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Public Assistance Programs is a series of publications that describe state and federal programs that provide assistance in the form of health care, income, food, housing, and child care. Each work in the series describes an individual program. Please see the list on the last page for other works in this series.

Overview

The Housing Support Program (formerly known as group residential housing or GRH) is a state program that provides payments on behalf of eligible persons to pay for room and board and related housing services. The Housing Support Program is funded with state general fund dollars and receives some federal reimbursement for food and nutrition costs.

In state fiscal year 2023, an average of 20,218 persons received housing support payments each month. Expenditures for the fiscal year were nearly \$200 million. The average monthly payment per person was \$794. More than half of housing support recipients are aged, blind, or disabled, and the rest of the recipients are unable to support themselves due to a disabling condition.

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Administration

Minnesota State Legislature

The legislature established housing support in [Laws of Minnesota 1992, chapter 513](#), as the Housing Support Act ([Minn. Stat. §§ 256I.01](#) to 256I.09). The Housing Support Act was a revision of an existing law known as the Negotiated Rate Act. The housing support program pays for

housing and related services that had been paid for under the Negotiated Rate Act by the Minnesota Supplemental Aid (MSA) and General Assistance (GA) programs.

State Department of Human Services (DHS)

DHS supervises program administration. The agency assists counties in housing support administration by providing them with technical assistance on eligibility requirements and other program components.

Counties and Tribes

County and Tribal human services agencies are responsible for entering into housing support agreements with providers and for setting rates. County and Tribal agencies have primary responsibility for individual eligibility determinations, payment calculations, and authorizing payments that DHS pays to these settings.

Eligibility Requirements

In order to be eligible for housing support payments, an individual must be determined eligible for residence in an approved setting and fall into one of four categories (these are discussed in more detail below):

- 1) be aged, blind, or over 18 years of age and disabled, and meet specified income and asset standards;
- 2) belong to certain categories of individuals potentially eligible for GA and meet specified income and asset standards;
- 3) lack a fixed, adequate, nighttime residence upon discharge from a residential behavioral health treatment program; or
- 4) meet the criteria to establish a certified disability or disabling condition under clauses (1) or (2) and lack a fixed, adequate, nighttime residence upon discharge from a correctional facility.

Individuals who are aged, blind, or disabled

An individual who is aged, blind, or over 18 years of age and disabled according to the criteria used by the Social Security program, is eligible for housing support if he or she:

- meets the asset standard established under Minnesota's public assistance programs ([Minn. Stat. § 256P.02](#)); and
- has an income that is less than the monthly rate specified in the county or Tribe's agreement with the housing support provider, after deducting: (1) the income exclusions and disregards of the SSI program; (2) the Medical Assistance (MA) personal needs allowance; and (3) for elderly waiver recipients, any income actually made available to a community spouse as part of the community spouse monthly income allowance.

Individuals eligible for housing support due to GA eligibility

A person who belongs to a category of individuals potentially eligible for GA is eligible for housing support if he or she: (1) has countable income under the GA program, minus the MA personal needs allowance that is less than the monthly rate specified in the county or Tribe's agreement with the housing support provider; and (2) meets the GA asset standard (the asset standard is the standard established for public assistance programs under [Minnesota Statutes, section 256P.02](#)).¹

Individuals eligible for housing support upon discharge from certain treatment facilities

A person who lacks a fixed, adequate, nighttime residence upon discharge from a residential behavioral health treatment program or a correctional facility is eligible for up to three months of housing support from the person's move-in date at a setting approved for housing support.

Eligible Residential Settings

Counties authorize housing support payments to be paid by DHS directly to eligible housing support settings. In order to receive housing support payments, a residential setting must have an agreement² with the county or Tribal human service agency to provide housing support services and must be:

- 1) licensed by the Minnesota Department of Health (MDH) as a hotel and restaurant, board and lodging establishment, boarding care home before March 1, 1985, or supervised living facility, and the service provider for residents of the facility must be licensed by DHS;
- 2) licensed by DHS as an adult foster home (family or corporate) or community residential setting;
- 3) licensed by MDH as an assisted living facility under Minnesota Statutes, chapter 144G, and provide three meals a day; or
- 4) a supportive housing establishment that has an approved habitability inspection and an individual lease agreement and serves people who have experienced long-term homelessness.

¹ The equity value of an assistance unit's personal property must not exceed \$10,000. Personal property is limited to: (1) cash; (2) bank accounts; (3) liquid stocks and bonds that can be readily accessed without a financial penalty; (4) unexcluded vehicles (one vehicle per assistance unit member age 16 or older is excluded); and (5) the full value of business accounts used to pay expenses not related to the business.

² Agreements may be terminated with or without cause by the commissioner, the agency, or the provider with two calendar months' prior notice. The commissioner may immediately terminate an agreement under certain circumstances. ([Minn. Stat. § 256I.04](#), subds. 2b and 2d)

County or Tribal agencies are prohibited from entering into agreements for new housing support beds with total rates that exceed the housing support basic room and board rate (see description on page 6),³ unless:

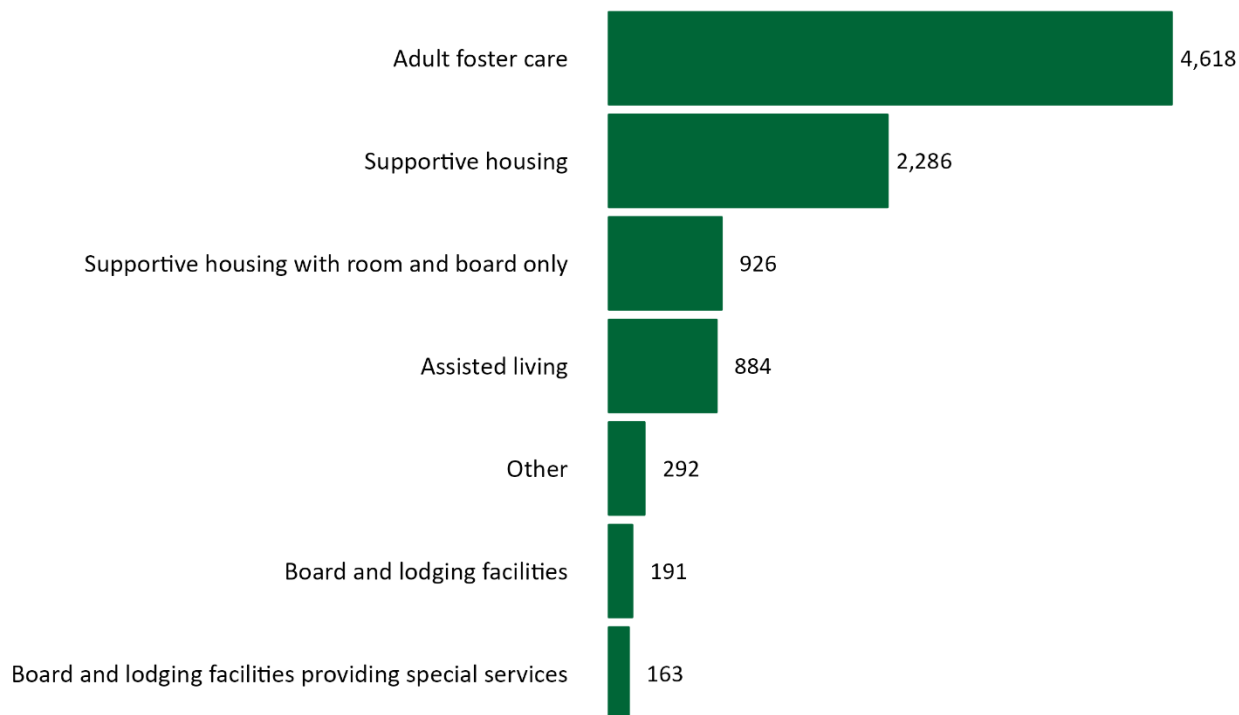
- the facility is needed to meet regional treatment center census reduction targets;
- the beds are part of an 80-bed facility in Hennepin County for chronic inebriates;
- the beds are part of supportive housing initiatives in Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, or Washington counties for homeless adults with mental illness, a history of substance abuse, or HIV or AIDs;
- the beds are part of a 32-bed facility in Hennepin County providing services for men with and recovering from substance use disorder;
- the beds are for a housing support provider located in the city of St. Cloud or a county contiguous to the city of St. Cloud that received financing through the Minnesota Housing Finance Agency (MHFA) and serves clientele with substance use disorder, providing 24-hour-a-day supervision;
- the beds are all for a new 65-bed facility in Crow Wing County that will serve persons with substance use disorder;
- the beds are for a provider that operates two ten-bed facilities, one located in Hennepin County and one located in Ramsey County, that provide community support and 24-hour-a-day supervision to serve the mental health needs of individuals who have experienced chronic homelessness;
- the beds are part of a 48-bed facility in Hennepin County that has been licensed since 1978 as a board and lodging facility and that used to operate as a licensed substance use disorder treatment program; or
- the beds replace beds with rates in excess of the housing support basic room and board rate that are no longer available due to facility closure, change in licensure or certification, or downsizing.

As of fiscal year 2024, there were 9,360 residential settings receiving housing support payments.⁴

³ Over time, the legislature has authorized several exceptions in statute. ([Minn. Stat. § 256I.04](#), subd. 3)

⁴ Information on the number and type of settings that received housing support payments was provided by DHS using data from the MAXIS vendor system.

Types of Housing Support Settings as of Fiscal Year 2024



Data provided by DHS. Graphic by House Research Department.

Adult mental health residential treatment centers provide intensive rehabilitative treatment under [Minnesota Statutes, section 256B.0622](#). Noncertified boarding care homes are licensed as boarding care homes by MDH but are not certified to provide services to MA recipients.

Background Studies

Housing support providers must initiate background studies on people who have controlling interests in the facility; managerial officials; and all employees and volunteers of the establishment who have direct contact with recipients, or who have unsupervised access to recipients, their personal property, or their private data. In addition, all housing support staff members who have direct contact with recipients must meet certain minimum qualifications.

Benefits

Nearly all housing support providers are authorized to receive the housing support basic room and board rate of \$1,170 per month for group settings or \$1,220 per month for community settings.⁵ Recipients in certain housing support settings may also qualify for a supplemental

⁵ A few providers have housing support basic room and board rates below the MSA equivalent rate of \$1,170 per month. Lower rates are linked to unique cases and are not reflective of the program as a whole. Community settings, which are supportive housing establishments where an individual has an approved habitability

payment that is in addition to this base rate. The table below summarizes the different housing support payment rates.

Housing Support Payment Rates

Type of Payment	Monthly Payment	Eligible Setting	Other Requirements
A. Housing support basic room and board rate	\$1,170 \$1,220	Group settings Community settings	None
B. Supplementary service rate	Up to \$494.91	Board and lodging with special services; noncertified boarding care homes	Recipient must not also be eligible to receive or be receiving MA waiver services, or MA personal care services
C. Difficulty of care	Up to \$494.91	Adult foster care	Recipient must qualify based upon an assessment of supervision and care needs, and must not be eligible for MA waiver services
D. Facilities with higher historical rates	May exceed maximum	Housing support settings that are not corporate adult foster care	Facility must have been receiving a payment rate higher than the housing support base rate prior to 1991 under the negotiated rate system
E. Statutory exceptions	As specified in statute	Housing support settings that are not corporate adult foster care	Higher facility rate must be authorized in statute

A. Housing support basic room and board rate. The housing support basic room and board rate, also referred to as the “MSA equivalent rate,” is \$1,170 per month for group settings and \$1,220 per month for community settings, for the fiscal year beginning July 1, 2024. This rate is the sum of:

- 1) The MSA basic need standard for an individual living alone (\$1,004/month); and
- 2) The maximum food stamp allotment for one person (\$291/month); minus
- 3) The MA personal needs allowance (\$125/month).

inspection and an individual lease agreement, are eligible to receive \$50 per month over the basic room and board rate.

The basic room and board rate is adjusted each July 1 to reflect changes in any of the component rates listed in clauses (1) to (3) above.

B. Supplementary service rate. Counties are also allowed to negotiate a room and board rate that exceeds the housing support basic room and board rate by up to \$494.91 per month for other services necessary to provide room and board, if the provider is not also receiving MA funding for waived services or personal care services. This rate is available mainly to board and lodging with special services and noncertified boarding care home settings, and applies to all recipients in the setting.

C. Difficulty of care payment. Counties are also allowed to negotiate higher rates for recipients residing in adult foster care homes, based upon an assessment of an individual's supervision and care needs. The additional payment cannot exceed the supplementary service rate of \$494.91 per month and applies to specific individuals in a facility. Rate approval by the commissioner is not required. Difficulty of care payment rates for housing support recipients in the same setting may vary based upon their assessments.

D. Facilities with higher historical rates. Some housing support settings were receiving payment rates under the negotiated rate system that were higher than the housing support base rate. Facilities receiving these higher rates prior to 1991 had these rates "grandparented" into the housing support payment system.

E. Statutory exceptions. Some housing support settings qualify for payment rates higher than the housing support base rate based on the services they provide, as a result of specific statutory provisions (see [Minn. Stat. § 256I.05](#), subds. 1d to 1u).

Rate increases. Counties are prohibited from increasing housing support rates for existing facilities above those in effect on June 30, 1993, except to:

- increase the housing support basic room and board rate to reflect federal cost-of-living increases, as described on page 6;
- increase rates for residents in family adult foster care whose difficulty of care has increased (subject to the overall maximum rate of \$1,664.91 per month); or
- comply with other exceptions in law.

Payment of Benefits

Counties authorize individual housing support payments to be paid by DHS directly to the operator of the residential setting, using state general fund dollars. Counties and Tribes can supplement housing support payments using their own financial resources.

The financial responsibility of the state for housing support payments is usually offset by a contribution from the recipient's income (e.g., SSI or Social Security Disability income). Recipients are required to contribute all income except that excluded by state or federal law. This amount can vary depending upon the recipient:

- An SSI recipient who is not working is allowed to keep the personal needs allowance of \$125.
- An SSI recipient who is working is allowed to keep the personal needs allowance of \$125, plus the first \$65 from employment and one-half of any additional earned income.
- Other adults, such as GA recipients, who are not working are allowed to keep the \$125 personal needs allowance.
- A recipient who does not receive SSI and who is working is allowed to keep the first \$65 of earned income and one-half of any additional earned income.

Funding and Expenditures

The housing support program is funded with state general fund dollars, using in part that portion of general fund dollars that had been used by the GA and MSA program to make payments to negotiated rate facilities to provide housing and related services under the Negotiated Rates Act. The housing support program receives some federal reimbursement for food and nutrition costs.

In state fiscal year 2023, an average of 20,218 persons received housing support payments each month. The total housing support expenditure for that year was \$199,791,604 (of this total, \$2,195,829 was county share), and the average monthly housing support payment per person was \$794.

Recipient Profile

In state fiscal year 2024, 56 percent of housing support recipients were aged, blind, or disabled, and 44 percent were verified as unable to work to the level of self-support due to a disabling condition.

About This Series

Public Assistance Programs is a series of publications that describe state and federal programs that provide assistance in the form of health care, income, food, housing, and child care. Each work in the series describes an individual program.

Current works in this series include:

- Overview of Public Assistance Programs
- General Assistance (GA)
- Minnesota Family Investment Program (MFIP)
- Minnesota Supplemental Aid (MSA)
- Supplemental Security Income (SSI)
- Medical Assistance (MA)
- MinnesotaCare
- Subsidized health coverage through MNsure
- Child Care Assistance Program (CCAP)
- Food Support
- Housing Support

Please see the health and human services area of the House Research website for more information about these programs and related topics.

Earlier Versions

Information in the series was originally published as the *Minnesota Family Assistance: A Guide to Public Programs Providing Assistance to Minnesota Families*, which was a comprehensive guide to these programs.



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