# Department of Mental Health Rental Subsidy Program (DMHRSP) Fact Sheet

*HLC 7004-9033 (DMH Rental Subsidy Program)*

PPAL Parent/Professional Advocacy League

YOUTH MOVE MASSACHUSETTS

The DMHRSP is a rental voucher program for DMH clients. Participants pay one-third of their adjusted income toward rent, and the voucher covers the remaining cost.

## What Happened to DMHRSP?

The program was level-funded in FY26 while rents continued to rise.
As a result, **the program was effectively paused on July 8, 2025.**
New vouchers are no longer issued, and vacated units cannot be backfilled.
This is resulting in lease terminations and loss of housing units.
The FY27 Governor's proposed budget includes further cuts to DMHRSP.

## What Is Happening Now?

DMH is attempting to reduce program costs through attrition of leased units, including units currently occupied by clients.
**This may involve:**
pursuing Mutual Termination Agreements, or
paying off the remainder of leases to close units.

## Proposed Alternatives to DMHRSP Housing

Most alternatives are limited or inaccessible:
**CHAMP/HUD 811**: waitlists are closed or extremely long
**DMH Set-Aside Units**: insufficient supply
**FCF Units:** limited and appear sporadically
**Discharge from services**
**Homelessness or shelter placement**

## Data

**2,254 individuals housed in FY23** through DMHRSP,
**107 additional individuals housed in FY24**
Approximately **2,600 active leased units** are currently supported.
**Over 100 units have already been lost in FY26**, and **300+ more could be lost in FY27** if the funding gap is not addressed.

## Cost

In practice, these cuts are **cost-intensive. Without vouchers, movement throughout the system halts, and the costs of more expensive (and unnecessary) acute care (such as EDs) are absorbed.**
A DMH rental voucher is **~$1,300 per month**, while a behavioral health hospital inpatient stay is **~$1,300 or more per day**.

# Department of Mental Health Rental Subsidy Program (DMHRSP) Impact

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**Quotes from young adults directly impacted by the DMHRSP pause.**

"The cuts to the DMHRSP have left me feeling completely discouraged. I'm being pushed out of my program because there aren't adequate options without these vouchers, and I'm facing impending homelessness. Massachusetts is one of the most expensive states to live in, and being given such short notice to find housing makes this situation impossible, even for someone without mental health challenges. We were never given information to plan ahead before vouchers were abruptly cut, and months later, there are still no answers."

"I was really looking forward to receiving a voucher because it meant independence, a chance to finally build a life for myself outside the system. Now, my goal of becoming self-sufficient has been put on hold. I can't even apply for jobs because I don't know what's going to happen or where I'll end up. Since July 8th, I've cried myself to sleep every night from the fear of losing everything. I don't want to be homeless."

"Making unwell people unhoused will create a crisis, not just in homelessness, but in mental health, and it could take decades to repair. Losing my voucher felt like a punch to the gut. I know this may not be entirely in your hands, but if there's any way to restore even a limited number of vouchers, it could make a real difference. Cutting housing and other supports is not reform, it's neglect."

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