

Senate Committee on Health and Welfare

Testimony by Lindsay Casale, Housing First Program Director, Pathways Vermont

March 28, 2018 11 a.m.

I appreciate your time this morning. I want to start by thanking the committee for its work on increasing minimum wages at Designated and Specialized Service Agencies to \$14 an hour. I'd also like to thank the committee for supporting the expansion of the Pathways Vermont Support Line from 1 a.m. - 6 a.m. (aka "Warm Line"). These expanded hours have proven an important resource for Vermonters looking for support, connection, and to avoid emergency service involvement. By providing a low-barrier, non-emergency level of service, the Support Line prevents the utilization of resources such as mental health crisis, 911 and emergency departments. Last year alone, the Support Line diverted 112 calls from emergency services.

I am here today to ask you to support two elements of the House-passed budget. The first is \$168,000 for the Support Line so that it can expand its hours to 24/7. ACT 79 mandates this program to run 24/7 and we appreciate your previous support to move incrementally towards this goal. This final expansion would allow the program to run 24/7 and provide a confidential, compassionate resource to Vermonters in need regardless of time of day. I understand that previous testimony revealed a question about the hourly cost of this service. With this expansion, this service would cost \$74 an hour. This is significantly less expensive than alternative resources that might be accessed if not for the Support Line.

Secondly, I would like to ask you to support \$276,000 currently proposed in the House budget to expand the Evidence Based Practice of Housing First to Rutland County. Pathways Vermont currently practices the Housing First model in 6 counties across the state. Pathways has been designated as a Specialized Service Agency by the Department of Mental Health to provide the specialized service of Housing First to Vermont communities. We are invested in this resource being equitably available across the state and have a proven track record of success. In addition to positive program outcomes, permanent housing and support services through the Housing First model also equates with significant cost savings across some of the state's most expensive resources. The attached document details some predicted cost savings based on aggregate data of Pathways' clients' utilization of hospital, jail, and emergency housing resources (motel vouchers) before and after enrollment in the program. To summarize, we estimate annual savings of roughly \$770,000 for those cost centers if Housing First is expanded into Rutland County, \$496,000 when netting out the cost of our expanded services.

Community partners have sought Pathways' expansion in both Rutland and Bennington counties. Both communities have articulated a need for Housing First resources and that their population of people experiencing homelessness is underserved. Expansion to both communities would be cost effective as we would be able to support both local and regional staffing patterns. The additional cost of expanding to Bennington is \$223,000, estimated annual savings \$514,000 (net \$292,000).

I have also provided handouts to supplement this testimony which include program outcomes, cost savings, and stories for both the Vermont Support Line, the Housing First program, and our other programs.

We ask that you include language in your memo to Senate Appropriations supporting our requests for both the Support Line and Housing First expansion.

Thanks again for your support and the opportunity to testify.

HOUSING FIRST EXPANSION OPTIONS

Prepared by Pathways Vermont

March 8, 2018

ESTIMATED COST OF HOUSING FIRST EXPANSION

| | |
|---------------------------|------------|
| Rutland/Bennington Option | \$ 497,870 |
| Rutland Only Option | \$ 275,405 |

Note: Expenses include staff, operating costs, tenant related expenses, and administration; tenant rent subsidies provided through other federal and state resources (Section 8, Shelter Plus Care, DMH Subsidy Plus Care rental assistance, etc.)

| ESTIMATED SAVINGS | People Served | 6 months prior | 6 months after | 6 Month Savings | Annual Savings |
|---|---------------|----------------|----------------|-------------------|---------------------|
| Rutland/Bennington Option | 50 | | | | |
| Estimated Hospitalization Costs | | \$ 404,820 | \$ 585 | \$ 404,235 | \$ 808,470 |
| Estimated Corectional Facility Costs | | \$ 283,294 | \$ 85,261 | \$ 198,033 | \$ 396,065 |
| Estimated Motel Voucher Costs | | \$ 58,927 | \$ 18,425 | \$ 40,502 | \$ 81,003 |
| TOTAL | | | | \$ 642,769 | \$ 1,285,539 |
| NET SAVINGS | | | | | \$ 787,669 |
| Rutland Only Option | | | | | |
| Estimated Hospitalization Costs | 30 | \$ 242,892 | \$ 351 | \$ 242,541 | \$ 485,082 |
| Estimated Corectional Facility Costs | | \$ 169,976 | \$ 51,157 | \$ 118,820 | \$ 237,639 |
| Estimated Motel Voucher Costs | | \$ 35,356 | \$ 11,055 | \$ 24,301 | \$ 48,602 |
| TOTAL | | | | \$ 385,662 | \$ 771,323 |
| NET SAVINGS | | | | | \$ 495,918 |
| Note: Savings estimates extrapolated from actual expense data for a cohort of 129 individuals across the state for 6 months prior to enrollment in Housing First and 6 months after. | | | | | |

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