

Housing Stabilization Services

Housing Stabilization Services (HSS) has been an important program for many Minnesotans, helping seniors and people with disabilities find and keep housing. However, in light of significant program integrity concerns, the Minnesota Department of Human Services announced August 1, 2025, that it was moving to terminate the program. Below is information about the program, the planned termination and a potential redesign.

Origins

Recognizing the important connection between health and housing stability, state leaders began planning Housing Stabilization Services in 2017 as a Medicaid benefit to combat chronic housing instability. The federal Center for Medicare and Medicaid Services approved the program in 2019, and DHS launched it in the summer of 2020.

HSS was a first-of-its-kind program. After its launch, several other states have designed and implemented similar programs that leverage Medicaid dollars for housing stability services. The goal of HSS has been to help support a person's transition into housing, increase their long-term stability in the community, and avoid future periods of homelessness or institutionalization.

There are three main elements to HSS – housing consultation, transition services and sustaining services. Many providers say the sustaining services piece has been a “game-changer” for their clients – particularly for those who have not experienced independent housing in a long time. Sustaining services can include:

- Education on tenant-landlord rights and responsibilities
- Coaching to develop relationships with property managers and neighbors
- Training on how to be a good tenant
- Lease compliance
- Problem-solving to maintain housing stability.

When done right, HSS has proven to be an effective tool for people facing housing instability.

Taking action to protect taxpayer dollars

The Minnesota Legislature and DHS each took strong actions in 2025 to improve oversight of the program, with more stringent requirements for vetting providers and additional tools for investigating fraud. However, as the scope of fraud in this program has become more apparent, DHS decided that Minnesota cannot afford to wait and see how effective these new program integrity measures will be.

DHS has determined that ending the program is a necessary step as DHS and partners don't have sufficient capacity to continue the scale of investigatory work required. Following a public comment period, DHS will submit a State Plan Amendment to the Centers for Medicare and Medicaid Services (CMS) to officially end the HSS program.

The program will not end before Oct. 20, 2025. Once a program termination date is determined, DHS will communicate that information to providers and clients.

Supporting impacted clients

DHS is actively working with partners to help ensure they are prepared to support people impacted by the planned end of Housing Stabilization Services. DHS is coordinating with counties, Tribes, Urban Indian organizations and MCOs to identify possible resources that could be helpful for people impacted by the planned end of HSS. DHS is not directly connecting individuals to other resources but is working with partners who may be able to assist.

Working towards a potential redesign

When done right, HSS is an important tool for people facing housing instability, and many seniors and Minnesotans with disabilities depend on its services. DHS will work with partners to redesign and relaunch the program in a way that supports people in need and prevents them from being exploited, while also preventing bad actors from scamming taxpayers.

For the most current information about HSS termination, visit the HSS FAQ webpage: mn.gov/dhs/hss-faq