



HPRI Literature Review

Prepared for the City of Los Angeles

What Homelessness Interventions Demonstrate Benefits that Outweigh the Costs?

Housing First Model: This approach asserts that homelessness is first a housing issue that must be addressed by quickly providing safe housing.¹ The Housing First model abandons alternative linear models that first provide services like substance abuse counseling, employment stability, or mental health services in order to make people “housing ready.”² The Housing First model points out that it’s incredibly difficult to meaningfully manage these intensive issues when a person is living on the street.³ In a Housing First model, housing is the priority service provision; supportive services to promote housing stability can be very effective once an individual has already secured housing.⁴ **Bridge housing, permanent supportive housing (PSH), and rapid rehousing** all draw from the Housing First approach. While these models are not necessarily mutually exclusive, there are distinct differences; bridge housing is temporary, permanent supportive housing includes option and flexible supportive services to ensure housing retention, and rapid rehousing focuses on eliminating barriers to housing to quickly connect individuals to housing.

The cost savings of the Housing First model are significant. One 2009 Economic Roundtable study found that it costs the public \$605 per month to provide an individual with permanent supportive housing, as opposed to the \$2,897 that the public spends on homeless individuals in Los Angeles each month. The study also found cost savings from decreased health care costs and decreased criminal justice interactions.⁵ Another study that analyzed a Colorado Housing First initiative found a cost savings in emergency services of \$31,545 per program participant over a two year period.⁶ Other studies point out that these cost savings have implications on the lives of homeless individuals. Studies show that PSH clients are more likely to participate in PSH supportive services, which has shown to preclude sobriety, fewer domestic violence incidents, fewer hospitalizations, and increased school enrollment.⁷

¹ US Department of Housing and Urban Development. (2014). *Housing First in Permanent Supportive Housing Brief* (Rep.). doi:<https://www.hudexchange.info/resources/documents/Housing-First-Permanent-Supportive-Housing-Brief.pdf>

² National Alliance to End Homelessness. (2016). *Fact Sheet: Housing First* (Rep.). Retrieved April 12, 2018, from <http://endhomelessness.org/wp-content/uploads/2016/04/housing-first-fact-sheet.pdf>


³ Housing First. (2017, October 23). Retrieved April 13, 2018, from <https://www.lamayor.org/housing-first>

⁴ <https://www.hudexchange.info/resources/documents/Housing-First-Permanent-Supportive-Housing-Brief.pdf>

⁵ Economic Roundtable. (2009). *Where We Sleep: Costs when Homeless and Housed in Los Angeles* (Rep.). Retrieved April 12, 2018, from https://economicrt.org/wp-content/uploads/2009/11/Where_We_Sleep_2009.pdf.

⁶ Perlman, J. & Parvensky, J. (2006) Denver Housing First Collaborative: Cost Benefit Analysis and Program Outcomes Report, Retrieved from https://shnny.org/uploads/Supportive_Housing_in_Denver.pdf

⁷ National Alliance to End Homelessness. (2016). *Fact Sheet: Housing First* (Rep.). Retrieved April 12, 2018, from <http://endhomelessness.org/wp-content/uploads/2016/04/housing-first-fact-sheet.pdf>



Triage Tools and Predictive Algorithm Models for PSH Prioritization: Existing research indicates that PSH interventions grant the most cost savings when the costliest cases are taken on. The Economic Roundtable proposed an algorithmic model, often called a triage tool or crisis indicator, for identifying high-needs and costly individuals and connecting them to permanent supportive housing.⁸ The model estimated that when the highest need individuals are placed in permanent supportive housing, there is a 97 percent decrease in jail costs and an 86 percent decrease in health care costs.⁹ Santa Clara County is currently using and evaluating this predictive tool and how it generates cost savings and social benefits.¹⁰

What are Promising Interventions to Help Veterans, Victims of Domestic Violence, and Youth?

Because homelessness interacts with so many populations, many of the aforementioned models are successfully used for interventions that target specific groups. An evaluation of the U.S. Department of Housing and Urban Development-Veterans Affairs Supportive Housing (HUD-VASH) program, a housing first initiative, found that participants experienced reduced time to housing placement (from 223 days to 35 days), as well as higher housing retention rates and a decline in emergency room use, compared to their counterparts in alternative housing readiness veteran intervention programs.¹¹ The HUD-VASH program is a rapid rehousing model, wherein a Housing Specialist works to quickly identify available housing, secure flexible funds, and coordinate supportive services for veterans.¹²

Youth homelessness is the product of various and often connected issues, including family disintegration, neglect and abuse, and mental health and substance abuse issues.¹³ As a result, interventions in youth homelessness are similarly diverse. The National Alliance to End Homelessness finds that programs that target those who are at-risk of homelessness show some promise in curbing a young person's trajectory to homelessness. NAEH identified Multisystemic Therapy, an intensive program where a group of clinicians visit participants' home and collaborate heavily with their families to create a plan to "encourage behavior changes by building on strengths in various areas of the youth's life".¹⁴ This approach has been used for criminal justice-affected juveniles and has shown to reduce some of the triggers to homelessness including substance and alcohol abuse and re-arrests.¹⁵

⁸ Toros, H., & Flaming, D. (n.d.). *Prioritizing Which Homeless People Get Housing Using Predictive Algorithms* (Rep.). Economic Roundtable. Retrieved from <https://economicrt.org/wp-content/uploads/2017/04/Prioritizing-Which-Homeless-People-Get-Housing-Using-Predictive-Algorithms.pdf>.

⁹ Flaming, Daniel and Patrick Burns (2011) Crisis Indicator: Triage Tool for Identifying Homeless Adults in Crisis. Economic Roundtable. Retrieved from http://www.norc.org/PDFs/October%202011%20Utilizing%20Administrative%20Data%20Conference/3.%20Flaming_10th_decile_triage_tool_final_October2011.pdf

¹⁰ Harkinson, J. (2017, June 23). Could this algorithm pick which homeless people need housing most urgently? Retrieved April 13, 2018, from <https://www.motherjones.com/politics/2016/06/homelessness-data-silicon-valley-prediction-santa-clara/>

¹¹ Montgomery, A., Hill, L., Kane, V., & Culhane, D. (2013). Housing chronically homeless veterans: evaluating the efficacy of a housing first approach to HUD-VASH. *Journal of Community Psychology*, 41(4), 505-514.

¹² Ibid.

¹³ National Alliance to End Homelessness. (n.d.). *Ending Youth Homelessness Before It Begins: Prevention and Early Intervention Services for Older Adolescents* (Rep.). Retrieved from http://b.3cdn.net/naeh/5a3c6b2bf975ee8989_1bm6bhh9y.pdf

¹⁴ Ibid.

¹⁵ Ibid.



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