A Place to Live Not a Place to Go:

Solutions for Ending Chronic Homelessness in Anchorage

Housing First White Paper

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Summary

Housing First

For the past 15 years, communities across the nation have been implementing "Housing First" strategies as a solution for moving the chronically homeless (especially with alcoholism issues) out of the emergency services system and off the streets. Housing First is a best practice model based on the idea that individuals achieve a greater level of self-sufficiency when they obtain permanent housing *first* rather than receiving housing as a condition of successfully completing an array of treatment programs.

Housing First is permanent housing, as opposed to emergency/transitional housing, and has intensive case management services available. As a result of being permanently housed the homeless can begin to access medical, mental health, substance abuse treatment, employment and vocational training, and life-skill resources.

There are four key components to all Housing First projects:

- A simple application process that allows people to be housed expeditiously. Housing does not require numerous site visits and excessive documentation.
- A harm reduction approach in which tenants are not required to participate or complete treatment prior to obtaining housing. Intensive case management is available.
- There are few conditions of tenancy that exceed the normal conditions under which a leaseholder would be subject.
- Once tenants receive an income from benefits or employment, they are required to pay a portion of their income toward the rent.

Housing First Results

In the past several years extensive research has been conducted on Housing First projects around the country. All housing projects that have provided services for the chronically homeless with alcoholism issues, have had the following results:

- High rates of housing retention.
- Improvement in tenant's health, employment, and self-sufficiency.
- Vast reductions in the use of emergency response systems (police, fire and EMT services) and in detoxification beds.
- Per person, Housing First projects costs less than the cyclical utilization of emergency systems.

The following are measurable results from various Housing First projects and communities engaged in implementing this model:

- Permanently housing the homeless has been proven to reduce the chronic homeless alcoholics' use of all emergency services from police and fire departments, transfer stations, and community service patrols by 60 – 80%.
- In the State of Massachusetts 89% of the chronically homeless in a Housing First project remained housed more than a year. The average length of homelessness on entry of the program was 6 years.
- In a San Francisco Housing First project 80% of participants received health care services and mental health treatment, 56% engaged in substance abuse treatment, 65% in money management, 51% in assistance in applying for benefits, and 41% in employment services even though it was not required.
- Portland, Oregon reported a 70% decrease in chronic homelessness due to providing permanent Housing First units to 1,039 individuals and 717 families since 2005.
- In June of 2007 Denver announced that it had decreased its chronic homeless population by 36% through housing opportunities and other service programs.
- Over a five year period, clinicians at Boston Health Care for the Homeless Program tracked 119 homeless persons and found they accounted for 18,384 emergency room visits and 871 hospitalizations. The average annual health care cost for individuals living on the street was $28,436, compared to $6,056 for housed individuals.
- In the State of Massachusetts the average cost per month for serving a homeless person in the emergency system $2,270. A person placed in housing with intensive case management cost $1,104. As of June 2007, Housing First had saved the State $11,016 per homeless person annually.

Background

In the past fifteen years Anchorage has developed an extensive emergency support system for persons who are homeless. This system includes a network of social service agencies, Municipal public safety services, and public and private medical services. The system has saved hundreds of lives and provided an invaluable public safety service. However, there continues to be a growing number of chronic homeless alcoholics in Anchorage whose needs overwhelm the current system. The issue of public safety and permanent solutions for this population will be addressed in this White Paper.

Our community must implement a more effective solution for moving people out of the emergency system and off the streets of Anchorage. The community has created a revolving bed cycle that continually recycles people experiencing chronic homelessness through the emergency system. The chronic homeless move from the streets, to the emergency shelters, to the CSP Transfer Station, to the correctional system, to the hospitals, to the detox beds, and back to the streets. Recently, 15 drug/alcohol emergency detox beds have been lost due to budget cuts. This places an even greater burden on an already under funded and overtaxed system.

Despite numerous agencies offering specific programs for the chronically homeless alcoholics and those with mental illness, the need exceeds the capacity. The Anchorage Police Department, hospitals, EMTs and service providers are overburdened with the task of transferring individuals from one system/bed to another. The community has not been able to move enough individuals out of this rotating system into permanent housing to keep ahead of the demand. In addition, a disproportionate amount of public resources are being spent on a very small percentage of the population. The largest consumers of these public resources are the chronic homeless alcoholics.

In 2005 the Mayor's Taskforce on Homelessness constructed the Municipality's Ten-Year Plan on Homelessness. While this Plan does not specifically target the chronic homeless, but the homeless population in general, it is fundamentally based on a "Housing First Model." Housing First is a best practice method that has been proven to be effective with many different types of populations with special needs and disabilities. Across the country communities have been successfully reducing their use of the emergency system by chronic homeless alcoholics through a Housing First approach. This paper will focus on the use of the Housing First model as an effective solution for working with the chronically homeless alcoholics.

The Homeless Population

The Homeless population in Anchorage is comprised of families, individuals, and youth. Many individuals who are homeless reside in homeless camps, transitional and emergency shelters, on the streets, in motels, or doubled up in housing. These individuals have become homeless for a variety of reasons including situational poverty, high cost of housing in Anchorage, loss of a job, chronic health condition, disability, mental health issue or substance use problem. In addition, individuals with a history of criminal, credit and/or behavioral problems are denied low cost subsidized housing in all but a few housing programs. These individuals are often homeless alcoholics and are in critical need of housing.

There are two methods being used to collect statistical information on the homeless population in Anchorage. The first is a point in time count that happens twice a year and has been administered by Alaska Housing Finance Corporation (AHFC) since 1993.[1] The second method is the Homeless Management Information System (HMIS) administered by the Municipality of Anchorage, Department of Health and Human Services. It is a relatively new system and since its inception in 2006 demographic information has been collected on over 3,500 homeless households. Twenty (20) programs in the community are entering demographic information into the database.

The 2007 point in time count determined that there were 1,683 homeless households on any given day in Anchorage. Of this there were 977 individuals without dependent children and 260 were considered chronically homeless individuals. The chronic homeless population is approximately 15% of the entire homeless population.

The Community Service Patrol (CSP) Transfer Station holds individuals who are a danger to themselves or others as result of drug or alcohol use. Their population count is consistent with the AHFC homelessness point in time count. The CSP Transfer Station has been a regular participant in the AHFC survey for many years. They note that there are approximately 200-250 chronic public inebriates in Anchorage.[2] One hundred and fifty (150) individuals are utilizing 60% of all Transfer Station services. The vast majority, if not all habitual users of the CSP Transfer Station, are homeless.

It is important to note that the homeless population is a difficult segment of the population on which to collect accurate demographic information because they are transient and without a permanent address or telephone. However, a

[1] Homeless Service Providers Survey Reports: January 2007, Alaska Housing Finance Corporation
[2] The Chronic Inebriate Problem in Anchorage: Brief Overview, July 2, 2007, Russell Webb

conservative estimate of the chronic homeless population with alcoholism issues in Anchorage is roughly 200 people.

Housing First Model

For the past 15 years, communities across the nation have implemented "Housing First," a best practice model, for working with chronically homeless alcoholics. **The Housing First model has been proven to reduce the chronic homeless alcoholics' use of all emergency services from police and fire departments to transfer stations and community service patrols by 60 – 80%.** In addition to a significant reduction in emergency services, 70% of formerly homeless individuals living in Housing First apartments remained housed after two or more years.

Housing First represents a significant paradigm shift in addressing the cost of homelessness and the types of services that are provided to get people off the street. It is an alternative to the current system of emergency shelter/transfer station cycle which tends to prolong the length of time that individuals are without permanent housing. Research has consistently shown that the longer a person is without a permanent dwelling the higher the public cost.

The model is based on the idea that individuals achieve a greater level of self-sufficiency when they obtain permanent housing first rather than receiving housing as a condition of successfully completing an array of treatment programs. Housing has intensive case management services available. The model emphasizes that it is only after people have housing that they can work on the range of issues that impact their lives. As a result of being permanently housed they can begin to access medical, mental health, substance abuse treatment, vocational training, and life-skill resources. However, the participation in services is not a condition of housing. The focus is on being a good tenant rather than on being required to be in compliance with treatment services.

There are three key components to Housing First projects:

- A simple application process that allows people to be housed expeditiously. Housing does not require numerous site visits and excessive documentation.
- A harm reduction approach in which tenants are not required to participate or complete treatment prior to obtaining structured housing. Intensive case management is available.
- There are not conditions of tenancy that exceed the normal conditions under which a leaseholder would be subject.

Housing First projects for the chronic homeless have been structured and designed in a variety of ways. In some communities Housing First projects

consist of scattered site units that are attached to rental assistance, in other cities they are small complexes of 10 units or less, and sometimes they are buildings with over 50 units of housing. Some projects contain single-room occupancy units and others are one-bedroom or efficiency apartments. ***In all programs once tenants receive an income from benefits or employment, they are required to pay a portion of their income toward the rent.***

There are established Housing First projects in Denver, Minneapolis, New York City, Philadelphia, San Francisco, Chicago, Portland and many other cities. In June of 2007 Denver announced that it had decreased its chronic homeless population by 36% through new housing opportunities and other service programs.[3] That same month, King County in the State of Washington announced a $25 million initiative to provide 1,000 permanent units of housing for the chronic homeless.[4] Portland, Oregon reported a 70% decrease in chronic homelessness due to providing permanent Housing First units to 1,039 individuals and 717 families since 2005.[5]

Housing First Research

In the past several years extensive research has been conducted on housing first projects around the country. To some degree all housing projects that have provided services for the chronic homeless with alcoholism issues, have had the following outcomes:

- Housing First projects have lead to high rates of housing retention.
- Tenants in Housing First projects improve their health, employment and self-sufficiency by accessing medical care, employment resources, mental health and substance abuse treatment and other support services
- There are vast reductions in the use of emergency response systems (police, fire and EMT services) and in detoxification beds.
- Per person, Housing First projects costs less than the cyclical utilization of the emergency systems.

[3] Interagency Council on Homelessness, E-Newsletter, In the Cities: Denver Posts Latest and Largest Reduction in Chronic Homelessness with 36% Decrease." June 20, 2007.
[4] Interagency Council on Homelessness, E-Newsletter, United Way of King County, Washington Announces $25 Million Initiative to House 1000 Chronically Homeless Persons." June 14, 2007.
[5] Interagency Council on Homelessness, E-Newsletter, "In the Cities: New Data Emerges on Results and Costs," August 28, 2007.

Housing Retention

In 2006 Massachusetts conducted a statewide pilot project, "Home and Healthy for Good: A Statewide Pilot Housing First Program." Out of 155 chronic homeless participants one year later 138 were still participating in the program.[6] The average length of homelessness for persons participating in the program was 6 years.

The Closer to Home Initiative that runs Housing First projects in both New York City and the San Francisco Bay area achieved high levels of housing stability. Eighty-three (83%) of the chronic homeless tenants remained housed for one year and 77% were still housed after two years. Seventy-nine (79%) of tenants with severe psychiatric disorders remained housed a year later. [7]

Participation in Services

Although not required, In the Closer to Home Initiative, tenants were engaged in a wide variety of services. ***Over 80% received health care services and mental health treatment, 56% engaged in substance abuse treatment, 65% in money management, 51% in assistance in applying for benefits, and 41% in employment services.***

Utilization of Health Care Resources

A lack of stable housing is associated with serious health concerns. Persons who are homeless generally experience extremely poor health. Unable to secure permanent housing, individuals do not easily recover from minor and major medical conditions, they are continually exposed to harsh elements of the climate, such as extreme cold and heat, often have poor diets, are at high risk for physical/sexual violence, and shelter settings often expose them to communicable diseases.

In 2007, the Municipality of Anchorage Department of Health and Human Services called a TB Summit of community members to try and find a solution for treating persons who are homeless with Tuberculosis. The single most identifiable barrier to treatment was the lack of stable housing. In 2006 of the 40 reported cases in Anchorage last year, 27 were persons were homeless.[8] This

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[6] Home and Healthy For Good: A Statewide Pilot Housing First Program, Massachusetts Housing and Shelter Alliance. June 2007.
[7] S Barrow, G Soto, P Cordova, Final Report on the Evaluation of the Closer to Home Initiative, Corporation for Supportive Housing 2007.
[8] Municipality Department of Health and Human Services, Division of Public Health 2007.

represents a 100% increase in total cases, and a more than 13-fold increase in homeless cases from 2005.

Over a five year period, clinicians at Boston Health Care for the Homeless Program tracked 119 homeless persons and found they accounted for 18,384 emergency room visits and 871 hospitalizations.[9] The average annual health care cost for individuals living on the street was $28,436, compared to $6,056 for housed individuals.

The chart below is from an evaluation done of the New York/New York initiative, an agreement between the City and State of New York to create over 3,500 Housing First units.[10] They found the biggest savings were in reductions in inpatient psychiatric hospitalizations, which resulted in an annualized savings of $8,260 per unit. There were also savings generated from reductions in shelter use and inpatient Medicaid services. Costs of Medicaid outpatient services actually went up, presumably as a result of tenants getting better access to appropriate primary and preventative health care.

Table 1: Cost Savings in the NY/NY Supportive Housing Initiative

Service	Annualized Savings Per NY Unit
OMH Hospital	$8,260
HHC Hospital	$1,771
Medicaid – Inpatient	$3,787
Medicaid – Outpatient	- $2,657
VA Hospital	$595

Cost Reduction

Once placed in housing, the chronic homeless individual may not entirely stop using the emergency service system, but the habitual use is vastly reduced. Massachusetts's "Home and Healthy for Good: A Statewide Pilot Housing First Program," found that the average monthly cost for all services combined per each homeless individual was $2,270. The average cost per month for a person placed in housing with intensive case management was $1,104 a savings to the State of $918. As of June 2007, Housing First had saved the State $11,016 per homeless person annually.

The best documentation of cost savings is from a study conducted by the University of Pennsylvania's center for Mental Health Policy and Services Research. Researchers tracked the cost of 5,000 people in New York City who were homeless for two years while they were homeless and two years after they

9Corporation for Supportive Housing, Supportive Housing Works! 2007
10 Public Service Reductions Associated with Placement of Homeless Persons with Severe Mental Illness in Supportive Housing, University of Pennsylvania, Dennis Culane, Stephen Metraux, Trevor Hadley. 2002.

were housed. They found that permanent and transitional housing created an average annual savings of $16,282 per person by reducing the use of public services. Seventy-two (72%) of savings resulted from a decline in the use of public health services, 23% from a decline in shelter use, and 5% from reduced incarceration.

The Cost of Homelessness in Anchorage

Anchorage pays a tremendous cost every time a homeless person utilizes a public service. The following are estimated costs for the City:

- A night at Catholic Social Services Brother Francis Shelter-$16.50
- A night in the CSP-Transfer Station[11]- $76
- A night in Jail or Prison[12]-$101
- A day in emergency room bed[13]-$1,750
- A day in s detox bed[14]-$285

The fair market rent in Anchorage for a one-bedroom apartment is $738 per month.[15] It costs approximately $65,000 annually for a case manager's salary/benefits in Anchorage.[16] If a case manager provides services for 10 people it costs $541 a month per person. The rent and services total $1,279.

People who stay at the Transfer station on continual basis can cost up to $2,356 a month, in addition to other public costs that are incurred outside of this Municipal service. A Housing First model could result in public savings of $1,077 per person per month. If 25 people were permanently housed it could result in savings of $323,100 annually. The bottom line is a Housing First program per person would be close to the same cost to tax payers as a person who stays at the CSP-Transfer station 200 times in a year.

Housing First Projects in Anchorage

In December of 2006, the Municipality of Anchorage, Department of Neighborhoods, HUD and the Mental Health Trust Authority partnered to fund a Housing First Pilot project with RurAL CAP's Homeward Bound program. The project was given $100,000 in funding. Since its inception, 14 people have been served. Thirteen (13) people are currently housed as a result of the Housing First

11 The Chronic Inebriate Problem in Anchorage: Brief Overview, July 2, 2007, Russell Webb
12 State Prison Expenditures 2001, U.S. Department of Justice, James Stephan
13 2006 Estimate from Providence Hospital
14 2006 Estimate for a detox bed at the Salvation Army's Cithroe Center
15 HOME Investment Partnerships Program, Alaska Rent Limits 2007
16 2007 Estimate from RurAL CAP Homeward Bound

program. Services provided by the case manager include: completing applications for public assistance, social security, employment assistance, transportation, budgeting, individual life skills training, working with landlords and obtaining household items and food.

The Mental Health Trust Authority also funded a project “Bridge Home.” A 23 unit Housing First project intended to stop people who are severely mentally ill from cycling through API and correctional system. To date this project has also had enormous success demonstrated by the high level of housing retention by the participants.

Recommendations

The Anchorage Coalition on Homelessness Executive Oversight Board recommends the expansion of the number of Housing First units in Anchorage. These units would provide a permanent solution to the public safety issues associated with serving chronically homeless alcoholics.

Housing First has been effective in communities around the United States and would have a similar impact in Anchorage. In order to successfully house individuals who are typically resistant to treatment and may have extensive trauma, brain injury, victimization and decades of homelessness and alcoholism, our community needs to increase permanent supportive housing units. Case management services must be available to assist residents in remaining permanently housed in safe and secure buildings.

The Coalition encourages the Municipality of Anchorage’s support of Housing First through the approval and dedication of funding through the Department of Neighborhood’s Consolidated Planning Process and through the provision of other sources of Municipal revenue.

Through innovative public and private partnerships, Anchorage can lead Alaska in ending homelessness by reducing the public health and safety costs associated with chronically homeless alcoholics. ***All Alaskans need a place to live not a place to go.***