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Study: Housing the homeless pays off

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BARNSTABLE — Housing the homeless is less expensive than keeping them out in the cold, according to a study released yesterday of 51 Cape Cod homeless and formerly homeless men and women.

The year-long study, authored by research consultant Lee Hamilton, showed that it cost 12 percent less to pay for housing and related support services than it did to pay for medical and other expenses associated with the chronically homeless, Cape Cod Commission affordable housing specialist Paul Ruchinskas said during a press conference announcing the results at Barnstable Superior Courthouse.

The study was funded by the Cape Cod Commission and the Cape Cod Foundation, a non-profit charitable organization.

On average, individuals placed in housing cost the public \$44,200 annually compared to \$49,300 for homeless individuals living on the streets, according to the study's findings.

Despite the generally expected outcome Hamilton said some of the findings were surprising.

Almost half of the individuals interviewed for the study moved back and forth between housing and homelessness.

"For some naive reason, I thought people would stay homeless and people would stay without," Hamilton said.

Not so surprising was the cost of medical services for not only the homeless population but also the formerly homeless group, Hamilton said.

"We are going to save lots of money in certain areas but the health care costs are high because you're talking about individuals who have been out there for some time," she said.

The average length of time for homelessness of those studied was five years.

The federal government has announced more than \$1.3 million in homeless grants for the Cape Cod and Islands. The grants for local homeless services are part of \$1.6 billion being awarded nationwide.

The grants are separate from the \$1.5 billion for homelessness programs that are part of the stimulus plan signed by President Barack Obama this week, HUD spokeswoman Kristine Foye said.

- The funding is also separate from a state grant to pay for a new plan to decentralize homeless services on the Cape, said Philip Magnano, executive director of the United States Interagency Council on Homelessness. "The good news for the Cape is record resources for homeless services for the sixth consecutive year," Magnano said.
- The HUD grants for the Cape and islands are spread across a dozen organizations that provide permanent and transitional housing to homeless people.

The chronically homeless tend to experience more health problems, including mental health issues and alcohol or substance abuse, than people with stable homes, Hamilton said.

The group studied was centralized in the Hyannis area and it was not possible to generalize the findings, said Estella Fritzinger, executive director of the Community Action Committee of Cape Cod and Islands and a member of the study's oversight committee.

"This study is the cost of these individuals in a finite time so these numbers cannot be extrapolated," she said.

According to a snapshot in 2008 of the Cape and Islands homeless population, there were 932 people on the streets in the region.

Fritzinger said she would bring the findings to the Leadership Council to End Homelessness on Cape Cod and the Islands.

The local organization has formed a subcommittee to focus on the problems associated with homeless people on Main Street in Hyannis, and the Capewide debate on whether to decentralize services for homelessness.