Permanent Supportive Housing: A Solution-Driven Model

March 2018 *Home & Healthy for Good* Progress Report

Prepared by:

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About the Massachusetts Housing and Shelter Alliance

The Massachusetts Housing and Shelter Alliance (MHSA) is a nonprofit public policy advocacy organization with the singular mission of ending homelessness in Massachusetts.

Founded in 1988, MHSA represents nearly 100 community-based agencies statewide. MHSA works with these member organizations to educate the public about homelessness and solutions that will end it; advocate for the strategic use of resources based on research and best practices; advance innovative, cost-effective solutions to homelessness; and form partnerships with government, private philanthropy, business leaders and service providers to ensure that homelessness does not become a permanent part of the social landscape.

INTRODUCTION

Home & Healthy for Good (HHG) is a permanent supportive housing program for chronically homeless individuals. HHG is run by the Massachusetts Housing and Shelter Alliance and is funded by the Commonwealth of Massachusetts. HHG has provided chronically homeless adults with housing and supportive services, in accordance with the **Housing First model**, since the program began in 2006. **As of February 2018, HHG has served 973 homeless individuals.**

HHG was created as a response to years of unsuccessful homelessness policy. For more than 25 years, emergency shelter has been Massachusetts' response to homelessness. While emergency shelters have indeed saved lives, shelters only provide temporary relief for the Commonwealth's most vulnerable residents — they do not offer homeless individuals a permanent place to live. In addition to shelters, homeless individuals often rely on expensive emergency room and hospital visits, the correctional system, and the streets to provide them with a place to stay. As a result, the costs associated with homelessness are significant. Homelessness is also associated with significant health concerns. Homeless individuals have disproportionately poor health outcomes and struggle with premature aging as a result of the instability associated with homelessness.

> Housing First: A Low-Threshold Model for Success

The Housing First model represents a paradigm shift in the way chronic homelessness is addressed. Often in traditional housing programs, homeless individuals are expected to move forward through a linear service delivery system, with housing saved as a "reward" for individuals who are compliant with other requirements – such as maintaining sobriety or finding employment. However, homeless individuals struggle to meet these demands when they are also dealing with the challenges and instability of homelessness. Housing First represents a shift toward "low-threshold" housing, in which the barriers to housing have been removed. Housing First programs recognize that homeless individuals can more easily maintain their sobriety, find employment, and achieve other health and life goals when they have a permanent place to live. Housing First tenants live in leased, independent apartments or shared living arrangements that are integrated into the community. Tenants have access to a broad range of comprehensive community-based services, including medical and mental health care, substance abuse treatment, case management, vocational training and life skills training. However, participants are not required to participate in services – there are no compliance requirements in order to enter or stay in the program. By removing these barriers to housing, individuals are given an opportunity to deal with the complex health and life issues they face as tenants, rather than as clients of a prescribed system of care.

> Creating a Housing First Initiative in Massachusetts

In Fiscal Year 2007, the Massachusetts Legislature included funding in the state budget for a statewide Housing First program for chronically homeless individuals, as a result of increasing evidence from around the country that indicated Housing First is a cost-effective model that decreases chronic homelessness. The FY07 budget allocated $600,000 to the Massachusetts Housing and Shelter Alliance (MHSA) to operate the Home & Healthy for Good (HHG) program. The funding for HHG has been increased over the years since 2007, and the program received $2.04 million in the FY18 state budget. The budget allocation for HHG is flexible, which means the funding can be used for housing subsidies, supportive services, or both.

Health challenges faced by homeless individuals include:

- Lack of transportation to hospitals, doctors' appointments and all forms of primary care

- Stress, which negatively affects other conditions

- Higher risk of physical and sexual violence

- Lack of privacy for medication administration

- Lack of places to safely keep medication, which increases potential for theft

- Lack of a safe, clean place to rest and heal during illness

- Lack of access to critical medical services, as a result of not having a permanent address

> Target Population

HHG serves chronically homeless adults. A chronically homeless person is defined by the federal government as "an unaccompanied homeless individual with a disabling condition who has either been continuously homeless for a year or more or has had at least four episodes of homelessness in the past three years."[1]

Historically, HHG tenants report that they are homeless for an average of 5 years prior to entering the program. About 65 percent of HHG tenants are coming directly from the emergency shelter system.

Chronically homeless individuals constitute about 10 percent of the homeless population yet consume more than half of homeless resources.[2] This subset of people suffers from complex medical, mental and addiction disabilities that are virtually impossible to manage in the unstable setting of homelessness. Housing provides individuals with stability, which allows them to address the complex issues and disabilities that affect them.

Disability Status

69% of HHG tenants report having a mental health disability

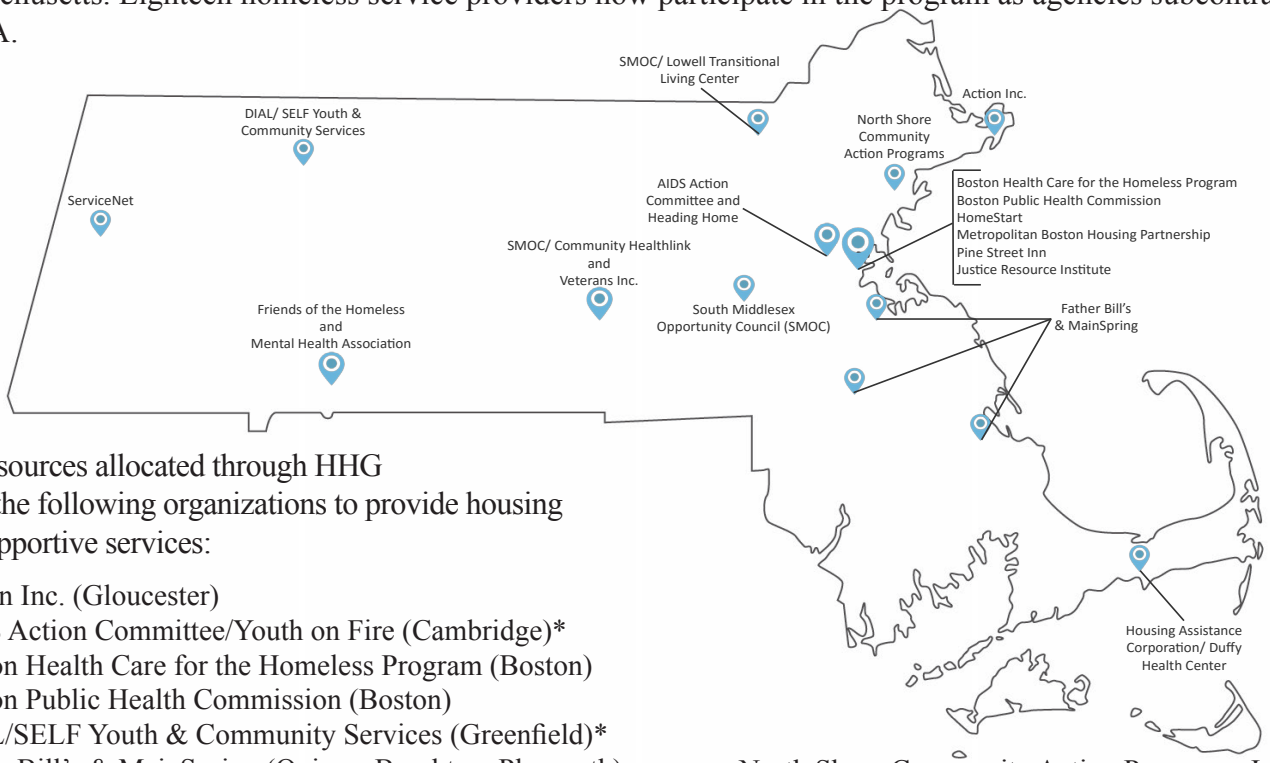
50% of tenants report having a physical health disability

25% of tenants report having a substance abuse disorder

48% report multiple disabilities

> Program Geography

In FY18, MHSA entered into a contract with DHCD to continue to administer the HHG program throughout Massachusetts. Eighteen homeless service providers now participate in the program as agencies subcontracted by MHSA.



The resources allocated through HHG allow the following organizations to provide housing and supportive services:

- Action Inc. (Gloucester)
- AIDS Action Committee/Youth on Fire (Cambridge)*
- Boston Health Care for the Homeless Program (Boston)
- Boston Public Health Commission (Boston)
- DIAL/SELF Youth & Community Services (Greenfield)*
- Father Bill's & MainSpring (Quincy, Brockton, Plymouth)
- Friends of the Homeless (Springfield)
- Heading Home (Cambridge)
- HomeStart (Boston)
- Housing Assistance Corporation/Duffy Health Center (Cape Cod)
- Justice Resource Institute (Boston)*
- Mental Health Association (Springfield)
- Metropolitan Boston Housing Partnership (Boston)
- North Shore Community Action Programs, Inc. (Peabody)
- Pine Street Inn (Boston)
- ServiceNet (Pittsfield)
- South Middlesex Opportunity Council/Community Healthlink/ Lowell Transitional Living Center (Framingham/Worcester/Lowell)
- Veterans Inc. (Worcester)

*Provider for LGBTQ Pilot Program

DEMOGRAPHICS

Most HHG participants are white, non-Hispanic, aged 35-61, and come from the state's emergency shelter system. This is to be expected given the demographics of the nationwide homeless population. Middle-aged white males are the most common demographic category among chronically homeless individuals.[3,4]

	Count	Percentage
GENDER		
Male	752	**77%**
Female	183	**19%**
Transgender	7	**<1%**
Gender not reported	31	**4%**

	Count	Percentage
AGE as of today		
18-24 years	3	**<1%**
25-34	71	**7%**
35-44	110	**11%**
45-54	274	**28%**
55-61	270	**28%**
62+	239	**25%**
Age not reported	6	**<1%**

	Count	Percentage
U.S. MILITARY VETERAN		
Yes	187	**19%**
No	780	**80%**
Veteran status not reported	6	**1%**

	Count	Percentage
RACE		
White	685	**70%**
Black or African American	210	**22%**
American Indian or Alaska Native	13	**1%**
Asian	7	**<1%**
Multi-Racial	2	**<1%**
Native Hawaiian or Other Pacific Islander	5	**<1%**
Race not reported	51	**5%**

	Count	Percentage
ETHNICITY		
Hispanic/Latino	95	**10%**
Non-Hispanic/Latino	869	**89%**
Ethnicity not reported	9	**1%**

Subpopulation Highlights

Young Adults

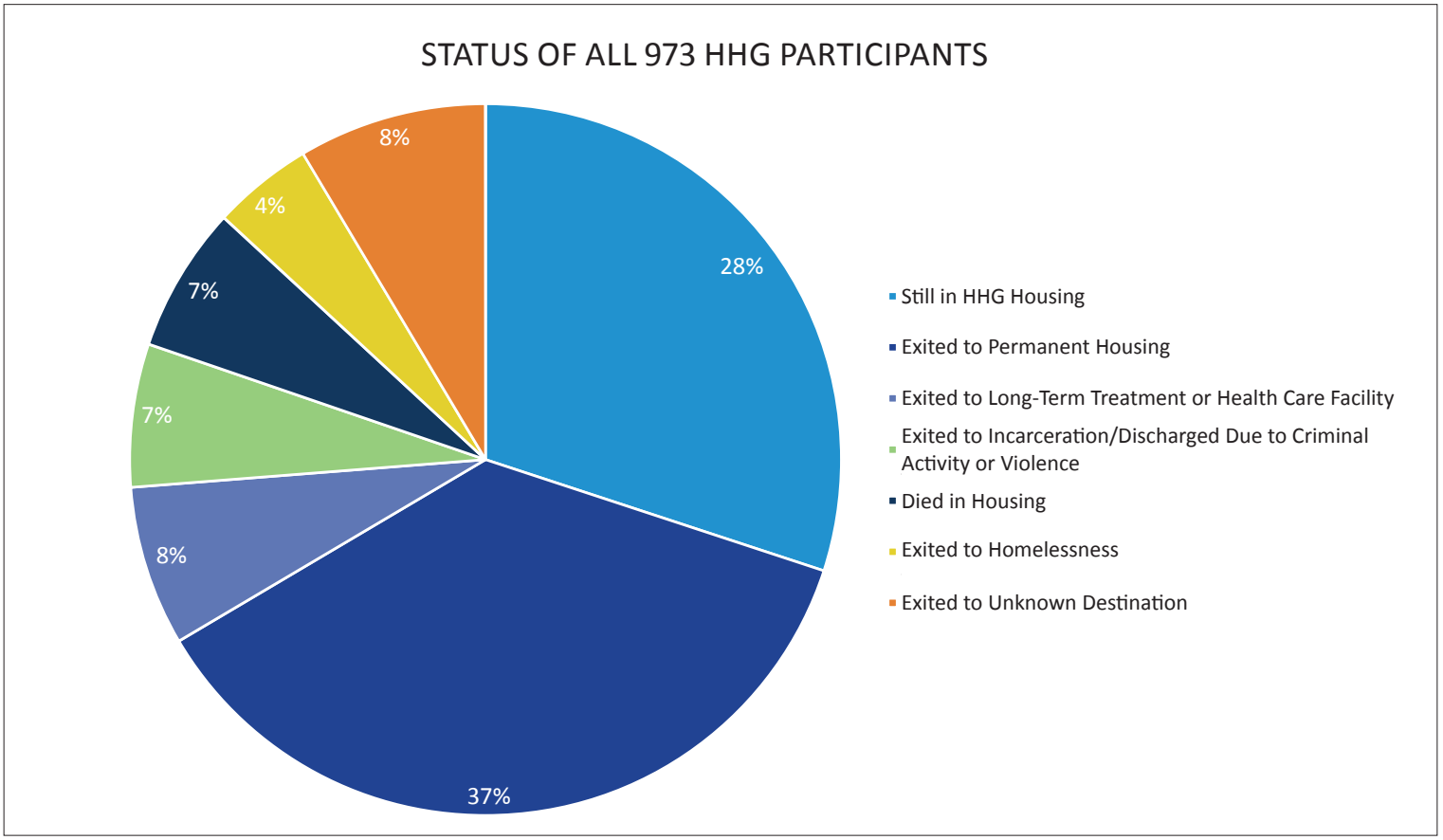
In FY14, MHSA launched a pilot program specifically targeting homeless young adults between the ages of 18 and 24 who identify as LGBTQ. This pilot provides up to 32 units of housing in the Boston, Cambridge, and Greenfield areas.

Veterans

Home & Healthy for Good has provided housing to 187 veterans since it began, which represents 19 percent of the total number of people served by HHG. As Massachusetts moves toward implementation of its new plan for ending veteran homelessness, various service planning and grantmaking bodies have identified HHG as a model for housing homeless veterans.

OUTCOMES

> Current Enrollment and Tenant Destinations



276 *individuals currently housed through HHG*

359 *individuals have exited HHG directly to other permanent housing*

42 *individuals known to have returned to homelessness since 2006*

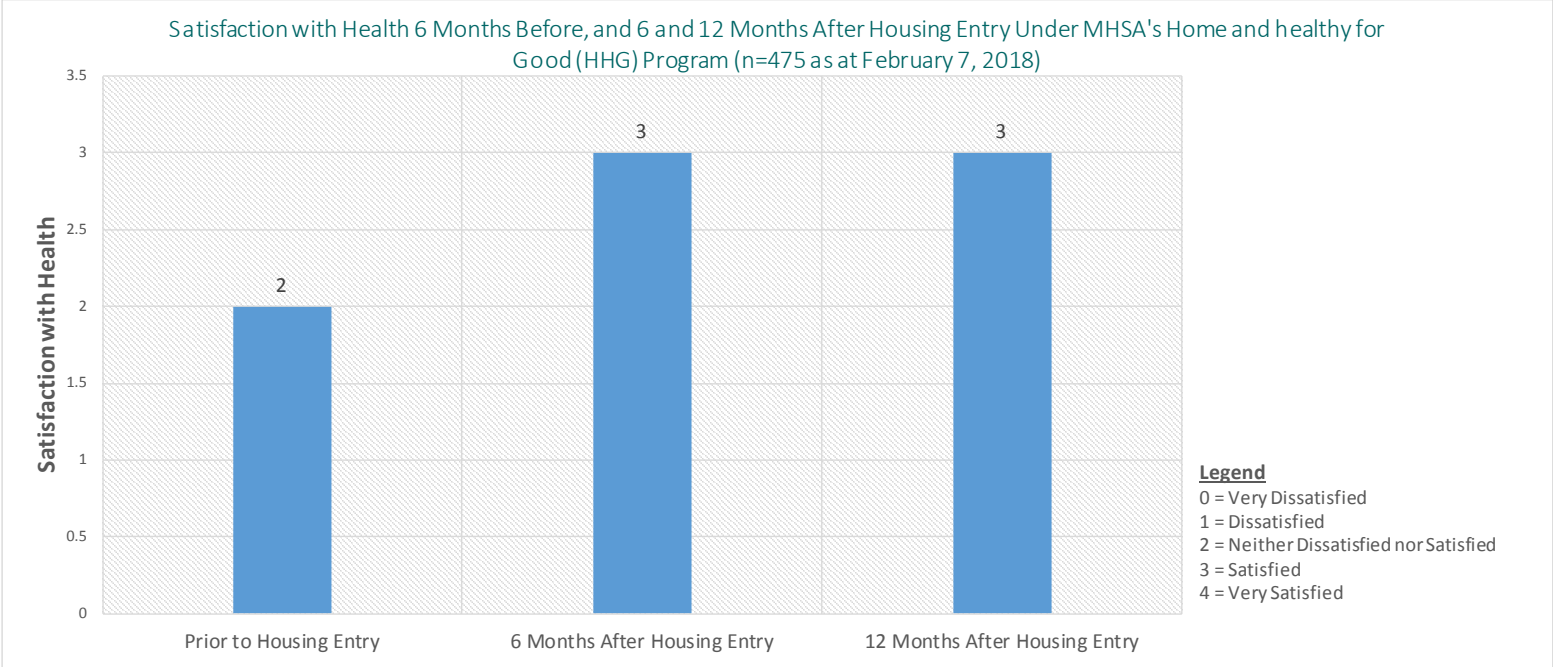
HHG has produced significant positive outcomes for participants, both during and after their enrollment in the program. **Since HHG was founded in 2006, 973 chronically homeless adults have been placed into permanent housing with supportive services, which have been provided by 18 service agencies across the Commonwealth.**

As demonstrated above, 65 percent of the total HHG population is either housed through HHG or left the program to move on to another type of permanent housing. An additional 8 percent of the population transitioned from HHG to long-term treatment or a more appropriate health care setting, and 7 percent of all tenants housed over the 10-year period died while in housing, many from chronic health conditions. Remarkably, only 42 individuals — 4 percent of HHG participants — are known to have recidivated to homelessness after obtaining permanent housing. As the chart above shows, 8 percent of clients exited to an "unknown" destination, meaning that the agencies providing supportive services and housing for those individuals were unable to confirm the exiting participant's destination. MHSA is working with the agencies in an effort to reduce the number of tenants exiting to "unknown" destinations. Average length of successfull sustained tenancy is 2.5 years.

> *Quality of Life and Tenant Satisfaction Outcomes*

Prior to entering HHG, most tenants indicated that they were "not satisfied" with their quality of life, health and housing; after being placed in housing, average opinion shifted to "satisfied" in all three categories mentioned.

SATISFACTION WITH HEALTH AMONG HOUSING FIRST CLIENTS

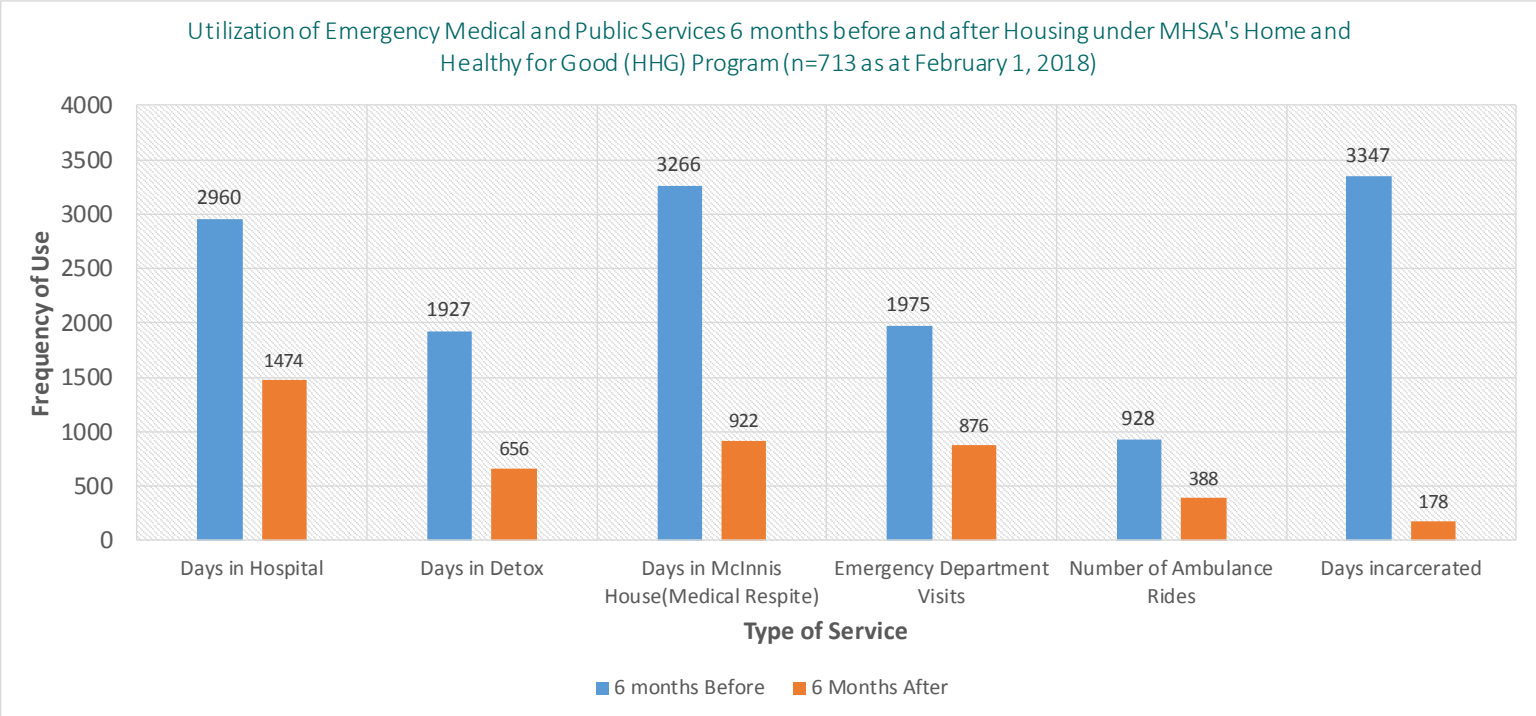


Each follow-up interview also asks HHG tenants if their life in general has improved since entering housing. **As of December 2017, 93 percent of all responses indicated an improvement in tenants' quality of life, with 52 percent of tenants indicating "much improvement" in their lives since entering housing and 41 percent indicating that their lives were "somewhat improved" as a result of entering HHG.**

MHSA's quality of life data is based on more than 14,000 follow-up interview responses that have been collected since HHG began.

> Public Service Usage Outcomes

UTILIZATION OF EMERGENCY SERVICES AMONG HOUSING



As shown above, HHG participants' self-reported emergency service usage decreases dramatically in the first 6 months of housing.

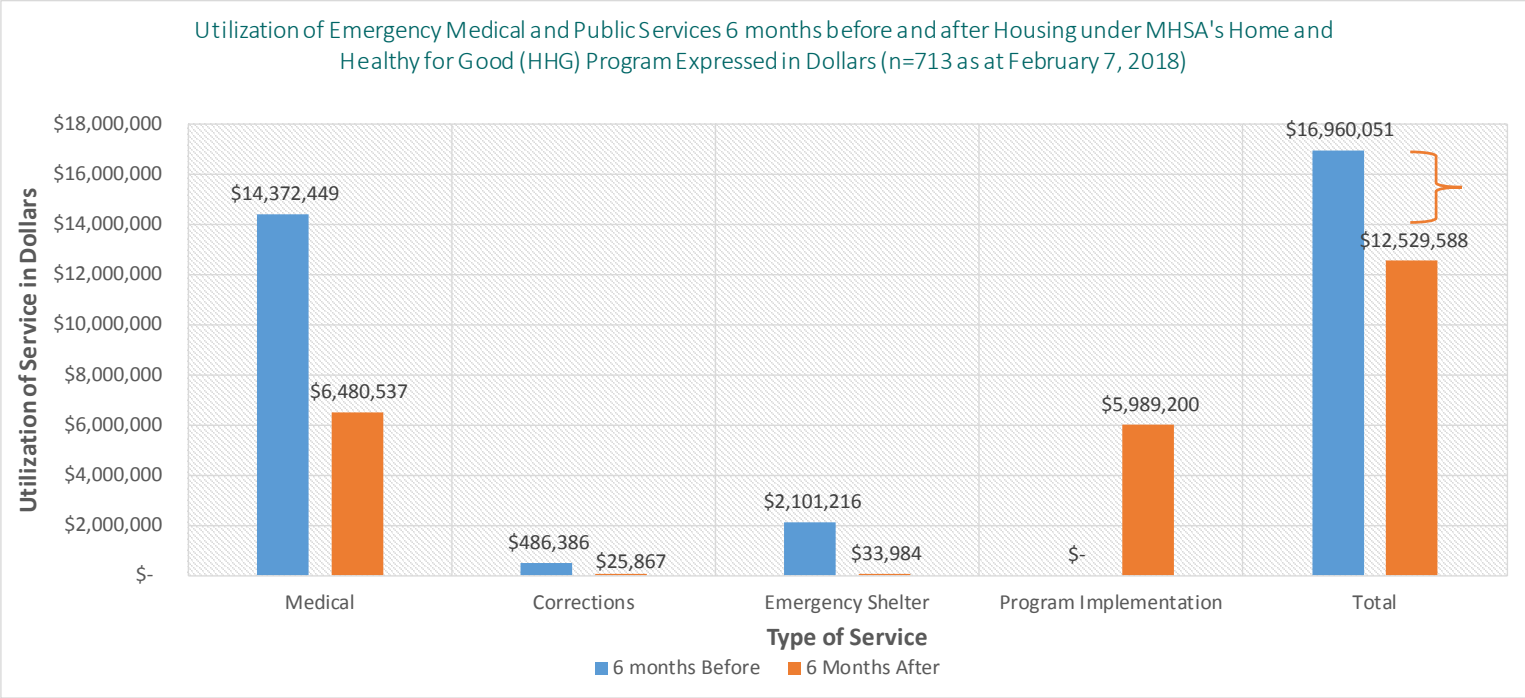
This decline in public service usage among previously high utilizers is indicative of the important physical and mental health stabilization process that occurs within the first several months that individuals are in housing. Once in housing, individuals are safer than they were on the streets or in shelter, experiencing fewer accidents and injuries that require immediate attention. With access to supportive services through HHG, formerly homeless individuals no longer need to rely on public emergency services as their primary sources of care. Instead, tenants are able to utilize mainstream systems of preventative and primary health care, better coordinate with mental health providers and maintain consistent permanent tenancy rather than using more costly public systems, such as emergency shelters and detox facilities.

The significance of this decrease in public service usage is twofold: it indicates an improvement in tenants' health and quality of life as a result of housing, and it also shows that HHG results in major cost savings, allowing money that would be spent on expensive emergency care to be allocated in other ways (for housing, more comprehensive year-round care, etc.). This data shows that housing is a cost-effective, yet humane, solution to homelessness — one that brings stability to individuals' lives, regardless of their health histories or personal challenges.

> Cost Savings Outcomes

MHSA estimates that HHG saves the Commonwealth **an annual $12,428 per housed tenant**.

UTILIZATION OF EMERGENCY SERVICES AMONG HOUSING FIRST CLIENTS EXPRESSED IN DOLLARS



MHSA's cost savings estimates are based on HHG participants' self-reported usage of services in the six months before and the six months after entering housing. HHG tenants provide MHSA with the number of days spent in hospitals, detox, and respite care, as well as the number of emergency room visits and ambulance rides; these numbers are grouped into "medical services," and these costs are covered by Medicaid for the majority of HHG tenants. Participants also report the number of nights they have been incarcerated or in shelter in the six months before and after entering housing. Using these figures, MHSA estimates the average cost per person for the measured services in the year prior to entering HHG, as well as the estimated costs of these services in the year after entering housing.[6,7] The average annual cost of operating HHG, including housing and services, is shown above in light blue.

SUMMARY

Through *Home & Healthy for Good*, MHSA continues to demonstrate that **providing housing and supportive services to chronically homeless individuals through a Housing First model is less costly and more effective than managing their homelessness and health problems on the street or in shelter**. Results show a trend toward tremendous savings in health care costs, especially hospitalizations, when chronically homeless individuals are placed into housing with services. Improvements in quality of life and overall health outcomes indicate that Housing First is an effective intervention for chronically homeless individuals.

Ultimately, ending homelessness in Massachusetts will require more than one housing model, one line item or focusing on one target population. A long-term strategy to end homelessness will require a serious evaluation of how the state uses its resources and bold action on the part of policymakers. **An evaluation of homelessness spending must be based on empirical data, informed by results from innovative housing models and premised on the fact that resources are scarce and must be strategically allocated**. The results of *Home & Healthy for Good* will continue to play a critical role in influencing policy as the state moves toward permanent solutions to end homelessness.

"Housing gives you a lot more hope, a lot more ambition to move forward with your life."

- HHG tenant

"Going to school is easier because you have a place where you can come home and study."

- HHG tenant

"Nobody wants to be in the shelter ... shelter should be like a triage."

- HHG tenant

"The shelter really didn't have the facilities for someone to recuperate. People don't know what it is not to have a home and have different medical issues going on. I don't know what I would have done. I don't know if I'd still be alive."

- HHG tenant

Quick facts

973 *people housed through HHG since it began*

$12,428 *annual savings per tenant for the Commonwealth*

187 *veterans housed through HHG since its inception*

To learn more about MHSA, visit www.mhsa.net.

ABOUT THE DATA COLLECTION

As a condition of HHG's state funding, MHSA creates and files this report on the effectiveness of the HHG program, specifically in terms of cost-effectiveness and quality of life outcomes. HHG tenants are asked to consider participating in this research study when they first enter housing; refusal to participate in the research study component of HHG does not affect an individual's access to housing or supportive services. In order to conduct this research ethically, informed consent is obtained from those individuals who agree to participate and participants are asked to sign MassHealth's Permission to Share Information form so that Medicaid claims data could be analyzed.

All data in this report is the product of MHSA's research unless cited otherwise.

To measure the effectiveness of HHG, community support workers conduct interviews with tenants upon entry into housing and at approximately one-month intervals thereafter. The interviews are then submitted to MHSA and entered into a database. Since the fall of 2006, HHG community support workers and program managers have submitted more than 14,000 interviews to MHSA to create the current data set, which is used as the basis for this report.

> Follow-up Interviews

During each monthly interview, community support workers ask about the tenant's current source(s) of income; the tenant's health insurance coverage; whether or not the tenant has received medical care of any kind in the time since the previous interview; whether or not the tenant has spent any time in an emergency room, hospital, detox facility, emergency shelter or prison since the previous interview (and if so, how much time); the tenant's substance abuse status; the tenant's level of satisfaction with general quality of life, health and type of housing (responses to these questions are ranked on a scale from "very dissatisfied" to "very satisfied"); and how the tenant's life has improved since entering housing (answers range from "no improvement" to "much improvement"). Tenants have the option of refusing to answer any interview questions that they prefer not to answer. As interviews are completed, case and program managers submit them to MHSA and they are entered directly into an electronic database. This database is then used to create an estimated cost-benefit analysis, comparing pre- and post-housing emergency service usage, as well as to identify changes in life satisfaction and overall health.

> External Data Analysis

MassHealth (Medicaid) analysts reviewed billing claims data in March 2009 for 96 HHG participants who had Medicaid eligibility in both the year before and the year after moving into housing. MassHealth provided MHSA with actual Medicaid costs for these participants (including any medical service that was paid for by MassHealth, such as inpatient and outpatient medical care, transportation to medical visits, ambulance rides, pharmacy needs and dental care). The cost savings data resulting from this analysis was similar to the cost savings results contained within this report, which were calculated by MHSA for the entire HHG cohort (as of December 2017).

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