

We Need Housing! Now What?



Schizophrenia®
& Psychosis
Action Alliance

Understanding Financial Considerations

Review. Budget. Plan.
Learn the costs and
supports involved to make
informed, sustainable
housing decisions.

Financial Considerations

The financial considerations involved in securing housing are many. They could include tasks such as navigating insurance as well as government support, including Medicare, Medicaid, and disability benefits like Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI). Some individuals might be able to use private pay, but for many, a combination of government support along with housing grants might be the best option.

This guide provides a structured pathway to thoughtfully explore financial options and secure an option that fits your recovery situation. The [Financial Considerations worksheet](#) helps you organize key details, identify potential coverage, and outline essential action steps for navigating the various financial options available when evaluating housing opportunities:

Private pay & insurance

For some individuals living with schizophrenia or other psychosis-related disorders, private pay for out-of-pocket expenses may be necessary to secure certain housing options or supportive services not covered by insurance but can be financially demanding.



Examples of private pay options include, but are not limited to:

- **Renting an apartment or home:** Covering monthly rent and associated living expenses without financial assistance.
- **Specialized group homes:** Paying for residency in facilities tailored for individuals with mental health needs, which may provide structured environments and therapeutic support.
- **Enhanced supportive services:** Paying for additional assistance such as personal aides, specialized therapies, or extended outpatient treatments not covered by insurance.
- **Assisted Living Facilities with Mental Health Support:** Some assisted living communities can offer specialized care for individuals with schizophrenia/psychosis, providing services such as medication management, counseling, and daily living assistance.
- **Residential Treatment Centers:** These centers can provide intensive, 24-hour care in a structured environment, focusing on treatment and rehabilitation for individuals with severe mental health conditions.
- **Private Care Homes:** Small, privately operated homes that can provide personalized care and support for individuals with mental health conditions, often offering a more intimate setting than larger facilities.



Given that private health insurance is limited in covering housing-related costs, it's essential to thoroughly review your policy details. Despite legislative efforts like the [Mental Health Parity and Addiction Equity Act \(MHPAEA\)](#), which mandates equal coverage for mental health services comparable to medical benefits, many [insurance policies still exclude or limit](#) housing assistance benefits for mental health, although [residential treatment options can be covered](#). Other housing options such as supported housing, group homes, voucher, and others are generally seen as social services rather than direct treatment and [thus might fall outside MHPAEA's scope](#). As a result, using insurance for housing can be a challenging process to navigate.



Consulting with a case manager or insurance representative can help clarify policy details, understand which particular services, if any, are included, and what expenses will need to be managed out-of-pocket. Understanding co-pays, deductibles, and spending caps is crucial for effective financial planning and budgeting for any potential out-of-pocket expenses.

As always, planning ahead and staying in close communication with service providers might help avoid unexpected financial burdens.

Renting & Roommates

As a common example of private pay, some individuals opt for a more traditional rental arrangement—whether renting a single apartment or sharing with roommates. This can be a natural step toward independence, allowing for the development of daily living skills like budgeting, cleaning, shopping, and interacting with landlords or property managers. This option makes the most sense when someone has mastered their activities of daily living (ADLs) and has demonstrated that they can manage nearly all aspects of their life.



Having roommates can help relieve some of the financial burden and offer opportunities for social interaction, shared responsibilities, and mutual support. However, this arrangement can only work best when all roommates communicate openly about expectations, boundaries, and mental health needs and wants can be found on [pages 14 – 15 for Part 2: Achieving Stability of the “I’m Diagnosed, Now What?” Toolkit](#). Ensuring that roommates understand and respect any accommodations or supportive practices is key for maintaining a stable and harmonious living situation.



Medicare and Medicaid

Many individuals with schizophrenia or psychosis-related disorders rely on Medicare and/or Medicaid to cover their health care needs. These programs often help with medications, therapy, and other clinical services, but coverage for housing supports can vary depending on your state and specific plan.

Medicaid may help fund certain community-based services or supportive housing programs if you meet eligibility requirements, however each state can differ widely. Medicaid can also include access to a case manager to help navigate the process. Home Health Services are available in the state Medicaid program if the state provides nursing facility services. These are for people who could be at a nursing facility, but choose to remain at home (from Section 1905(a)(7), 42 CFR 440.70, and 42 CFR 441.15)

Health homes programs vary from state to state. Health homes do not directly provide housing, but give people access to comprehensive care, including referral to community services, housing case management, care coordination, transitional care and follow up, and more.

To learn if your state has these services, **this site** tracks this information. States are allowed to establish Health Homes for people who have:

- 2+ chronic conditions
- One chronic condition with risk for a second
- One serious, persistent mental health condition

Note: Homebound is defined as trouble leaving home without help (i.e. cane, wheelchair, other person), or as when leaving home isn't recommended due to health/overall condition.



On the other hand, Medicare typically does not cover long-term housing expenses, though certain temporary support, stays in psychiatric facilities, or skilled nursing settings might be covered. Medicare parts A and B (Original Medicare) both cover part-time or intermittent skilled home health services as long as you are homebound.

Medicare only covers part-time/intermittent care, defined as:

- Up to 8 hours per day for a total of 28 hours per week, or
- Less than 8 hours per day for a total of 35 hours per week IF deemed necessary by a provider.

Medicare part B covers intensive outpatient psychiatric care, counseling, and therapy. To be covered, services must be given in hospitals, Community Mental Health Centers, Federally Qualified Health Centers, Rural Health Clinics, and Opioid Treatment Programs (when services are for the treatment of Opioid Use Disorder).



Supplemental security income (SSI)

Supplemental Security Income (SSI) is a federal program providing financial assistance to adults and children with limited income and resources who have a disability. Many people living with schizophrenia or psychosis-related disorders find that SSI benefits help cover basic needs like rent, utilities, and food.



However, the monthly amount is often modest, so essential steps include budgeting carefully and considering other financial support. In some areas, receiving SSI can also help you qualify for additional state or local programs that reduce living costs—details about these can be found through the [USA.gov's page](#) to explore other programs while getting SSI. If you are already receiving SSI, make sure you let your housing provider know, as this might help open doors to **income-based or subsidized housing options** designed for low-income individuals with disabilities.



Important Details about SSI/SSDI:

Being on disability is often a delicate balancing act between having income and securing housing, especially when medical support or on-site staff are essential to recovery. Having increased income might seem beneficial but can trigger rent increases in subsidized housing based on a percentage of earnings – potentially negating the financial gains and creating instability.

In addition, exceeding income limits could jeopardize eligibility for disability benefits as well as the housing program and eligible supports. Furthermore, people renting might experience an increase in their monthly housing payment with an increase in personal income. Sometimes, individuals are unfortunately forced to balance between increasing their earnings and accessing vital care with stable living arrangements.

Social security disability insurance (SSDI)

Social Security Disability Insurance (SSDI) provides monthly income to individuals who have worked and paid Social Security taxes but are now unable to work due to a disability. The amount you receive depends on your prior earnings record. While SSDI can provide more robust benefits than SSI in some cases, SSDI also comes with unique eligibility criteria.



In some circumstances, SSDI can also apply to diagnosed individuals who are 22 years old or younger – see [**Adults with a Disability That Began Before Age 22**](#) on the Social Security Administration page. Furthermore, if your loved ones are receiving SSDI and have dependents, their children (under age 18, or up to 19 if in high school) may automatically qualify for dependent benefits—even if the children have never worked—based on the parents’ work history.

This extra income can be particularly helpful in offsetting the cost of rent, supportive services, or other mental health-related expenses. If you are unsure whether your loved ones qualify, a [**local Social Security office**](#) or a [**trained benefits counselor**](#) can help navigate the application process and better understand how SSDI could fit into your housing plans.



Housing financial support/grants

Beyond federal and state programs, various grants and other forms of financial aid might be able to help individuals secure and maintain stable housing. Nonprofit organizations, charitable foundations, and community agencies sometimes provide one-time grants or assistance to help cover rent, moving costs, security deposits, or emergency rent payments. Good starting points could include:

- **The Salvation Army:** national non-profit providing emergency services and housing support. Offers emergency rent and utility assistance, permanent supportive housing
- **American Red Cross:** major provider of emergency temporary housing and can offer a secure place to sleep for anyone displaced by a disaster or emergency
- **Catholic Charities:** network of agencies offering housing and social services for vulnerable populations. Offers affordable, transitional, and permanent supportive housing
- **National Association of Community Action Agencies:** local agencies offering community-based support for low-income individuals. Offers rental assistance, utility vouchers, directory for local agencies
- **WestCare Foundation:** offers financial supports and various types of housing available to help regain stability in permanent housing across 17 states
- **National Disability Institute's Financial Resilience Center:** resources and assistance to help individuals with disabilities and chronic health conditions navigate financial challenges, including managing finances during difficult times
- **Modest Needs:** available Self-Sufficiency Grants of up to \$1,000 to cover emergency expenses, including rent and mortgage payments, for individuals and families who are temporarily unable to meet a critical need

Researching and applying for these programs can take time, so starting early and seeking help from a social worker, case manager, or housing advocate can be invaluable. With diligent planning and the right support, financial aid opportunities can help bridge the gap between limited income and safe, affordable housing for those living with schizophrenia or psychosis-related disorders.



**Shattering barriers to treatment,
survival and recovery for people
with schizophrenia and other
psychosis spectrum disorders.**

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