



JULY 2018

## PERMANENT SUPPORTIVE HOUSING

### Evaluating the Evidence for Improving Health Outcomes among People Experiencing Chronic Homelessness

Being homeless negatively impacts health in diverse ways, especially for those experiencing chronic homelessness.<sup>1</sup> Such persons are at higher risk for multiple infectious diseases, traumatic injuries, interpersonal violence, conditions related to extreme heat or cold, and death due to alcoholism and drug overdoses. They are more likely than housed persons to use hospital emergency departments for health care and to be admitted to the hospital for health problems because they are less likely to have health insurance and because their conditions cannot be appropriately cared for without safe and secure housing. Thus, there are compelling reasons to know whether interventions aimed at reducing homelessness also reduce the adverse health consequences associated with it.

In recent decades, numerous programs have been developed to address the needs of persons experiencing homelessness, and some progress has been made. However, chronic homelessness continues to have significant impacts on communities around the country, as well as being devastating to the persons experiencing it. Reducing chronic homelessness remains a highly complex social problem and critical challenge for American society, as well as improving the health outcomes for those experiencing it.

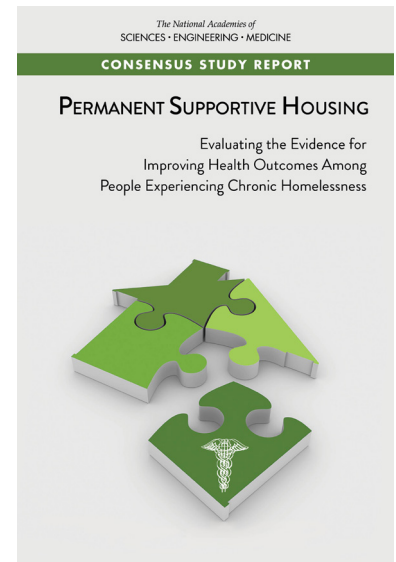
**On a single night in January 2017, more than 550,000 people in the U.S. were staying in shelters or in places not intended for human habitation. That same year nearly 87,000 individuals were considered chronically homeless, 70 percent of whom were unsheltered (see Footnote 1).**

### PERMANENT SUPPORTIVE HOUSING

The focus of this report is on permanent supportive housing (PSH), an intervention designed to address the complex needs of persons experiencing chronic homelessness through housing that is not time-limited combined with voluntary supportive services. The federal government has supported PSH since 2003 and has cited it as a critical tool in addressing chronic homelessness. Communities that have declared an end to chronic homelessness, particularly among veterans, have largely credited this achievement to the infusion of resources for PSH.<sup>2</sup>

<sup>1</sup> Chronic homelessness describes the circumstances of persons with disabling health conditions who have been homeless for long periods of time. See HUD 2017: <https://www.hudexchange.info/resources/documents/2017-AHAR-Part-1.pdf>.

<sup>2</sup> [https://www.hud.gov/press/press\\_releases\\_media\\_advisories/2017/HUDNo\\_17-109](https://www.hud.gov/press/press_releases_media_advisories/2017/HUDNo_17-109); <https://www.usich.gov/goals/veterans>.



Studies conducted over a 1-2 year period have found that PSH effectively maintained housing stability for most people experiencing chronic homelessness during that time, although longer term studies are needed.

This report attempts to answer the important question, *to what extent have PSH programs improved health outcomes and affected health care costs in people experiencing chronic homelessness?* It also identifies policy and program barriers that affect the ability to bring PSH to scale to address housing and health care needs.

## THE CONNECTION BETWEEN HOUSING AND HEALTH

The important connection between housing and health is now well established. Reports from the Robert Wood Johnson Foundation, the Department of Health and Human Services (HHS), and others have affirmed that housing, particularly stable housing, has a significant impact on health. In 2010, for example, HHS launched Healthy People 2020, a science-based 10-year agenda for “improving the Nation’s health.” The agenda lists housing stability as a key issue in economic stability—one of five social determinants of health—and notes that housing instability may “negatively affect physical health and make it harder to access health care.”<sup>3</sup>

A 2018 report of the Bipartisan Policy Center, *HHS Partnerships: A Prescription for Better Health*, emphasized the importance of partnerships between HHS and the US Department of Housing and Urban Development (HUD). According to this report, “housing needs, left unaddressed, are a strain on our health care system. For example, the top 5 percent of hospital users—overwhelmingly poor and housing insecure—are estimated to consume 50 percent of health care costs. As such, many in the health care sector—including payers, hospitals, and clinicians—are increasingly seeing the potential of the home as a platform for health and wellness services and as an essential tool in chronic care management.”<sup>4</sup>

The intersection between housing—particularly stable housing such as PSH—and health is especially important for people experiencing chronic homelessness, since this vulnerable population is more likely to experience disabling health conditions, mental illness, and/or substance use disorders.

## ASSESSING THE EVIDENCE ON THE IMPACT OF PSH ON HEALTH

Based on the important connection between housing and health, it would seem logical that interventions that reduce homelessness and provide stable housing would also improve health outcomes. In reviewing the existing research, however, the study committee was surprised that there was not stronger evidence of the impact of PSH on health, resulting in more limited conclusions than it had initially expected.

On the basis of currently available research, the committee found no substantial evidence that PSH contributes to improved health outcomes, notwithstanding the intuitive logic that it should do so and limited data showing that it does do so for persons with HIV/AIDS. Limitations in the existing research included inconsistent use of definitions and characteristics of PSH, limited follow up periods for studies, and data systems not currently designed to integrate data on homelessness, health, and other characteristics. A more integrated examination of research and policy on PSH is needed:

**Recommendation: The Department of Health and Human Services (HHS), in collaboration with the Department of Housing and Urban Development (HUD), should call for and support a convening of subject matter experts to assess how research and policy could be used to facilitate access to PSH and ensure the availability of needed support services, as well as access to health care services.**

## HOUSING-SENSITIVE CONDITIONS

In future research, the concept of “housing-sensitive conditions” needs to be fully explored. Some persons experiencing homelessness have health conditions for which failure to provide housing would be expected to result in a significant worsening of their health. In other words, stable housing has an especially important impact on the course and ability to care for certain specific conditions and, therefore, the health outcomes of persons with those conditions. Research on “housing-sensitive conditions” is needed to identify which health conditions are most impacted by PSH and what specific actions can be taken to address the health and housing needs of those with those conditions:

**Recommendation: Research should be conducted to assess whether there are health conditions whose course and medical management are more significantly influenced than others by having safe and stable housing (i.e., housing-sensitive conditions). This research should include prospective longitudinal studies, beyond 2 years in duration, to examine health and housing data that could inform which health conditions, or**

<sup>3</sup> <https://www.healthypeople.gov/2020/topics-objectives/topic/social-determinants-of-health#five>.

<sup>4</sup> <https://bipartisanpolicy.org/library/hud-hhs-partnerships-a-prescription-for-better-health>.

combinations of conditions, should be considered especially housing sensitive. Studies also should be undertaken to clarify linkages between the provision of both permanent housing and supportive services and specific health outcomes.

## COST EFFECTIVENESS OF PSH

At present, there is insufficient evidence to demonstrate that PSH saves health care costs or is cost effective, although some cost savings have been identified in studies on persons who are persistent high utilizers of emergency medical services systems. Overall, the committee found sparse literature on the cost effectiveness of PSH, and most of the available studies have not been conducted in a manner that is methodologically aligned with generally accepted research design. Most studies used a quasi-experimental design, with only a few randomized controlled studies.

**Recommendation: Incorporating current recommendations on cost-effectiveness analysis in health and medicine, standardized approaches should be developed to conduct financial analyses of the cost effectiveness of PSH in improving health outcomes. Such analyses should account for the broad range of societal benefits achieved for the costs, as is customarily done when evaluating other health interventions.**

## ASSESSING INDIVIDUAL AND PROGRAM CHARACTERISTICS OF PSH

There is some evidence that individual characteristics of people using PSH programs have a modest impact on their health outcomes. For example, persons 50 years of age and older may derive somewhat greater mental health benefits from PSH than younger individuals, although the effectiveness of PSH in reducing homelessness is similar across age groups. The evidence is inconclusive as to whether persons who abuse alcohol or drugs derive housing and health benefits from PSH, compared to those who do not. More needs to be known about individual and program characteristics of PSH to identify its potential impact on specific populations or the effectiveness of specific supportive services:

**Recommendation: Agencies, organizations, and researchers who conduct research and evaluation on permanent supportive housing should clearly specify and delineate: (1) the characteristics of supportive services, (2) what exactly constitutes “usual services” (when “usual services” are the comparator), (3) which range of services are provided for which groups of individuals experiencing homelessness, and (4) the costs associated with those supportive services. Whenever possible, studies should include an examination of different models of PSH, which could be used to elucidate important elements of the intervention.**

**Recommendation: Based on what is currently known about services and housing approaches in PSH, federal agencies, in particular HUD, should develop and adopt standards related to best practices in implementing PSH. These standards can be used to improve practice at the program level and guide funding decisions.**

## KEY POLICY AND PROGRAM BARRIERS

A number of policy and program barriers currently preclude bringing PSH and other housing models to scale. Funding streams and policy regulations for PSH are siloed and often restrict how the funds may be used. This lack of coordination creates complications for combining or blending funds from different sources and works against efforts to use available funding most efficiently.

**Recommendation: HUD and HHS should undertake a review of their programs and policies for funding PSH with the goal of maximizing flexibility and the coordinated use of funding streams for supportive services, health-related care, housing related services, the capital costs of housing, and operating funds such as Housing Choice Vouchers.**

Medicaid is an important funding source for PSH, particularly in covering the supportive services that people with disabilities or complex health conditions need to achieve housing stability. Prior to the expansion of Medicaid eligibility as part of the Affordable Care Act, low-income adults were eligible to enroll in Medicaid only if they met certain categorical eligibility requirements. However, in states that have expanded Medicaid, the primary eligibility criterion is now having income lower than 138 percent of the federal poverty line. With this change, a large number of adults who experience homelessness have become eligible for Medicaid.

While federal Medicaid funds cannot cover rent or capital housing costs per se, states do have opportunities to include housing-related services as part of their reimbursable Medicaid benefits. Pursuing these opportunities may help bring PSH to greater scale, if procedural and other barriers can be overcome:

**Recommendation: CMS should clarify the policies and procedures for states to use to request reimbursement for allowable housing-related services, and states should pursue opportunities to expand the use of Medicaid reimbursement for housing-related services to beneficiaries whose medical care cannot be well provided absent safe, secure and stable housing.**

There is currently a substantial and ongoing unmet need for PSH and a shortfall in the funding used to provide it. This gap is not filled by the HUD Continuum of Care or other programs addressing homelessness. In an environment of static or declining discretionary budgets, federal policies should prioritize PSH for persons experiencing chronic homelessness, while not at the expense of downsizing other federal programs from which they benefit:

**Recommendation: HHS and HUD, working with other concerned entities (e.g., nonprofit and philanthropic organizations, state and local governments) should make concerted efforts to increase the supply of PSH for the purpose of addressing both chronic homelessness as well as the complex health needs of this population. These efforts should include an assessment of the need for new resources for the components of PSH, such as health care, supportive services, housing-related services, vouchers, and capital for construction.**

## CONCLUSION

Permanent supportive housing holds potential not only for reducing the number of persons experiencing chronic homelessness but also for improving their health outcomes. PSH should be expanded to address the unmet need, coupled with research to inform decisions about whom and in which circumstances it can be most beneficial. Chronic homelessness and related health conditions are problems that require a multi-dimensional strategy and an ample menu of targeted interventions, premised on a resolute commitment of resources. The committee hopes this report will stimulate federal action and research to advance efforts to address chronic homelessness and improve health outcomes in this country.

## COMMITTEE ON AN EVALUATION OF PERMANENT SUPPORTIVE HOUSING PROGRAMS FOR HOMELESS INDIVIDUALS

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**For More Information . . .** This Consensus Study Report Highlights was prepared by the Science and Technology for Sustainability Program and Board on Population Health and Public Health based on the Consensus Study Report *Permanent Supportive Housing: Evaluating the Evidence for Improving Health Outcomes among People Experiencing Chronic Homelessness* (2018). The study was sponsored by the Blue Shield of California Foundation, California Health Care Foundation, Elsevier, Bill and Melinda Gates Foundation, Conrad N. Hilton Foundation, Kresge Foundation, Melville Charitable Trust, and the U.S. Department of Veteran Affairs. Any opinions, findings, conclusions, or recommendations expressed in this publication do not necessarily reflect the views of any organization or agency that provided support for the project. Copies of the Consensus Study Report are available from the National Academies Press, (800) 624-6242; <http://www.nap.edu> or via the Science and Technology for Sustainability Program web page at <http://www.nationalacademies.org/PGA/STS>.

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