

TO: Senate Appropriations Committee

FROM: Anne N. Sosin, Interim Executive Director, Vermont Affordable Housing Coalition

DATE: April 22, 2023

RE: FY24 Budget for Homelessness

Testimony H.494: Anne Sosin, Interim Executive Director, Vermont Affordable Housing Coalition

I am writing to voice my concerns about the proposed FY24 budget and the current funding for the GA Emergency Housing program and alternatives to motel-based shelter.

We believe, based on testimony from the House and Human Services Committee that the FY24 budget proposal will unshelter more than 2,000 of the approximately 2,800 Vermonters sheltered through the GA Emergency Housing program. Defunding the GA Emergency Housing program without ensuring adequate alternatives is inconsistent with evidence-based practices in addressing homelessness and will impose significant harms and costs on individuals, overburdened systems, and communities.

The evidence is unequivocal: unsheltered homelessness and forced displacement of people experiencing homelessness lead to a broad range of adverse health outcomes, including increased risk of death. Moreover, eliminating the GA Emergency Housing program will not eliminate the costs of homelessness but will instead shift these costs to other overburdened systems, including emergency departments, local municipalities, service providers, the criminal justice system, and schools.

Homelessness is a Housing Problem

Most motel guests in Vermont entered the GA Emergency Housing program after losing housing in Vermont. An assessment conducted by the Agency of Human Services (AHS) of motel guests from October to November 2022 found that the majority of people in motels previously had housing that they no longer have.¹ Only 37 residents lived out of state prior to entering into the GA Emergency Housing program. Program participants cited rental assistance or subsidy and support securing rental housing as the “greatest needs to succeed with housing” in the assessment conducted by AHS.

Vermonters Experiencing Homelessness are Highly Vulnerable

The current budget is not adequate to ensure continuity of shelter for Vermonters at extreme risk of poor outcomes. Vermont Homelessness Management Information System (HMIS) data shows that 75% of the 2300 households experiencing homelessness include a person with a disability.² Fourteen percent of motel guests reported needing accessible housing. More than 40% (966), had

¹ AHS Care Coordination Program Research Teams Assessment, Agency of Human Services, February 2023.

² AHS Assessment

one or more trips to an ER. More than 25% (604) had previously stayed in a psychiatric hospital, and nearly 25% (552) had stayed in a substance use disorder treatment facility. It is important to emphasize, however, that a large body of evidence shows that homelessness and housing instability leads to a broad range of poor outcomes and that everyone who becomes homeless is vulnerable.

The Proposed Budget for GA Emergency Housing Does Not Meet Current Needs

The proposed budget for GA Emergency Housing does not meet Vermont’s current or future shelter needs. Over 4,400 Vermont households experienced homelessness in 2022.³ It is important to recognize that homelessness is not static—people move in and out of homelessness on a regular basis. The number of Vermonters entering homelessness is outpacing those exiting homelessness: 2,400 households became homeless in 2022 while 2,200 exited it. The average length of shelter stays is also increasing, as permanent housing becomes increasingly difficult to secure even with a housing voucher. The Vermont State Housing Authority reported in March 2023 that the success of families with a voucher finding a unit fell from 70% to 20% between February 2022 and February 2023.⁴

Many other factors suggest that the number of Vermonters entering homelessness will only continue to grow in FY24. Nationally, evictions are rising rapidly as pandemic eviction prevention programs end.⁵ Many Vermont housing and service providers similarly voice concern that the rate of evictions is accelerating and that the end of VERAP funding at a time when rents are at historic highs and rental vacancy rates are at historic lows will further add to the pipeline of Vermonters entering homelessness.¹

Defunding the GA Emergency Housing program at a time of a growing need will increase the state’s shelter gap for Vermonters entering and continuing to experience homelessness. Vermont currently has the highest percentage of sheltered homelessness in the US;⁶ however, nearly 80% of Vermont households experiencing homelessness at the time of the January 2022 Point in Time count were sheltered in motels.⁷ Adequate alternative shelter capacity does not yet exist to meet the needs of the population that will need emergency shelter in FY24. Losing shelter capacity will further exacerbate the state’s crisis.

³ AHS Assessment

⁴ Berk, Kathleen. “Presentation for House Committee on General and Housing Rental Assistance Programs and New Initiatives.” Legislative Testimony, March 30, 2023.

<https://legislature.vermont.gov/Documents/2024/WorkGroups/House%20General/Housing/W~Kathleen%20Berk~Vermont%20State%20Housing%20Authority%20-%20Rental%20Assistance%20Programs%20and%20New%20Initiatives~3-30-2023.pdf>

⁵ Vallejo C, Haas J, Hepburn P. “Preliminary Analysis: Eviction Filing Patterns in 2022.” March 2023.

<https://evictionlab.org/ets-report-2022/>

⁶ The 2022 Annual Homelessness Assessment Report (AHAR) to Congress, Department of Housing and Urban Development (HUD), 2023. <https://www.huduser.gov/portal/sites/default/files/pdf/2022-AHAR-Part-1.pdf>.

⁷ HousingData.org, Vermont Housing Finance Agency, January 2022 Point in Time Count Data, <https://housingdata.org/profile/housing-needs/homelessness>.

Ending the GA Emergency Housing Program Threatens the Health of Unhoused Vermonters

Ending the GA Emergency Housing program in the absence of alternatives threatens the health and well-being of Vermonters experiencing homelessness. Previous studies have demonstrated strong and consistent links between homelessness and/or housing instability and a range of health conditions, including diabetes,⁸ heart disease, substance use disorders,⁹ and mental illness. Several studies show that unhoused, unsheltered people are at significantly increased risk for death compared to the general population and the sheltered, unhoused population.^{10,11,12,13}

Suicide risks are very common among people experiencing homelessness.^{14,15,16} Forced relocation has significant health effects, including higher odds of experiencing violence and life-threatening adverse outcomes, including fatal overdose, among people who inject drugs (PWID).^{17, 18} The health impacts of homelessness are not limited to adults: infants and children in families experiencing homelessness and housing instability are at elevated risk for a broad range of adverse health outcomes.^{19,20}

⁸ Berkowitz, Seth A., Sara Kalkhoran, Samuel T. Edwards, Utibe R. Essien, and Travis P. Baggett. "Unstable Housing and Diabetes-Related Emergency Department Visits and Hospitalization: A Nationally Representative Study of Safety-Net Clinic Patients." *Diabetes Care* 41, no. 5 (2018): 933–39. <https://doi.org/10.2337/dc17-1812>.

⁹ Zerger, S. (2012). Housing: A fundamental component of drug policy [Editorial]. *International Journal of Drug Policy*, 23(2), 91–93. <https://doi.org/10.1016/j.drugpo.2011.12.001>

¹⁰ Roncarati, J. S., O'Connell, J. J., Hwang, S. W., Baggett, T. P., Cook, F. E., Krieger, N., & Sorensen, G. (2020). The use of high-risk criteria to assess mortality risk among unsheltered homeless persons. *Journal of health care for the poor and underserved*, 31(1), 441.

¹¹ fcosts

¹² Morrison, D. S. (2009). Homelessness as an independent risk factor for mortality: results from a retrospective cohort study. *International journal of epidemiology*, 38(3), 877-883.

¹³ Barocas et al., "Population-Level Health Effects of Involuntary Displacement of People Experiencing Unsheltered Homelessness Who Inject Drugs in US Cities."

¹⁴ Ayano, G., Tsegay, L., Abraha, M. et al. Suicidal Ideation and Attempt among Homeless People: a Systematic Review and Meta-Analysis. *Psychiatr Q* 90, 829–842 (2019). <https://doi.org/10.1007/s1126-019-09667-8>

¹⁵ Lee KH, Jun JS, Kim YJ, Roh S, Moon SS, Bukonda N, Hines L. Mental Health, Substance Abuse, and Suicide Among Homeless Adults. *J Evid Inf Soc Work*. 2017 Jul-Aug;14(4):229-242. doi: 10.1080/23761407.2017.1316221. Epub 2017 Jul 5. PMID: 28678621.

¹⁶ Hoffberg, A.S., Spitzer, E., Mackelprang, J.L., Farro, S.A. and Brenner, L.A. (2018), Suicidal Self-Directed Violence Among Homeless US Veterans: A Systematic Review. *Suicide Life Threat Behav*, 48: 481-498. <https://doi.org/10.1111/sltb.12369>

¹⁷ Chiang, J.C., Bluthenthal, R.N., Wenger, L.D. et al. Health risk associated with residential relocation among people who inject drugs in Los Angeles and San Francisco, CA: a cross sectional study. *BMC Public Health* 22, 823 (2022). <https://doi.org/10.1186/s12889-022-13227-4>

¹⁸ Barocas et al., "Population-Level Health Effects of Involuntary Displacement of People Experiencing Unsheltered Homelessness Who Inject Drugs in US Cities."

¹⁹ Sandel, Megan, Richard Sheward, Stephanie Ettinger de Cuba, Sharon Coleman, Timothy Heeren, Maureen M. Black, Patrick H. Casey, et al. "Timing and Duration of Pre- and Postnatal Homelessness and the Health of Young Children." *Pediatrics* 142, no. 4 (October 1, 2018): e20174254. <https://doi.org/10.1542/peds.2017-4254>.

²⁰ Sandel, Megan, Richard Sheward, Stephanie Ettinger de Cuba, Sharon M. Coleman, Deborah A. Frank, Mariana Chilton, Maureen Black, et al. "Unstable Housing and Caregiver and Child Health in Renter Families." *Pediatrics* 141, no. 2 (February 1, 2018): e20172199. <https://doi.org/10.1542/peds.2017-2199>.

Lack of stable housing inhibits the ability to access and engage in routine healthcare and chronic disease management. Unhoused individuals may lack the ability to charge phones, engage in telehealth and phone consultations, organize medical activities, and adhere to treatment plans.²¹ People reliant on electricity-dependent durable medical equipment (DME) devices, and commodities, including cardiac devices, nebulizers, suction pumps, oxygen concentrators, enteral feeding tubes, and bi-level positive airway pressure devices (BiPAP) need access to stable electricity for their survival. Individuals living with insulin-dependent diabetes and other conditions require refrigeration to manage care. Homeless people face a broad range of barriers to appropriate diabetes management, including inability to refrigerate insulin.^{22,23}

Eliminating the Costs of GA Emergency Housing Will Not Eliminate the Costs of Homelessness

A large body of evidence suggests that elimination of GA Emergency Housing shelter will not eliminate the costs associated with homelessness but will instead displace these costs to other systems and services that are already under significant strain, including emergency departments, hospitals, the criminal justice system, schools, and public services.

Unsheltered homelessness imposes a large economic burden on healthcare, social services, and communities. Estimates on the costs of unsheltered homelessness range widely but all point to a large cost to taxpayers, healthcare systems, and public services.²⁴ In a 2017 brief, the National Coalition to End Homelessness estimated the annual costs of a person experiencing chronic homelessness to taxpayers at approximately \$35,000.²⁵ A study of 5,000 people experiencing severe mental illness and homelessness in New York City found that the average annual cost of service use was estimated at around \$40,500 per person.²⁶ A separate study of people experiencing chronic homelessness in Florida estimated the cost for arrest, incarceration, medical and psychiatric emergency room use, and inpatient hospitalization at \$31,065 per year.²⁷

²¹ Maqbool N, Viveiros J, and Ault M. “Impacts of Affordable Housing on Health: A Research Summary.” Center for Housing Policy <https://nhc.org/wp-content/uploads/2017/03/The-Impacts-of-Affordable-Housing-on-Health-A-Research-Summary.pdf>

²² Campbell, David J. T., Rachel B. Campbell, Carolyn Ziegler, Kerry A. McBrien, Stephen W. Hwang, and Gillian L. Booth. “Interventions for Improved Diabetes Control and Self-Management among Those Experiencing Homelessness: Protocol for a Mixed Methods Scoping Review.” *Systematic Reviews* 8, no. 1 (December 2019): 100. <https://doi.org/10.1186/s13643-019-1020-x>.

²³ Hwang, S. W., & Bugeja, A. L. (2000). Barriers to appropriate diabetes management among homeless people in Toronto. *CMAJ : Canadian Medical Association journal = journal de l'Association medicale canadienne*, 163(2), 161–165.

²⁴ https://www.usich.gov/resources/uploads/asset_library/Ending_Chronic_Homelessness_in_2017.pdf

²⁵ “Ending Chronic Homelessness Saves Taxpayers Monday,” Policy Brief, National Coalition to End Homelessness, <https://endhomelessness.org/wp-content/uploads/2017/06/Cost-Savings-from-PSH.pdf>.

²⁶ Salit, Sharon A., Evelyn M. Kuhn, Arthur J. Hartz, Jade M. Vu, and Andrew L. Mosso. “Hospitalization Costs Associated with Homelessness in New York City.” *New England Journal of Medicine* 338, no. 24 (June 11, 1998): 1734–40. <https://doi.org/10.1056/NEJM199806113382406>.

²⁷ “The Cost of Long-Term Homelessness in Florida,” Rethink Homelessness, 2014. <https://shnny.org/uploads/Florida-Homelessness-Report-2014.pdf>

Massachusetts' experience provides further insight into some of the potential impacts of defunding emergency shelters on healthcare systems and service providers. A 2018 study published in *Pediatrics* led by homelessness expert Dr. Megan Sandel found large increases in pediatric emergency department utilization and costs following a 2012 policy change to limit eligibility for emergency shelter in Massachusetts.²⁸ Although child homelessness increased 1.4 times between 2010 and 2016, emergency department visits for child homelessness increased thirteen-fold during this time. The average costs of emergency department visits for the study population were more than four times higher than the cost of emergency shelter, and 89% of payments for emergency department visits were made through state-based insurance plans.

Unsheltered homelessness also imposes significant costs on public services. Research commissioned by the US Departments of Health and Human Services (HHS) and Housing and Urban Development (HUD) found that responding to encampments of unhoused people is resource-intensive for local governments.²⁹ More than 90% of these costs are absorbed by local governments because of the constraints on the use of HUD and other funding for homelessness.

Conversely, several studies over many years have independently documented cost reductions from permanent supportive housing.³⁰ A 2022 systematic review found that the economic benefits of permanent supportive housing using a Housing First approach exceeded the costs of the program.³¹ A randomized control trial of the Denver Supportive Housing Social Impact Bond, an initiative to invest in permanent supportive housing, found that almost half of program costs were offset in reductions of other public services, including jail days, ambulance rides, and emergency department visits.³² City and county government incurred the largest cost savings. While data from Vermont is limited, the University of Vermont Medical Center reported large reductions in healthcare encounters and costs among residents of Harbor Place, a service-enriched shelter for unhoused people with significant healthcare needs.³³ The 2017 Vermont Roadmap to End

²⁸ Stewart, Amanda M., Mia M. Kanak, Alana M. Gerald, Amir A. Kimia, Assaf Landschaft, Megan T. Sandel, and Lois K. Lee. "Pediatric Emergency Department Visits for Homelessness After Shelter Eligibility Policy Change." *Pediatrics* 142, no. 5 (November 1, 2018): e20181224. <https://doi.org/10.1542/peds.2018-1224>.

²⁹ <https://www.huduser.gov/portal/sites/default/files/pdf/Exploring-Homelessness-Among-People.pdf>

³⁰ "Exploring Homelessness Among People Living in Encampments and Associated Cost City Approaches to Encampments and What They Cost," Abt Associates, February 2020.

<https://www.huduser.gov/portal/sites/default/files/pdf/Exploring-Homelessness-Among-People.pdf>

³¹ Jacob, Verughese, Sajal K. Chattopadhyay, Sharon Attipoe-Dorcoo, Yinan Peng, Robert A. Hahn, Ramona Finnie, Jamaica Cobb, Alison E. Cuellar, Karen M. Emmons, and Patrick L. Remington. "Permanent Supportive Housing With Housing First: Findings From a Community Guide Systematic Economic Review." *American Journal of Preventive Medicine* 62, no. 3 (March 2022): e188–201. <https://doi.org/10.1016/j.amepre.2021.08.009>.

³² Gillespie, S., Devlin Hanson, J. L., & Oneto, A. D. (2021). Analyzing the Costs and Offsets of Denver's Supportive Housing Program. https://www.urban.org/sites/default/files/publication/104499/costs-and-offsets-of-providing-supportive-housing-to-break-the-homelessness-jail-cycle_0.pdf

³³ "Housing is Health Care: Collaborative Approaches to Combat Homelessness," Powerpoint Presentation, UVM Medical Center, 2016.

Homelessness also estimated the daily operating costs of motel rooms at \$73 per person compared to \$1,602 for emergency rooms.³⁴

Motels are Superior to Unsheltered Homelessness

Permanent supportive housing, not motel-based shelter, is widely accepted as the solution to homelessness. An emerging body of evidence from the use of motel-based shelter during the COVID-19 pandemic suggests, however, that motel-based shelter may contribute to improved health and economic outcomes compared to unsheltered homelessness and congregate shelter. A 2022 JAMA Network study found large reductions in hospital emergency department utilization among people experiencing homelessness in service-enriched hotel-based shelters in Project Roomkey in San Francisco compared to a group without shelter.³⁵ University of Washington researchers similarly found evidence of positive health and social outcomes among participants in pandemic motel-based shelter programs in Kings' County Washington.³⁶ Many residents of pandemic motel programs reported that access to non-congregate shelter led to improvements that benefited their health and well-being in a small New Haven study of pandemic motel programs.³⁷ It is important to note that the largest benefits were documented in service-enriched hotel programs, highlighting the importance of pairing funding for emergency shelter with additional support for services.

These findings are consistent with ongoing research conducted by the author of this testimony as part of ongoing Dartmouth research co-led by the author of this brief. Many service providers interviewed in 2020 by the research team as part of research on COVID-19 and Rural Health Equity in Northern New England reported that even amid the crisis, motel residents benefited from access to healthcare and social services, including behavioral health and recovery services.³⁸ Stable shelter enabled many to begin accessing services and take steps to improve their health. Others reported that the expansion of motel-based shelters has enabled some to leave situations of domestic violence. In a separate ongoing study on housing and health equity in, motel residents similarly continue to report that stable shelter has enabled them to access healthcare, utilize services, and begin to build a foundation towards greater economic and housing security.

³⁴ Vermont Roadmap to End Homelessness, 2017, <https://legislature.vermont.gov/assets/Legislative-Reports/Homelessness-Study.pdf>

³⁵ Fleming, Mark D., Jennifer L. Evans, Dave Graham-Squire, Caroline Cawley, Hemal K. Kanzaria, Margot B. Kushel, and Maria C. Raven. "Association of Shelter-in-Place Hotels With Health Services Use Among People Experiencing Homelessness During the COVID-19 Pandemic." *JAMA Network Open* 5, no. 7 (July 27, 2022): e2223891. <https://doi.org/10.1001/jamanetworkopen.2022.23891>.

³⁶ Colburn, Gregg, Rachel Fyall, Christina McHugh, Pear Moraras, Victoria Ewing, Samantha Thompson, Taquesha Dean, and Sarah Argodale. "Hotels as Noncongregate Emergency Shelters: An Analysis of Investments in Hotels as Emergency Shelter in King County, Washington During the COVID-19 Pandemic." *Housing Policy Debate* 32, no. 6 (November 2, 2022): 853–75. <https://doi.org/10.1080/10511482.2022.2075027>.

³⁷ Robinson, Leah, Penelope Schlesinger, and Danya E. Keene. "'You Have a Place to Rest Your Head in Peace': Use of Hotels for Adults Experiencing Homelessness During the COVID-19 Pandemic." *Housing Policy Debate* 32, no. 6 (November 2, 2022): 837–52. <https://doi.org/10.1080/10511482.2022.2113816>.

³⁸ Sosin, A, Griffin, Carpenter-Song, E, Griffin, M, O'Reilly, M. "Housing is HealthBuilding on Vermont's Pandemic Success to Advance Health Equity." Legislative Brief, January 2021.

Most People Can Be Successfully Housed

Extensive research has demonstrated that most people experiencing homelessness can be successfully housed. Randomized control trials (the gold standard of evidence), observational studies, and large program evaluations have consistently shown that the overwhelming majority of people experiencing homelessness (including those with severe mental illness, a history of frequent encounters with the criminal justice system, and serious health concerns) can be successfully housed with overwhelmingly positive housing retention rates using a Housing First model, or a model that combines housing with supportive services.^{39,40,41} Real world data from Vermont also shows that Housing First has similarly positive outcomes and leads to decreases in costs.⁴²

Conclusion

Vermont currently has the second highest per capita rate of homelessness in the United States behind only California, the lowest rental vacancy rate in the US, and an estimated shortage of 40,000 housing units.⁴³ Failing to maintain adequate levels of funding for the GA Emergency Housing while other permanent solutions are developed will exacerbate this crisis, set Vermont further behind other states in its response to homelessness, and cost substantially more in both dollars and burden on municipalities and social service organizations. I urge the legislature to reverse course on its proposed budget and invest in evidence-based policies at a level commensurate with the scale of the state’s housing crisis.

³⁹ Raven, Maria C., Matthew J. Niedzwiecki, and Margot Kushel. “A Randomized Trial of Permanent Supportive Housing for Chronically Homeless Persons with High Use of Publicly Funded Services.” *Health Services Research* 55, no. S2 (October 2020): 797–806. <https://doi.org/10.1111/1475-6773.13553>.

⁴⁰ Tsemberis, Sam, and Ronda F. Eisenberg. “Pathways to Housing: Supported Housing for Street-Dwelling Homeless Individuals With Psychiatric Disabilities.” *Psychiatric Services* 51, no. 4 (April 2000): 487–93. <https://doi.org/10.1176/appi.ps.51.4.487>.

⁴¹ Paula Goering, Scott Veldhuizen, Aimee Watson, Carol Adair, Brianna Kopp, Eric Latimer, Geoff Nelson, Eric MacNaughton, David Streiner & Tim Aubry (2014). National At Home/Chez Soi Final Report. Calgary, AB: Mental Health Commission of Canada. Retrieved from: <http://www.mentalhealthcommission.ca>

⁴² Melton, H. “Ending Homelessness in Vermont: Bringing Housing First Statewide.” Legislative Testimony, Pathways Vermont, February 26, 2023.

⁴³ HUD, 2023.