The Money Follows the Person Housing Partnership Program (MFPHPP) is a partnership between the New Jersey Housing and Mortgage Finance Agency (NJHMFA) and the New Jersey Department of Human Services, Division of Aging Services (DoAS). The program provides capital subsidy to eligible nonprofit and for-profit developers to set aside housing units for qualified individuals transitioning from nursing facilities to community settings.

Funding for the MFPHPP comes from the Money Follow the Person (MFP) program, which is a demonstration program created by the federal government to assist individuals transitioning from institutions into a community setting. MFP provides states with an enhanced federal reimbursement for the cost of services provided to individuals who enroll on a Medicaid waiver program when they move to the community. The enhanced federal reimbursement, known as “rebalancing funds,” are being utilized to fund the MFPHPP. The Centers for Medicare and Medicaid (CMS) state that rebalancing funds must be reinvested into the community-based long-term care support system in order to increase the availability of Home and Community Based Services (HCBS). Rebalancing funds are only available for expenditures that enhance or expand access to HCBS and build community infrastructure and capacity. DoAS has committed its rebalancing funds for capital subsidies for housing units for eligible MFP individuals. There are no rental subsidies available through this program.

The target population to be served is physically disabled individuals aged 18 and over, who are living in nursing homes and have been assessed as being capable of living in the community with supportive services. The funding for supportive services is paid for through New Jersey’s Managed Long-Term services and Supports (MLTSS) program rendered by the Managed Care Organization (MCO) chosen by the transitioning individual. The MCO develops the Transition Plan and assigns each participant a care manager.

Housing developers may apply for MFPHPP financing for up to five one-bedroom units in any one project. Financing for more than five one-bedroom units per project will be considered on a case by case basis. The maximum capital subsidy per set aside unit is $75,000. Projects that are applying for 4% and 9% Low Income Housing Tax Credits and Multifamily Bond financing are eligible to apply for this funding. Developers must indicate their interest to participate in the submission of a MFPHPP application to NJHMFA. Applications will be expected to meet MFPHPP guidelines.

In coordination with NJHMFA, DoAS will review all MFPHPP applications and units will be selected based on MFPHPP selection criteria and eligible project location among other factors. Once a unit has been selected, the developer will receive a letter of support from DoAS for the allocation of funds for the set-aside units.

Applications will be processed on a rolling basis until all MFPHPP monies are exhausted.

For more information, contact the Multifamily/Supportive Housing Lending Division at 609-278-8884.