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Supportive Housing Helps Break the Cycle of Homelessness

Years of research and practice have shown conclusively that housing is necessary, but often not sufficient, to break the cycle of homelessness for people with chronic physical health problems, mental illnesses, and/or substance use disorders. Supportive services must be tailored to meet the needs of individual tenants and provided in ways that are acceptable to them. The following articles describe different approaches to supportive housing for which federal funding is available and how Health Care for the Homeless providers are participating in supportive housing initiatives.

The provision of subsidized housing combined with supportive services has become the "gold standard" for helping individuals with disabilities who are chronically homeless achieve residential and psychiatric stability and sobriety. Most are single adults, but there is a growing number of families with minor children who are chronically homeless.[1] These individuals and families are at the heart of current Federal, State, and local efforts to help end and prevent homelessness, and supportive housing is a key component of strategies to accomplish this.

Federal support for supportive housing is evident in a joint effort of the U.S. Departments of Housing and Urban Development (HUD), Health and Human Services (HHS), and Veterans Affairs (VA) and the Interagency Council on Homelessness to provide $35 million for the development of appropriate housing and supportive services for people who are chronically homeless. Three of five Health Care for the Homeless projects profiled in this issue are participating in Federal grants to provide supportive housing for chronically homeless individuals.

RANGE OF OPTIONS The term "supportive housing" is used to denote a broad range of housing options linked to a variety of supportive services. Supportive housing may be scattered-site or congregate; "housing ready" or "housing first"; "wet," "damp," or "dry"; transitional or permanent. Some of these approaches are highlighted in this issue.

Ann O'Hara, Associate Director of the Technical Assistance Collaborative (TAC) and Director of its Housing Center, offers the following definition of permanent supportive housing, embraced by many in the field, which includes the full range of supportive housing options just mentioned:

> Permanent supportive housing is decent, safe, and affordable community-based housing that provides residents with the rights of tenancy under state/local landlord tenant laws and is linked to voluntary and flexible support and services designed to meet residents' needs and preferences.[1]

INDEPENDENT HOUSING In the 1980s, independent, subsidized rental housing in sites scattered throughout the community—with access to supportive services—emerged as an alternative to residential treatment for people with mental illnesses. This type of housing developed in response to the failure of the residential continuum model and the desire of mental health consumers to live independently, notes **Ann Denton, M.Ed.,** Director of Housing at Advocates for Human Potential and former Director of the Austin Office of The Enterprise Foundation. The residential continuum model, popular in the late 1970s and early 1980s, was designed to move people with serious mental illnesses through a series of progressively more independent residential treatment settings until they achieved independent living.

But it was rare for a service system to include all pieces of the continuum or for individuals to progress neatly through its steps.[2] Moreover, housing was conditional on the receipt of services, and before they could move in, individuals had to display some form of readiness to occupy housing, including psychiatric stability, sobriety, and willingness to comply with treatment plans. Those who were not deemed "housing ready" sometimes remained or became homeless. Current supportive housing models that require abstinence as a condition for tenancy are examples of housing ready approaches.

"HOUSING FIRST" "Housing first" approaches, sometimes also referred to as "supported housing," emerged as alternatives to housing readiness models, permitting individuals with behavioral health problems to obtain housing without having to commit first to receive substance abuse treatment or mental health services. Services are voluntary, and housing choice is a key component.[3] The housing first model is seen as a way to engage individuals who previously have been unable or unwilling to accept treatment.

In a housing first approach, individuals who consume alcohol in their homes are not at risk of losing housing as long as they meet the requirements of their lease; some refer to this as "wet" housing, Denton notes. In some HUD Safe Havens programs (see box), individuals can drink off site without consequences, but are not allowed to drink in their rooms—an example of "damp" housing. The housing first model has proven effective for homeless people—even those with the most serious disabilities.

MCKINNEY-VENTO ACT PROGRAMS In the late 1980s and early 1990s, public policy began to address the need for services that would help formerly homeless individuals remain housed. The 1987 Stewart B. McKinney Homeless Assistance Act—renamed the McKinney-Vento Act in 2000—authorizes a set of Federal homeless assistance programs designed to provide transitional and permanent supportive housing to homeless people.

McKinney-Vento Act programs subsidize both scattered-site housing and such congregate settings as apartment houses, group homes, and halfway houses, many of which feature services on-site. In most cases, the receipt of services is voluntary. Transitional housing, such as that supported by the McKinney-Vento Supportive Housing Program (SHP), is designed to provide services to facilitate the eventual movement of homeless individuals and families into permanent housing.

Some congregate supportive housing projects focus on individuals with particular conditions, such as serious mental illnesses, while others serve a mix of groups that may include people with physical disabilities, people with HIV/AIDS, older adults, families, formerly homeless individuals, and low-income employed workers.[4] Proponents of integrated or mixed tenancy housing believe that it helps foster a sense of community among diverse and socially marginalized tenants.[5]

PAYING FOR HOUSING Regardless of configuration, supportive housing typically requires some type of subsidy to keep the cost of the housing affordable for residents with very low incomes. Rental subsidies can attach to the tenant (tenant-based) or to the unit (project-based). They bridge the gap between rent paid by the tenant, often capped at 30 percent of income, and the actual cost of leasing the unit. Since 1987, the McKinney-Vento Homeless Assistance programs have been the major source of housing subsidies for supportive housing.[1]

Other Federal resources that can be used to make housing affordable for persons with very low incomes include Community Development Block Grants (CDBG), HOME, and Housing Opportunities for People with AIDS (HOPWA). These grants are governed by HUD's Consolidated Plan—a locally generated report on housing and community development needs of low and moderate-income households—as are Emergency Shelter Grants (ESG) authorized by the McKinney-Vento Act. Public Housing Authorities control the use of public housing and the Section 8 Housing Choice Voucher Program, and the Department of the Treasury provides Low Income Housing Tax Credits through the Internal Revenue Service. For more information on these and other resources, see the TAC Web site at *www.tacinc.org*.

HUD McKinney-Vento Homeless Assistance Programs

- **Supportive Housing Program –** provides housing, including housing units and group quarters, that has a supportive environment and includes a planned service component. SHP includes Transitional Housing, Permanent Supportive Housing, Safe Havens, Supportive Services Only, and Innovative Supportive Housing. Save Havens are a type of low-demand residence designed to engage hard-to-reach homeless people by offering but not requiring supportive services.
- **Shelter Plus Care –** provides rental assistance to homeless people with disabilities through four component programs: Tenant, Sponsor, Project, and Single Room Occupancy (SRO) Rental Assistance.
- **Single Room Occupancy –** provides rental assistance on behalf of homeless individuals in connection with moderate rehabilitation of SRO dwellings.
- **Emergency Shelter Grants –** provides funds to rehabilitate or remodel a building used as a new shelter, operate and maintain the facility, provide essential supportive services, fund homeless prevention activities, and administer the grant.

Title V of the McKinney-Vento Act requires HUD to provide information about surplus Federal property that can be used to help homeless people. Properties can be used to provide shelter, services, storage, or other uses to benefit homeless people. The program provides no funding, and properties are made available on an "as is" basis.

For more information on McKinney-Vento Homeless Assistance programs, see *www.hud.gov*.

PAYING FOR SERVICES The type and amount of supportive services provided to people in subsidized housing varies. Minimally, according to Denton, they must include some type of case management that is designed to provide or link individuals with the full range of services needed to remain housed—primary health care, behavioral health care, money management, benefits assistance, job training, transportation, parenting skills, etc. Housing program sponsors may be required to match rental subsidies with service dollars.

Current Funding Sources Among Federal resources that are currently available to pay for supportive services in housing are those administered by the U.S. Department of Health and Human Services. These resources include targeted programs—Health Care for the Homeless (HCH) and Projects for Assistance in Transition from Homelessness (PATH)—and such "mainstream" programs as Medicaid and block grants to States supporting the provision of mental health services, substance abuse treatment, and social services.

Some McKinney-Vento Homeless Assistance programs, including the Supportive Housing Program, provide funds for supportive services in addition to housing subsidies. HUD's involvement in funding supportive services will decline over the next decade, however, as the department plans to focus more resources on housing development.[6] This means that other resources must be identified to finance supportive housing services for people with very low incomes and disabling health conditions—particularly for communities that are unable to sustain such services with State and local funding alone.

Many homeless assistance providers fear that because the mainstream programs are already over-burdened and under-funded, threatening their capacity to serve current beneficiaries, they will be hard pressed to meet any increased demand. Moreover, variable and restrictive eligibility criteria and separate funding streams make it difficult to use these mainstream programs to meet the needs of people with multiple disabling conditions.[7]

Future Directions Making efficient use of limited resources increasingly demands that both public and private housing and service providers form partnerships to weave together housing subsidies and service dollars. In this climate, supportive housing is both an example of the type of partnerships required to help prevent and end homelessness and a means to do so.

A series of federally sponsored policy academies for State and local policy makers are promoting the development of State action plans to prevent and end chronic homelessness through interagency collaborations that improve homeless people's access to mainstream services. Supportive housing is one of the best-practice models promoted at these policy academies. In its *Blueprint for Change* to end chronic homelessness among people with mental illnesses and/or co-occurring substance use disorders, the Substance Abuse and Mental Health Services Administration (SAMHSA) cites supportive housing as an evidence-based practice.[7]

In addition, under the auspices of the Federal Interagency Council on Homelessness, 41 States have created interagency councils on homelessness to make more State resources available; and more than 60 mayors, county executives, and city managers are moving forward to create 10-year plans to end homelessness in their communities (see *www.ich.gov* for more information).

EFFECTIVENESS OF SUPPORTIVE HOUSING Research to date generally concludes that supportive housing improves residential stability, reduces utilization of the most expensive public services, and may be cost-effective — i.e., results in an overall reduction of public outlays that is nearly sufficient to cover the cost of supportive housing development in some cities.[9]

Once in housing with supports, the majority of individuals and families—regardless of their disabilities and other needs—remain housed and are less likely to reside in emergency shelters, be hospitalized, or spend time in jails or prisons.[10,11,12] For individuals with serious mental illnesses, older age is associated with longer tenure in supportive housing, while a history of substance abuse is associated with shorter tenure.[12] Several studies suggest that rental subsidies are critical to housing stability.[10,11]

Homeless people with disabilities who move to permanent supportive housing experience marked reductions in shelter use, hospitalizations, length of stay per hospitalization, and time incarcerated, resulting in a significant reduction in the cost of public services ($16,282 per person per year in New York City).[13] A Corporation for Supportive Housing study in Connecticut found that Medicaid costs for individuals who moved to permanent supportive housing decreased for both mental health and substance abuse treatment ($760 per service user) and for in-patient and nursing home services ($10,900).[1] Supportive housing for homeless veterans increases housing tenure and costs only $45 more per day than case management only or standard VA care.[14]

Research also suggests that a housing first strategy may facilitate the use of other services. For example, even though services are voluntary, housing is a major incentive to accept substance abuse treatment.[15] Indeed, housing increases retention in substance abuse treatment, but results are less positive when high-intensity services are required as a condition of housing.[16]

Despite these positive research findings, a word of caution may be in order, says **Debra J. Rog, Ph.D.,** Senior Research Associate and Director of the Washington office of Vanderbilt University's Institute for Public Policy Studies. "We need to identify particular aspects of supportive housing that result in positive outcomes for clients," Rog says. "We know that housing with supportive services is better than no housing at all, but studies comparing different types of housing have found few differences in client outcomes."

HCH Projects Put the "Support" in Supportive Housing

HCH projects around the country are involved in various aspects of supportive housing. Some examples follow.

TRANSITIONAL & PERMANENT SUPPORTIVE HOUSING IN DENVER The Colorado Coalition for the Homeless (CCH), an HCH grantee in Denver, got into the housing business when "it became clear that other organizations weren't going to meet the needs of homeless people," says **John Parvensky,** CCH President. "It's a missed opportunity for HCH to focus only on health care and not look at developing the capacity to create supportive housing," Parvensky adds. CCH is the lead agency for a Federal Collaborative Initiative to Help End Chronic Homelessness grant.

To date, CCH has developed 1,000 units of transitional housing for homeless families and permanent supportive housing for individuals, in a variety of settings that are integrated into larger, affordable housing developments. They finance the projects with a mix of funds, including McKinney-Vento Homeless Assistance program dollars and mainstream housing resources, as well as low-income housing tax credits.

Parvensky considers the provision of subsidized housing and case management to be critical for individuals experiencing homelessness. Additional services should be offered based on individual needs. "We don't have a cookie cutter approach," Parvensky says. Because it would be too expensive to create a health clinic at each housing site, CCH sends nurses and nurse practitioners to its housing sites to identify client needs and connect them to appropriate follow-up care. Contact: John Parvensky, *jp@coloradocoalition.org*

COMMUNITY ENGAGEMENT IN PORTLAND, OREGON The 600 units of supportive housing owned or managed by Central City Concern, an HCH grantee in Portland, Oregon, serve a broad mix of individuals in a wide range of settings—from 250 units of alcohol and drug-free community transitional housing to 20 units of "housing first" for clients of the city's new Community Engagement Program (CEP).

Though each housing site has a unique character, they all share a common feature. "We build a supportive community among the people who live there," says **Ed Blackburn,** Director of Health and Recovery Services at Central City Concern. Blackburn sees the issue in very practical terms. "We try not to isolate people in their apartments because otherwise they just sit in front of a television and deteriorate," he says.

> "It's a missed opportunity for HCH to focus only on health care and not look at developing the capacity to create supportive housing."
> – *John Parvensky, Colorado Coalition for the Homeless*

The CEP program, begun in 2002, includes both "housing first" and alcohol/drug-free housing and is designed to serve chronically homeless individuals using an enhanced Assertive Community Treatment (ACT) team. Participants must agree to receive CEP services. Central City Concern recently received one of 10 Federal Collaborative Initiative to Help End Chronic Homelessness grants to expand the CEP program. CEP also was honored as an exemplary program by the Substance Abuse and Mental Health Services Administration (SAMHSA). Contact: Ed Blackburn, *edb@centralcityconcern.org*

SHELTER PLUS CARE & HOUSING FIRST IN CHATTANOOGA Since the early 1990s, the Homeless Healthcare Center in Chattanooga has been a partner in a McKinney-Vento Shelter Plus Care program that provides 25 units of transitional housing for people with mental illnesses, substance use disorders, physical disabilities, and/or HIV/AIDS. Housing is in scattered-site apartments subsidized by Shelter Plus Care. All clients receive a minimum of one home visit per month; many require more intensive services, notes Health Programs Supervisor **Linda Katzman, M.S.**

Until now, most housing for homeless people in Chattanooga has been predicated on the receipt of treatment for mental illnesses and substance use disorders. For example, Al, a 44-year-old client of the Homeless Healthcare Center, completed the Center's intensive, outpatient substance abuse treatment program before becoming eligible for Shelter Plus Care housing. But for every client who is able to complete substance abuse treatment as a condition for housing, there are many more who do not, according to HCH clinicians.

Recently, the city received one of 10 Federal Collaborative Initiative to Help End Chronic Homelessness grants, which will provide rental assistance for 50 units to chronically homeless individuals. This new program will follow a "housing first" model with services provided by an ACT team. "Taking this approach is a real leap of faith in Chattanooga," Katzman says. "We going to learn through doing." Contact: Linda Katzman, *lindak@exch.hamiltontn.gov*

ENGAGING MEDICALLY FRAGILE INDIVIDUALS IN SEATTLE "If we're going to break the cycle of homelessness through the use of supportive housing, homeless health care providers have to be at the table," says **Janna Wilson,** Program Manager for the Seattle-King County Public Health Department's Health Care for the Homeless Network. The Network plays a key role in the Seattle continuum of care by sponsoring two McKinney-Vento SHP Supportive Services Only grants. The program uses these funds to support a medical respite program for single homeless adults and the Pathways Home Project, a medical case management program for homeless children. Both programs help engage homeless people and prepare them for permanent housing.

Individuals in the medical respite program often have multiple medical and behavioral health problems. Meeting their health needs provides a "window of opportunity to get them into housing," Wilson says. However, as with many cities, Seattle faces a shortage of affordable housing options, especially for individuals who may not be able or willing to complete substance abuse treatment.

Pathways Home serves homeless families in King County that have a child with physical, mental, or developmental needs. The program uses a multidisciplinary team to help families get permanent housing, access mainstream health and social services, and assess children's health and mental health needs. An evaluation of the program by the University of Washington found that Pathways Home provides families with increased stability in their lives. Contact: Janna Wison, *Janna.Wilson@metrokc.gov*

MOBILE SUPPORTIVE SERVICES IN SPRINGFIELD, MASSACHUSETTS

The Department of Community Health's HCH project at Mercy Medical Center in Springfield, Massachusetts, doesn't own any housing. "But we provide supportive services in just about every housing project we can find in Western Massachusetts," says **Doreen Fadus,** the HCH grantee's Executive Director. "We serve people where they are." Mercy Medical Center's program began as a mobile effort 20 years ago. Today's HCH staff of seven nurses, three nurse practitioners, three case managers, and a part-time physician and psychiatrist continues this tradition, delivering services to 46 sites in three counties covering 1,800 square miles. Most of the programs they serve are transitional housing, including McKinney-Vento Shelter Plus Care and Safe Havens projects run by the local mental health association. Regardless of where they see people, HCH staff define health care very broadly to include "whatever it takes to help individuals achieve independent living," Fadus says. Contact: Doreen Fadus, *Doreen.Fadus@sphs.com*

Pathways to Housing Puts People into "Housing First"

Pathways to Housing in New York City is a much studied, frequently cited, and often emulated program of supported housing for homeless people with multiple disabilities, including mental illnesses, physical health problems, and substance use disorders. But Founder and Executive Director **Sam Tsemberis, Ph.D.,** is fairly modest about what his program does. "We listen to people," Tsemberis says.

Pathways clients, 90 percent of whom have alcohol or other substance use problems,[17] go directly from shelters or the streets into permanent housing in scattered-site New York City apartments that are privately owned. They get housing first, Tsemberis says, because "They want housing first. Once housed, individuals' priorities shift from ensuring their survival to improving the quality of their lives, and that's when they become interested in the other services we offer."

To support Pathways' 450 clients in housing, modified Assertive Community Treatment (ACT) teams provide a wide range of health, mental health, substance abuse, and vocational services.[18] About a quarter of the ACT team members are consumers, because Tsemberis believes peers better understand how services should be delivered to other consumers. Clients have two requirements: they must meet with staff a minimum of twice a month and pay 30 percent of their income toward their rent by participating in a money management program.

A recent, federally funded study that compared Pathways clients to a similar group served by the local residential continuum found that the Pathways housing first model achieved an 80 percent housing retention rate compared to 23 percent for the continuum group and reduced hospitalization more successfully and at a lower cost than the continuum programs.[19]

> "Pathways costs about $20,000 per person per year. This price includes the rent for the apartment ($9,000), clinical services provided by the ACT team ($11,000), and a ton of compassion, which is priceless."
>
> *– Sam Tsemberis, Ph.D., Pathways to Housing, New York City*

Further, the researchers found no evidence to support the fears of those who believe that housing people before they are "housing ready" will set them up for failure. Investigators believe the money management program may be critical to Pathways' success.

Tsemberis funds his program with a complex mix of Federal, State, and local funds, including McKinney-Vento Homeless Assistance programs. He believes his program is a bargain, compared to a bed in a shelter, a State hospital, or a jail. Researchers have learned that prior to placement in supportive housing in New York City, people with severe mental illnesses used about $40,451 per person per year in public services—including shelters, hospitals, and jails.[13]

In contrast, "Pathways costs about $20,000 per person per year," Tsemberis says. "This price includes the rent for the apartment ($9,000), clinical services provided by the ACT team ($11,000), and a ton of compassion, which is priceless."

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