

HOUSING FIRST “ONE PAGER”

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Issue Statement: Long-term homeless persons with disabilities (chronically homeless) account for 10 to 20 percent of the homeless population and consume 50 percent of homeless resources. *Housing First*— direct provision of permanent, independent housing with supportive services as needed – is a cost effective, proven methodology to end long term homelessness for persons with disabilities. *Housing First* has been implemented in communities throughout the United States, resulting in significant and measurable reductions of homelessness at costs far less than emergency shelter.

Long term Public Policy Goals: Reduce Arizona’s long term homeless with disabilities population by 50 percent in five years through implementation of a *Housing First* methodology.

Background/Data:

- **Prevalence:** Approximately 30,000 Arizonans experience homelessness annually. Between 3,000 and 6,000 disabled Arizonans experience long term homelessness.
- **Costs of Homelessness** – Homelessness is very expensive. In order to generate the political and civic will to end homelessness, communities across the United States have documented the costs of homelessness.
- ✓ In Portland, Oregon, 35 chronically homeless individuals each utilized over \$42,000 per year in emergency and institutional care.
- ✓ A 2006 cost analysis of 19 chronically homeless people in Denver’s *Housing First* Collaborative (DHC) document an overall reduction of 72.95 percent - or nearly \$600,000 - in emergency services costs for the sample group in the 24 months of participation in the DHFC program compared with the 24 months prior to entry in the program. The total emergency cost savings averaged \$31,545 per participant.
- ✓ Two frustrated police officers in Reno NV tracked the costs of three chronically homeless individuals, two of whom accounted for \$120,000 and \$200,000 in hospital expenses in less than one year. The officers determined that the third individual – “Million Dollar Murray” – had cost more than \$1 million in hospitalization, incarceration, detox treatment, and ambulance rides. “We spent \$1 million not to do anything about him.”
- ✓ 15 chronically homeless people in San Diego cost the city and county nearly \$3 million over an 18 month period, average cost \$200,000 per person. Costs included 299 emergency room visits, EMT responses, substance abuse detoxification, mental health treatment, and law enforcement intervention and temporary incarcerations.
- ✓ A study led by Indiana University School of Public and Environmental Affairs, followed 96 homeless people, mostly men, from January 2003 to June 2006. Researchers found that the group cost \$1.7 million in visits to hospital emergency rooms and other health care and visits to the county jail. The figure did not include food or temporary shelter or any other services provided by various agencies.

- **Results** – Research and experience have proven that housing is therapeutic. *In fact, 88 percent of formerly long-term homeless tenants in Pathways to Housing and other Housing First programs have successfully maintained their housing for up to five years, as evidenced by the dramatic reductions in homelessness in communities throughout the United States. Over 30 communities have reported measurable reductions in homelessness due to the implementation of housing first methodologies.*
- ✓ In 2005, a *Housing First* methodology was introduced in Utah with the placement of 17 long term homeless persons with disabilities with an average of 25 years on the street. With the exception of one person who passed away in 2006, all remain permanently housed. Since then, 184 additional *Housing First* units have been developed and 213 are in development.
- ✓ Denver, Colorado reduced homelessness by 11.5 percent in the metro region including a reduction in street homelessness from 1,000 to 600 people since January 2005.
- ✓ Since 2004, Minnesota’s the Ending Long-Term Homelessness Initiative has helped create 1,244 new units targeted to serve long-term homeless persons.
- ✓ When they released their plan to end homelessness in December 2004, Portland, Oregon had an estimated 1,600 chronically homeless individuals. During 2005, 660 were housed. In 2007, Portland reported a 77 percent reduction in street homelessness.
- ✓ San Francisco’s 2007 homeless count identified a 36 percent decline since 2002. San Francisco General Hospital reported a decline of 47 percent since 2005. This significant decrease indicates that the City's focus on the chronically homeless is beginning to reduce the utilization of San Francisco General Hospital among this population.

Connections to Poverty: Mentally disabled persons account for 25 to 30 percent of the homeless population nationally; some 46 percent of homeless people suffer from chronic physical health problems. Many of these homeless persons are eligible for SSI. However, according to a comprehensive national survey on homelessness published by the Federal government in 1999, only 11 percent of homeless people actually receive SSI. Median income is an important housing policy indicator because most government housing programs have eligibility requirements that relate to median income. Households at or below 30 percent of median income are considered extremely low-income under HUD. With incomes at 18.2 percent of median, SSI recipients are one of the lowest-income groups eligible for federal housing assistance.

Connections to building and Sustaining a Quality Workforce: A *Housing First* approach encourages and supports work as both a tool for engagement and gainful employment, with the goal of getting people into jobs as quickly as possible. In fact, best practice encourages “vocationizing” the housing environment by creating a culture that expects work through constant engagement with activities and resources that include or support employment.

PUBLIC POLICY SOLUTIONS

Arizona has reacted to homelessness with an emergency response for more than 20 years. While shelters have provided a safety net, they have not achieved outcomes that actually result in ending homelessness. A transition to providing housing rather than temporary shelter is in the best interest of homeless individuals, government and society.

Housing First, an evidence-based methodology to ending long term homelessness for disabled individuals, abandons the linear model and puts housing at the front of the process, placing a person in housing first and then dealing with the service needs of the individual. Empirical research proves that the mere act of placement in housing produces a level of stabilization that allows the individual to address their other needs more effectively.

Housing First is differentiated from traditional emergency shelter or transitional housing approaches is that it is “housing-based,” with an immediate and primary focus on helping individuals quickly access and sustain permanent housing then providing services as needed. This approach has the benefit of being consistent with what people experiencing homelessness want and seek help to achieve. *Housing First* programs share critical elements:

- ✓ There is a focus on helping individuals access and sustain rental housing *as quickly as possible* and the *housing is not time-limited*;
- ✓ A variety of services are delivered primarily *following* a housing placement to promote housing stability and individual well-being;
- ✓ Such services are time-limited or long-term depending upon individual need;
- ✓ Housing is not contingent on compliance with services – instead, participants must comply with a standard lease agreement and are provided with the services and supports that are necessary to help them do so successfully.

Following housing, services are provided through the **Assertive Community Treatment (ACT)** model, which uses an intensive case management team that has the capacity to provide integrated support services including: health care, mental health care, substance treatment, psychiatric evaluation, medication management, benefits acquisition and supported employment and education opportunities.

Budget Request – \$4,901,185 (annually) to implement a Housing First pilot program for disabled homeless individuals. Funds would assist 500 long-term homeless individuals with rent and supportive services. Rental assistance would be provided through rent subsidies in conjunction with local section 8 vouchers and other local housing assistance. The request includes \$4,961,896 which would fund 5 Assertive Community Treatment (ACT) teams. ACT is a team treatment approach designed to provide comprehensive, community-based psychiatric treatment, rehabilitation, and support to persons with serious and persistent mental illness.