connection are budgeted under DHS. A payment standard is the maximum amount of assistance a family can receive and is based on the fair market rent (FMR). **At this time the payment standards that govern these vouchers are woefully inadequate and require immediate attention.** In addition, the payments standards across vouchers are not aligned. As one example of two zip codes in Burlington County follows:



ZIP CODE	CURRENT RENTS	HUD FMR	DMHAS FMR	DDD FMR
08010	\$1,113.00	\$1,130.00	\$1,060.00	\$1,090.00
08048	\$1,125.00	\$1,160.00	\$1,060.00	\$1,100.00

This is not limited to Burlington County but is occurring in many communities across New Jersey. In order for consumers to be able to move to safe, affordable and permanent housing, additional funds are needed. Currently supportive housing providers have vacant apartments under leases that they cannot rent to clients who desperately need them. In addition, for those renters that are renewing, the increases in the payment standards are necessary to enable tenants to remain in their homes and their communities. SHA recognizes that this correction will necessitate a thoughtful analysis and commits to support the Department of Human Services in any way necessary. This disparity among vouchers and across disabilities must be addressed as soon as possible.

The Department has made investments in several important areas and should be commended.

Supportive Services: Ample investment in flexible supportive services and adequate staffing is crucial to allowing people to live outside as independently as possible, outside of institutions and in communities throughout New Jersey. Throughout the pandemic, DHS has directed funding that both kept people safe and maintained provider funding that allowed them to continue to deliver services, pay staff and maintain their operations. As we emerge to a more normalized work environment, keeping adequate rates for service is critical. Of equal importance is the recruitment and retention of staff which remains an ongoing challenge made more acute by the pandemic. This is true at all levels (direct staff and above) and across disabilities. Direct support staff help consumers with complex needs navigate everyday life. They are a necessary support system so that people can live integrated in communities. Thank you for your continued funding to increase wages for direct support professionals, front line care staff and immediate supervisors. \$42 million have been added to increase the DSP and supervisor wages in addition to the continued budget increase in the last 3 years.

SHA commends the recent proposed investments in Home and Community Based Services (HCBS) afforded by the American Rescue Plan. The increases in the Federal Medical Assistance Percentage (FMAP) emphasizes strengthening MLTSS, the Jersey Assistance for Community Caregiving (JACC) program and person centered planning. In addition the investments increase rates for support coordinators, and personal care assistants. The funding goes on to affirm the need for training, recruitment and attention for self-directed caregivers. SHA congratulates the Division of Medical Assistance and Health Services for their diligence and attention in formulating the HCBS spending plan and for addressing the most critical issues faced by Medicaid recipients. Another noted improvement is the inclusion of housing support services in the drafted 1115 waiver. The services as outlined in the proposal both in the area of Housing Transition Services and Tenancy Sustaining Services are comprehensive and necessary. SHA encourages these continued investments in the 2022-23 budget. Building and retaining a strong, qualified and sustainable workforce requires a commitment to people living with these needs and the workers who support them.



The Supportive Housing Association of New Jersey

Specific to the mental health community, while critical programs like CSS (Community Support Service) remain under contract, it is important to renew the progress made in the 2019 CSS Workgroup in redesigning a robust program under Medicaid using case rates going forward.

Capital Funding: In recent years, the Department of Human Services has made very little investment in capital funding for home development. SHA approves and celebrates the recent proposed Medicaid FMAP investment inclusion of \$53 million for the development of healthy homes (100 deed-restricted, subsidized and accessible rental units) and for the operating funds to ensure that the housing is affordable. With this focus the Division of Medical Assistance and Health Services under the Department of Human Services recognizes that the lack of affordable housing is a health barrier to many of New Jersey's Medicaid beneficiaries and has taken steps to address this obstacle.

SHA recognizes that the state matching investments will be included in this and upcoming budgets and encourages their inclusion and adoption.

We thank you for the opportunity to submit written budget recommendations.

Thank you for your consideration.

A handwritten signature in dark ink that reads "Diane Riley".

Diane Riley
Executive Director