



vermont affordable housing coalition

April 15, 2016

Sen. Claire Ayer, Chair
Senate Committee on Health & Welfare
State House
Montpelier, VT 05602

Re: House Housing, Homelessness & Health Care Study

Dear Senator Ayer and Members of Senate Health & Welfare:

I am writing to ask you to include in your letter to Appropriations support for the \$40,000 House appropriation for a homelessness study. What we requested, and the House approved, includes a study, but also goes considerably beyond that and involves the provision of extensive technical assistance to State agencies, and community housing and homeless service providers.

In short, the requested funding would help pay for a contract with a major national technical assistance provider to take a comprehensive look at how the State is addressing homelessness, what we are spending, and quantify the savings that could result from a more systematic approach. Further, this would include a blueprint, a roadmap if you will, for the State to make major progress in reducing homelessness over the next few years. It would be ready in time to help inform the new administration's approach to ending homeless in Vermont.

The House included our request in its budget because they recognized the clear connection between Vermont's lack of affordable housing, homelessness and increased State costs in health care, mental health, incarceration, and emergency housing in motels, among others. House committees heard from Dr. Megan Sandel, a Boston-based pediatrician, who has become nationally recognized for her work on the negative impacts of housing insecurity and homelessness on children and families and has coined the phrase "housing is a health care vaccine." Dr. Sandel makes a very compelling case that all interventions, whether related to substance abuse, child development, parenting skills, health care, etc. are significantly less effective, and therefore become wasteful, without housing.

House members also heard about Vermont's recent progress in providing safe, stable and affordable housing and supportive services for chronically homeless individuals and the resulting reduction in ER visits, hospitalization, and incarceration. We want to build on experiments like Family Supportive Housing and Harbor Place and create a system that adopts a systemic approach with benchmarks to be achieved.

While we have many clear successes to point to, and evidence of reduced numbers in the recently released annual "Point-In-Time Count of the Homeless," Vermont's solutions have not involved the kind of systematic approach to reducing homelessness through permanent supportive housing that has seen great success in other states. We also have clear, Vermont-based evidence of how safe, stable and affordable housing and services save costs, but it is limited to certain programs and doesn't provide a comprehensive, statewide picture across all sectors.

We need the outside expertise of a nationally recognized organization with a proven track record in other states to help us continue to make steady and sustained progress. This is not something that someone within AHS or another agency can just do as part of their regular work. We are asking for the General Fund to bear half of the overall cost, estimated at \$80,000. The remainder would come from partner agencies, including a significant contribution from the Vermont Community Foundation.

Additional background information on our proposal and the supportive housing model are attached.

Many thanks for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Erhard Mahnke".

Erhard Mahnke
Coordinator

Accelerating Vermont's Effort to End Homelessness

Vermont Affordable Housing Coalition

Background

The State of Vermont is facing a rugged and persistent problem of homelessness. The causes are many. Rising rents, low vacancy rates, flat wages, a shortage of affordable units and social dynamics including addiction and mental health issues are leaving an increasing number of Vermonters without housing. Governor Shumlin has called for an end to family homelessness by 2020. With the support of the Legislature, the Administration and state and local housing and service organizations are employing many effective strategies. Through these efforts, it has become clear that in addition to an affordable apartment, many homeless families and individuals also need services and rent subsidies to be successful in their new homes. While each of these is available to some degree, they are not sufficient and Vermont needs a more systemic approach.

The Agency of Human Services, with support from the Vermont Housing & Conservation Board, the Vermont Housing Finance Agency and the NeighborWorks Alliance of Vermont, is engaging a national technical assistance provider to build local capacity and increase coordination between housing and service providers on housing the homeless. This is the first of two necessary elements for ending family and all homelessness. Additional funding is needed for the second.

Proposal

To develop a comprehensive understanding of the problem, a systems approach to solutions, and a roadmap for success for ending family and all homelessness. The roadmap will include action steps, implementation strategies and cost analysis, including an analysis of existing State expenditures related to homelessness and potential avoided costs in health care, corrections, etc. resulting from creating more permanent supportive housing and reducing homelessness. The roadmap will be developed through a public engagement process drawing on the expertise of state and local stakeholders. The process will be guided by a technical assistance provider experienced in supportive housing and successful models created by other jurisdictions. Total cost is estimated at \$80,000 with some funding to be provided by partner agencies. Our request is for \$40,000 to cover 50% of the cost, to be matched by the partner agencies.

Summary

Many in Vermont are working tirelessly to help the homeless and these efforts are taking many forms - policy discussions, pilot programs at AHS, local efforts to site warming shelters, new transitional housing models and individuals making meals. The project outlined briefly above is needed to complement existing efforts if we are truly to end family and all homelessness for Vermonters.

Supportive Housing: Cost Effective and Proven to Work

What is supportive housing?

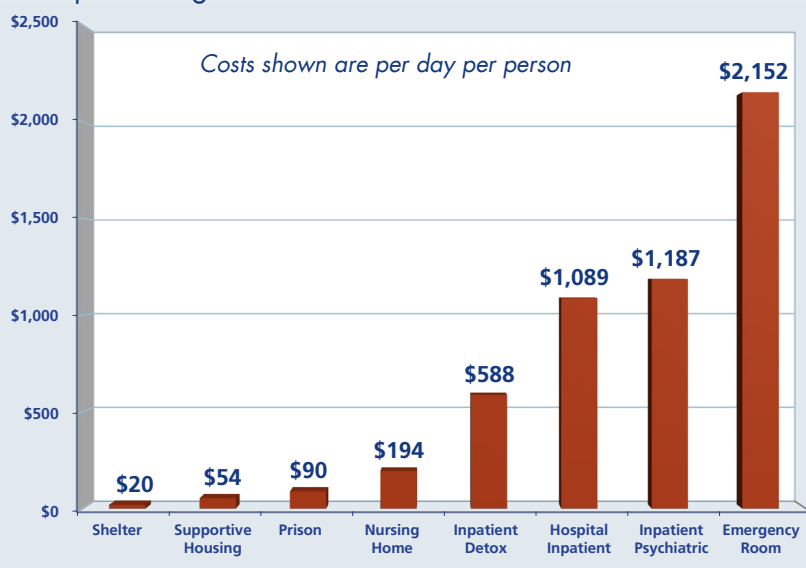
Supportive housing is permanent, independent and affordable housing combined with on-site or visiting case management and support and employment services. A cost-effective solution for people with disabilities, mental health conditions, substance use disorders and other issues, supportive housing provides its tenants with the support they need to stay housed and out of shelters, prisons, hospitals and other institutions.

The cost-effectiveness of supportive housing: how it works

The costs of chronic homelessness are high for the individuals experiencing it and for the community. Treating individuals experiencing homelessness in emergency systems that cannot address the root causes of their homelessness is expensive and merely continues the cycle.

Connecticut is a leader in the supportive housing movement, with over 5,600 units of supportive housing throughout the state.

Cost of Supportive Housing Compared to Cost of Alternative Forms of Care That Are Frequently Utilized by Individuals Experiencing Homelessness with Behavioral Health Needs



Often, individuals experiencing chronic homelessness access a wide array of high-cost systems – mental health, substance use treatment, prison, and health care. The costs of these systems are substantial: detox, \$588/day; hospital in-patient, \$1,089/day; psychiatric in-patient, \$1,187/day; emergency room visit, \$2,152/trip; nursing home \$194/day; prison, \$90/day. Worse, even after these services are used, these individuals still do not have a place to call home and often continue to suffer from illnesses that go untreated.

Supportive housing costs much less and is more effective. For roughly \$54/day, or \$19,500 a year - \$10,000 for the rental subsidy that provides housing and \$9,500 for the case management services that provide support to the tenant – supportive housing can help an individual end his/her homelessness.

Sources: Shelter - CT Coalition to End Homelessness; Supportive Housing - Corporation for Supportive Housing; Prison - CT Dept. of Corrections; Nursing Home - CT Dept. of Social Services (DSS); Inpatient Detox - CT Dept. of Mental Health and Addiction Services (DMHAS); Hospital Inpatient - Yale-New Haven Hospital; Inpatient Psychiatric - CT Dept of Mental Health and Addiction Services (DMHAS); Emergency Room - St. Francis Hospital, Hartford
Data updated June 2011 by the Partnership for Strong Communities

Significant need for supportive housing

We have made progress, but there is still more work to be done. The need for supportive housing remains strong. As recent data from the Homelessness Management Information System indicated, there were nearly 2,700 single adults, including Veterans, experiencing chronic homelessness in Connecticut in 2013. Investing in supportive housing and targeting our resources effectively can help us reach the *Opening Doors-CT* goal of ending chronic homelessness by 2017.

Last updated August 2014



Opening Doors in Connecticut...

...to a Future Where **Everyone** Has a Home

Innovative solutions

Armed with knowledge about supportive housing's effectiveness, Connecticut organizations are collaborating with state agencies and philanthropies to test new models that target those at risk of chronic homelessness:

FUSE

Frequent Users Systems Engagement

Using a data match between the Homelessness Management Information System (HMIS) and the Dept. of Corrections (DOC), FUSE targets and provides housing and support services to 100 men and women who cycle through the homeless service and corrections systems in Bridgeport, New Haven, Hartford, Waterbury and southeast Connecticut. Supportive services are provided through the Connecticut Department of Mental Health and Addiction Services (DHMAS).

Data from the behavioral health database showed that the first 30 FUSE participants had an average of 16 arrests and 74 months of incarceration over their lifetime, and 58% had been homeless for more than 2 years. The total lifetime cost for jail and shelter services for these 30 men and women is more than \$12 million.

Early outcomes indicate that FUSE participants housed for 12 months or more experience a 99% decline in shelters days and a 73% decrease in jail episodes. Program results are being measured by DHMAS, including housing stability, recidivism and other health and social outcomes.

Spearheaded by the Corporation for Supportive Housing (CSH), the CT FUSE effort has brought together government (DHMAS, DOC, CSSD, OPM, DSS), philanthropy (Robert Wood Johnson Foundation, Melville Charitable Trust, Open Society Institute) and non-profit organizations (Columbus House, Chrysalis Center, Catholic Charities, Reliance House, Connecticut Coalition to End Homelessness, Partnership for Strong Communities, UConn) to fund, implement, evaluate and expand the program.

Learn more:

CSH/FUSE - <http://bit.ly/1n2hzNJ>

CIHNN

Connecticut Integrated Healthcare & Housing Neighborhoods

Funded by Corporation for Supportive Housing's Social Innovations Fund (SIF), philanthropies and government agencies, the CIHNN project houses and provides patient-centered health care for up to 160 individuals in an effort to integrate housing, case management and health care. The project is led by AIDS CT in collaboration with Partnership for Strong Communities.

The project targets Medicaid-enrolled high utilizers of health services who are homeless or at risk of homelessness and who may have chronic physical and/or mental health conditions. The multi-year pilot employs a health home outreach model using assertive outreach and care coordination to link persons with high needs and high costs with primary care, behavioral healthcare and supportive/affordable housing.

As of June 2014, 69 people were housed through the CIHNN initiative, with most initially engaged in a local shelter or in the hospital. With spending of roughly \$76,000 per person in Medicaid benefits in the previous 12 months, these 69 people accounted for \$5.2 million in Medicaid costs over the last year.

Other significant statistics:

- 76% had multiple arrests in their lifetime.
- 70% hospitalized more than once in the past year
- 84% had more than one ED visit past year
- 93% currently taking medications for physical/mental health issue

Thus far, only three people have left housing and none have returned to homelessness.

Learn more:

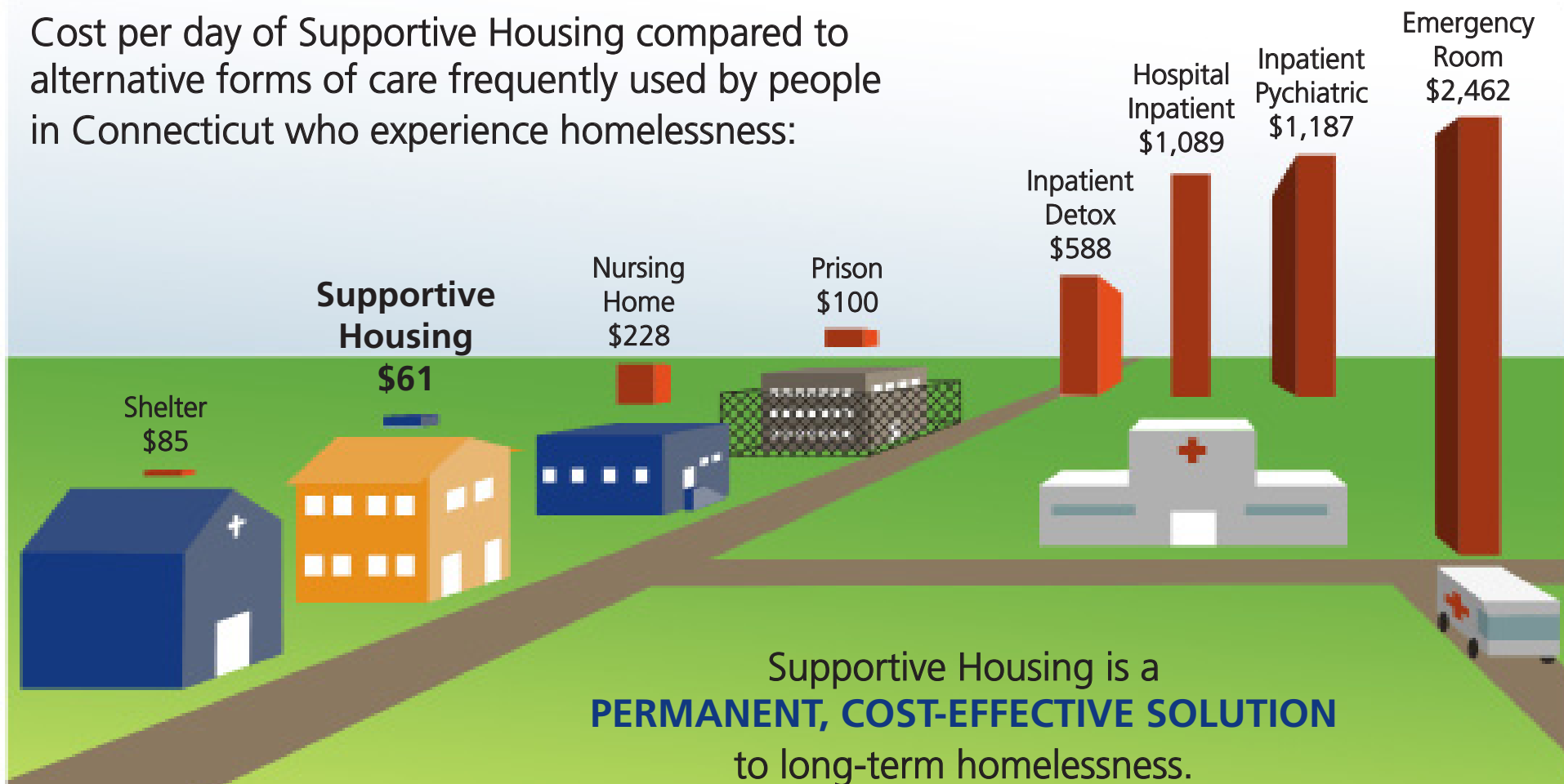
Reaching Home Campaign - <http://bit.ly/1kwnnZY>
CSH/CIHNN - <http://bit.ly/1jrtQtZ>

Last updated August 2014

Homelessness is unacceptable. Homelessness is solvable and preventable.
Homelessness is expensive. Invest in solutions.

Supportive Housing: Cost Effective with Better Outcomes

Cost per day of Supportive Housing compared to alternative forms of care frequently used by people in Connecticut who experience homelessness:



Sources: Shelter - CT Coalition to End Homelessness; Supportive Housing - Corporation for Supportive Housing; Prison - CT Dept. of Corrections; Nursing Home - CT Dept. of Social Services (DSS); Inpatient Detox - CT Dept. of Mental Health and Addiction Services (DMHAS); Hospital Inpatient - Yale-New Haven Hospital; Inpatient Psychiatric - CT Dept of Mental Health and Addiction Services (DMHAS); Emergency Room - St. Francis Hospital
Created March 2015 by Partnership for Strong Communities. Data updated January 2015 by Partnership for Strong Communities.