What is the community challenge?

According to the National Alliance to End Homelessness (2016), on any one day in the United States there are nearly a half million homeless people sleeping outside and nearly 3.5 million people who will experience homelessness across the year. The relationship between homelessness and poor health has been well established with life expectancy for the homeless 20 years lower than the national average. Managing chronic illness for the homeless presents substantial challenges for communities as homelessness among the chronically ill drive significantly higher health care costs.

For these individuals, homelessness exacerbates chronic illnesses by increasing exposure to trauma and high-risk behaviors, which in turn, results in social isolation and difficulties accessing coordinated primary and behavioral health services needed to manage and expedite recovery. Homelessness functions as a virtual tri-morbidity, imposing additional ill-effects on health status as well as on public costs.

What is the promising solution?

The Corporation for Supportive Housing (CSH) led a five-year national demonstration to create and evaluate supportive housing for healthcare’s highest need, highest cost beneficiaries experiencing homelessness. The evaluation examines the theory that when individuals with significant health costs who also experience homelessness are identified and have access to affordable housing and wrap around services, they will experience increased housing stability and improved health, and decrease the use of costly, crisis health care services.

Sites participating in the demonstration study provided affordable, stable housing and case management to this population to improve connection to health care services, improve health outcomes and reduce health care costs. Programs across all four sites implemented an enhanced version of supportive housing that encompassed five essential elements to the achievement of the initiative goals: 1. Supportive housing; 2. Data driven targeting; 3. Assertive outreach and housing first; 4. Patient navigation/health care coordination; 5. Clinical partnerships with health care providers.

While all four sites follow the same program model, there were key differences in the design and implementation of these core components across sites. Each site trialed the identification of high medical cost homeless individuals through the use of empirical data and adopted a supportive housing model with explicit connection to primary health care and other services that would promote better outcomes for tenants once housed. Sites selected intentionally differed in terms of population size, type of jurisdiction, housing market and policy landscape in order to see how these components were adapted at the local level and to test the impact of supportive housing on a national scale.

What was the purpose of evaluation?

The evaluation was conducted by a research team at New York University from 2012-2017 and had three components: an implementation evaluation which included site visits augmented by a post participant survey, a cost effectiveness study, and analyses of program impacts using a randomized controlled trial (RCT) design and intent to treat (ITT) analyses and a quasi-experimental design with a treatment on the treated (TOT) approach. The evaluation sought to address the limited scope of prior research studies regarding housing offsets to health care and other public expenditures.

The focus of the evaluation included the practicality of identifying and serving high utilization medically needy homeless individuals using administrative records and targeted outreach; assessing the degree to which this targeted and focused supportive housing could reduce health care utilization, as well as use of shelters and jail time; and understanding if reductions in costs to health care, shelters, and jails could offset the cost of the program.
What did the evaluation find?

- Program impacts varied across site and by the baseline utilization of those targeted. Overall, the evaluation found that these programs can reduce utilization of shelters and costly health care in some populations, and these reductions can substantially offset program costs.
- In the ITT analyses, statistically significant impacts on health care utilization was limited to the San Francisco site, which experienced impacts on both hospitalizations and hospital days. There was significant heterogeneity in impacts among the high utilization homeless individuals in regard to cost; for targeted individuals who used fewer healthcare services at baseline, the receipt of supportive housing appears to have increased utilization, suggesting possible unmet needs.
- The quasi-experimental analyses revealed significant impacts in Connecticut for medical hospitalizations, hospital days, ED use, overall healthcare costs and shelter stays. Significant impacts were also found for San Francisco in regard to health care and shelter use using the TOT analyses. In Michigan, supportive housing was associated with significant increases in OPD use suggesting possible unmet need at baseline.
- In examining the cost of the program relative to statistically significant reductions in health care and shelter utilization, a substantial portion was offset by cost savings across Connecticut and San Francisco. Annual per-person savings exceeded annual program costs in San Francisco. The majority of these cost savings stemmed from reductions of the cost incurred by health care systems (mostly due to reduced hospitalizations), indicating that the health care sector may be an appropriate source of funding for medically-oriented supportive housing that serves a high-flier population. That the overall per-capita program cost in San Francisco is substantially lower than Connecticut may reflect an economy of scale, as the program was able to more efficiently provide services to individuals who were housed in a dedicated, congregate facility. But, it is also important to note that the costs of constructing San Francisco’s congregate facility are not included in program costs.
- While, on average, the program was associated with reduced costs and utilization at some sites, and improvements in self-reported quality of life and access to care across sites were demonstrated, many participants were still experiencing deep and complex health problems one year into the program.

Notes on the evaluation

Although the findings from the impact and cost analysis could be considered mixed, they reflect the impact of variations in state and local regulations, services and homeless populations. Furthermore, the time frame for assessing impact (12 months) may not be sufficient to fully measure the full effect of the intervention.

How are evaluation findings improving policy and practice?

- CSH is working to share the learnings to increase access to supportive housing for high need populations and to embed supportive housing as a health care solution.
- Due to differences in implemented federal policies and variations underlying diverse conditions and regulations across state and local areas (housing conditions, supports, community based services, health care providers, Medicaid policies), program implementation and capacity for impact are both heavily influenced by local context and state policy.
- It would be beneficial to look at utilization past the 18-month post-random assignment time horizon (which, in fact, typically represented about 12 months in supportive housing) to see how utilization changes over time.
- It is possible to develop and deliver a medically-oriented supportive housing program targeted at homeless individuals who are high utilizers of health care using a data-driven approach.

The Social Innovation Fund (SIF) was a program of the Corporation for National and Community Service that received funding from 2010 to 2016. Using public and private resources to find and grow community-based nonprofits with evidence of results, SIF intermediaries received funding to award subgrants that focus on overcoming challenges in economic opportunity, healthy futures, and youth development.

The content of this brief was drawn from the full evaluation report submitted to CNCS by the grantee/subgrantee. The section of the brief that discusses evaluation use includes contribution of the grantee/subgrantee. All original content from the report is attributable to its authors.

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