

# Housing First Works

## What is Housing First?

**Housing First** is a programmatic approach designed to help chronically homeless families and individuals move more quickly off the streets or out of the shelter system. Housing First employs crisis intervention, rapid access to housing, follow-up case management and support services to prevent the recurrence of homelessness. What differentiates a Housing First approach from traditional emergency shelter or Transitional Housing models is the immediate and primary focus on helping homeless families and individuals quickly access and then sustain housing. Housing First is designed to respond to the most acute need of chronically homeless individuals with disabilities—*housing*—and through the provision of housing, to respond to the other services the participant may need to maintain housing stability and to improve their level of health and functioning.

It is important to note that Housing First does not mean “Housing Only.” Rather, Housing First best practices dictate that intensive treatment and case management be offered to those housed through the program. The main distinction is that treatment is not a pre-condition of receiving housing. Treatment services are provided after housing is obtained, once the treatment provider has gained the trust of

the individual and is ready to accept treatment. In other words, the Housing First approach first addresses housing as the priority need of the individual and



*Housing First includes crisis intervention, rapid access to housing, follow-up case management and support services*



then leverages the relationship with the treatment provider to address underlying individual needs.

Chronic homelessness is a social issue with strong potential for interventions to have positive social and economic outcomes. Because of the efficiency of the Housing First approach and the focus on outcomes and consumer satisfaction, rigorous evaluation has become a core component of Housing First programs. Studies have found it highly successful in ending homelessness for chronically homeless individuals, particularly for those with psychiatric disabilities and co-occurring substance use disorders. Housing First has been endorsed by the U.S. Interagency Council on Homelessness, the U.S. Conference of Mayors, and the U.S. Substance Abuse and Mental Health Services Administration (SAMHSA).

Increasingly, communities across the country are implementing Housing First programs as an integral part of their Ten Year Plans to End Homelessness.

## Housing First at the Colorado Coalition for the Homeless

**The Colorado Coalition for the Homeless (CCH)** serves more than 15,000 homeless families and individuals each year. The Coalition uses a variety of models and approaches to provide assistance to these families and individuals. These include: primary health care through its Stout Street Clinic; substance treatment services; mental health treatment; and, integrated treatment for those with both mental health and substance use issues.

The Coalition operates both Transitional and Permanent Supportive Housing for families and



individuals. Transitional Housing is time-limited housing (up to 24 months) and includes case management and supportive services to help individuals address the issues which caused their homelessness and to ultimately achieve self sufficiency through employment or mainstream services.

The Coalition applies a Housing First approach for chronically homeless individuals with disabilities who have not been successful in traditional treatment programs. CCH established the Denver Housing First Collaborative (DHFC) in October 2003 to provide supportive housing for 100 chronically homeless individuals in Denver. CCH expanded the program to serve an additional 100 individuals in 2005. In addition to housing provided at both scattered-site and in supportive housing apartment buildings, CCH provides intensive case management and support services, using an Assertive Community Treatment model to treat participants. These services are designed to help participants maintain their housing, improve their health and mental health status, and reduce substance use.

In December 2006, CCH released an evaluation of the Housing First program.<sup>1</sup> The study evaluated actual emergency service records of program participants for the two years prior to



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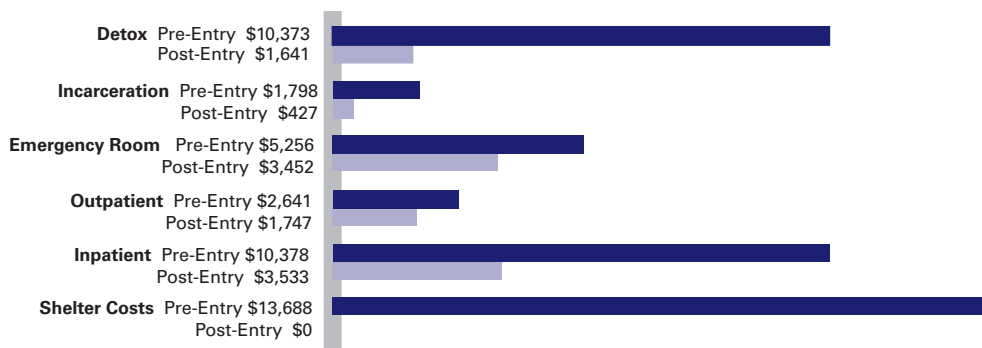


entering the Housing First program with the two years after entering the program.

Overall, the study documented a 72.95 percent reduction in emergency service costs for chronically homeless individuals with disabilities during their 24 months of participation in the DHFC program as compared with the 24 months prior to entry in the program. The total emergency cost savings averaged \$31,545 per participant. Utilization of emergency room care, inpatient medical and psychiatric care, detox services, incarceration and emergency shelter were significantly reduced. (See chart at bottom of page.)

The study also found: 77 percent of those entering the program continued to be housed in the program after two years; 50 percent of participants had documented improvements in their health status; 43 percent had improved mental health status; emergency room visits and costs were reduced by an average of 34.3 percent; inpatient costs were reduced by 66 percent; and, incarceration days and costs were reduced by 76 percent.

Currently, the Coalition’s Housing First programs have served more than 400 individuals with a housing retention rate of 96 percent.



**Colorado Coalition for the Homeless: Housing First Change in Average Service Costs**  
Pre- & Post-Entry Costs per Participant

## New York

An evaluation of the Pathways to Housing program in New York City, one of the original Housing First programs, found similar success.<sup>2</sup> A 2007 review of the program by SAMHSA’s National Registry of

<sup>1</sup> Perlman, J. and Parvensky, J. (2006). Cost Benefit Analysis and Program Outcomes Report, Denver Housing First Collaborative. Available at [http://www.coloradocoalition.org/userfiles/Housing/Executive\\_Summary\\_DHFC\\_study.pdf](http://www.coloradocoalition.org/userfiles/Housing/Executive_Summary_DHFC_study.pdf).

Evidence-Based Programs and Practices found that after two years in the program, 80 percent of Housing First participants were stably housed, compared to 30 percent for participants in the comparison group who were assigned to traditional programs that made treatment and sobriety prerequisites for housing. Further, participants assigned to Housing First spent significantly less time in psychiatric hospitals and incurred fewer residential costs. The Housing First group also utilized fewer substance use treatment services and there were no significant differences in rates of substance use or psychiatric symptoms between the two groups.



*Housing First works to expand and sustain housing stability.*



## Maine

A cost analysis of two Housing First programs in Portland, Maine compared service utilization for one year before participants' entry into the program and one year after.<sup>3</sup> The analysis, based on aggregate data from area police departments, hospitals, shelters, county jails, and homeless service providers reported significant decreases in emergency room costs (62 percent), health care costs (59 percent), ambulance transportation costs (66 percent), police contact costs (66 percent), incarceration (62 percent), and shelter visits (98 percent). The average cost savings produced by the first year of living in Permanent Supportive Housing was \$944 per person annually. The total annual cost savings was \$93,456 for all 99 tenants.

## Massachusetts

A 2011 report of the Massachusetts statewide Housing First program, Home & Healthy for Good, compared Medicaid, shelter, and incarceration costs per person before and after housing.<sup>4</sup> The study revealed costs before housing were an estimated \$33,514 per person, per year while the same expenses were just \$8,539 after housing. Including the cost of the Housing First program, there was a projected \$9,507 savings

per housed tenant, per year to the Commonwealth.

In 2009, two studies published in the *Journal of the American Medical Association (JAMA)* found that Housing First programs in Seattle and Chicago were successful in reducing costs to taxpayers, reducing substance use by participants, and reducing hospitalizations and emergency department visits.

## Seattle

A study of a Housing First program for homeless alcoholics in Seattle, Washington, found that the Housing First program was successful in both reducing costs to taxpayers as well as reducing substance use by participants.<sup>5</sup> The study found that the program saved taxpayers more than four million dollars over the first year of operation. During the first six months, even after considering the cost of administering housing for the 95 residents in a Housing First program in downtown Seattle, the study reported an average cost savings of 53 percent—nearly \$2,500 per month per person in health and social services, compared to the costs of a wait-list control group of 39 homeless people.

## Chicago

The Chicago Housing First program found that providing housing and case management to homeless adults with chronic medical illnesses reduced hospitalizations and emergency department visits.<sup>6</sup> Laura S. Sadowski, M.D., M.P.H., of the

<sup>2</sup> United States Substance Abuse and Mental Health Services Administration: National Registry of Evidence-based Programs and Practices. (2007). Pathways' Housing First Program. Available at <http://nrepp.samhsa.gov/ViewIntervention.aspx?id=155>.

<sup>3</sup> Mondello, M. et al. (2007). Cost of Homelessness: Cost Analysis of Permanent Supportive Housing. Corporation for Supportive Housing. Available at <http://www2398.sslidomain.com/nlihc/doc/repository/ME-Cost-Of-Homelessness.pdf>.

<sup>4</sup> Massachusetts Housing and Shelter Alliance. (2011). Home and Healthy for Good: A Statewide Housing First Program – Progress Report: March 2011. Available at <http://www.mhsa.net/matriarch/documents/HHG%20March%202011%20report-Final.pdf>.

<sup>5</sup> Larimer, M.E. et al. (2009). Health Care and Public Service Use and Costs Before and After Provision of Housing for Chronically Homeless Persons With Severe Alcohol Problems. *Journal of the American Medical Association*. Available at <http://jama.ama-assn.org/content/301/13/1349.abstract>.

Department of Medicine at Stronger Hospital of Cook County, Chicago, and colleagues conducted a study to determine whether the Chicago Housing First for Health Partnership (CHHP), a program that provides chronically ill homeless individuals with housing and case management services, would reduce hospitalizations and visits to the emergency department.

The four-year study followed 405 chronically ill homeless people, including 146 living with HIV, who had been hospitalized at Stronger and Mount Sinai Hospitals. The homeless patients were randomly assigned to receive housing and intensive follow-up by a case manager upon discharge, or to receive usual care—Chicago’s piecemeal system of emergency shelters, family and recovery programs.

After 18 months, 73 percent of participants had at least one hospitalization or emergency department visit. During this time period, there were 583 hospitalizations in the intervention group (1.93 hospitalizations per person, per year) and 743 in the usual care group (2.43 hospitalizations per person, per year). There were also 2.61 emergency department visits per person per year in the intervention group and 3.77 visits per person, per year in the usual care group, a reduction of 1.2 emergency department visits per person, per year.

After adjusting for various factors, compared with the usual care group, the intervention group had a relative reduction of 29 percent in hospitalizations, 29 percent in hospital days and 24 percent in emergency department visits.<sup>7</sup>

Put another way, the study shows that for every 100 homeless adults offered the CHHP intervention, expected benefits include 49 fewer hospitalizations, 270 fewer hospital days and 116 fewer emergency department visits.



***Housing First  
works to  
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## **Housing First Works**

Communities facing increasing street homelessness, or increasing pressures on addressing street homelessness from businesses or neighborhoods, should review this evidence to promote real solutions that work to end homelessness, rather than taking steps toward criminalization.

Criminalizing measures are attracting attention in municipalities throughout the country. These ordinances often prohibit activities like sleeping/camping, eating, sitting, and/or begging in public spaces and include criminal penalties for violations of these laws. These actions ultimately prove costly to the community. Jail costs are two to three times higher than permanent supportive housing or shelter costs.<sup>8</sup>

***Now more than ever, it is clear that:***

- ◆ **Housing First works to expand and sustain housing stability.**
- ◆ **Housing First works to decrease taxpayer emergency service costs.**
- ◆ **Housing First works to improve the health and mental health status of participants.**
- ◆ **Housing First works to improve the overall quality of life of the community, as chronically homeless individuals are moved from the streets into housing of their own.**

### ***Housing First Works to End Homelessness!***

For more information, contact John Parvensky, President, Colorado Coalition for the Homeless at [www.coloradocoalition.org](http://www.coloradocoalition.org) or (303) 293-2217.

<sup>6</sup> Sadowski, L.S. et al. (2009). Effect of a Housing and Case Management Program on Emergency Department Visits and Hospitalizations Among Chronically Ill Homeless Adults. *Journal of the American Medical Association*. Available at <http://jama.ama-assn.org/content/301/17/1771.full.pdf>.

<sup>7</sup> Sadowski, L.S. (2009). Effect of a Housing and Case Management Program on Emergency Department Visits and Hospitalizations Among Chronically Ill Homeless Adults. *Journal of the American Medical Association*. Available at <http://jama.ama-assn.org/content/301/17/1771.full.pdf>.

<sup>8</sup> The National Law Center on Homelessness & Poverty and The National Coalition for the Homeless. (2009). *Homes Not Handcuffs: The Criminalization of Homelessness in U.S. Cities*. Available at <http://www.nlchp.org/content/pubs/2009HomesNotHandcuffs1.pdf>.