THE CASE FOR HOUSING FIRST





National Alliance to END HOMELESSNESS

ousing First is a proven model for addressing homelessness that prioritizes access to permanent, stable housing, linked with voluntary services as needed. Housing First recognizes that stable housing is a prerequisite for effective psychiatric and substance abuse treatment and for improving quality of life. Once stably housed, individuals are better able to take advantage of wrap-around services - to help support housing stability, employment, and recovery. Without stable housing, attaining these goals becomes much more difficult.

Because federal resources to address homelessness are scarce, it is critical that communities use these resources effectively to serve as many people as possible by investing in approaches like Housing First that have proven to be the most successful in getting people off the streets and into housing.

THE EVIDENCE FOR HOUSING FIRST

Housing First rapidly ends homelessness, is cost-effective, and positively impacts quality of life and community functioning. This model is <u>particularly effective</u> among people who have been homeless for long periods of time and have serious psychiatric disabilities, substance use disorders, and/or other disabilities. Housing First results in higher rates of housing retention.

The Community Preventive Services Task Force (CPSTF), an independent panel of public health and prevention experts appointed by the director of the U.S. Centers for Disease Control and Prevention (CDC), recommends Housing First programs. The CPSTF recommendation is based on evidence from a systematic review of 26 studies, which found that Housing First programs decrease homelessness, increase housing stability, and improve quality of life for people experiencing homelessness. The CPSTF also found that the economic benefits exceed the intervention cost for Housing First programs; in fact, every dollar invested in Housing First programs results in \$1.44 in cost savings.

Despite the clear benefits of Housing First, Congress has not funded long-term solutions at the scale necessary. To address homelessness, Congress should expand rental assistance to all eligible households, build and preserve homes affordable to people with the lowest incomes, and expand voluntary supportive services. Without this investment, more people are pushed into homelessness every day. For example, while 207 people experiencing homelessness secure housing every day in Los Angeles County, 227 people enter homelessness daily.

EARLY EVALUATIONS

The Pathways to Housing program, one of the early versions of Housing First, has greatly informed the field of homeless services. Between 2000 and 2004, there were three major studies of the Pathways model in New York City. These initial studies found:

- A <u>2000 study</u> found that after five years, 88 percent of Pathway participants remained housed, compared to only 47 percent of the residents in the control group.
- A 2004 study found that after 24 months, Pathways participants spent almost no time experiencing homelessness, while participants in the city's residential treatment program spent about a quarter of their time experiencing homelessness on average.
- A 2004 random assignment study found that homelessness programs that eliminated barriers to services, like Housing First, were more successful in reducing homelessness than programs where housing and services were contingent on sobriety and progress in treatment. When individuals were provided access to stable, affordable housing, with services under their control, 79% remained stably housing at the end of 6 months, compared to 27% in the control group.

• A 2004 long-term study found that participants in the Housing First model obtained housing earlier, remained stably housed after 24 months, and reported higher perceived choice than participants in programs where housing and services were contingent on sobriety and progress in treatment.

MAJOR EVALUATIONS

There have been four randomized controlled trials, considered the "gold standard" of research designs, studying Housing First. These major studies found that Housing First resulted in large improvements in housing stability.

For example, Canada conducted a <u>significant evaluation</u>, encompassing five cities - Vancouver, Winnipeg, Toronto, Montreal, and Moncton - and over 2,000 participants, making it the world's largest study on <u>Housing First</u>. The study found:

- Housing First rapidly ends homelessness. Participants in Housing First rapidly obtained housing and retained their housing at a much higher rate than the treatment as usual group. After two years, 62% of the Housing First participants were housed the whole time compared to 31% of those who were required to participate in treatment prior to the receipt of housing.
- Housing First is a good investment. The economic analysis found some cost savings and cost offsets. Every \$10 invested in Housing First services resulted in an average savings of \$9.60 for high-needs participants and \$3.42 for moderate needs participants. Significant cost savings were realized for the 10 percent of participants who had the highest costs at study entry; for these individuals, every \$10 invested in Housing First services resulted in an average savings of \$21.72.
- Housing First can improve quality of life and other outcomes. Having a place to live and the right supports can lead to other positive outcomes beyond those provided by existing services. Housing stability, quality of life, and community functioning outcomes were all more positive for participants in Housing First programs.

RECENT STUDIES

Additional evaluations of Housing First have been completed in recent years. These evaluations found:

- Housing First programs reduce homelessness, increase housing stability, and improve quality of life for people who are experiencing homelessness. Evidence from a systematic review shows Housing First programs more effectively reduce homelessness and improve housing stability for unhoused individuals. Housing First programs also lead to reduced hospitalization and use of emergency health departments by people experiencing homelessness. A 2021 study found that Housing First programs decreased homelessness by 88% and improved housing stability by 41%, compared to Treatment First programs. A recent study found that Housing First programs not only substantially reduced veteran homelessness, but also prevented a large increase in veteran homelessness. Both older and younger adults experiencing homelessness benefit from Housing First.
- Housing First can lead to better treatment outcomes. While an earlier study found no difference in treatment outcomes between Housing First and high-barrier programs, some more recent studies indicate that Housing First participants are more likely than others to report reduced usage of alcohol, stimulants, and opiates. A 2015 study found that Housing First programs are more effective at increasing outpatient service utilization, as well as outreach to and engagement of clients who are not appropriately served by the public mental health system. Critics' fears about increased substance use and psychiatric symptoms have not been supported by research findings.
- Housing First can reduce healthcare and other costs. A systematic review found that the economic benefits exceed the intervention cost for Housing First programs in the U.S., with societal cost savings of \$1.44 for every dollar invested. The economic benefit due to the intervention is the combined savings from healthcare, emergency housing, judicial services, welfare and disability costs, and benefits

from increased employment. <u>Studies</u> also show that Housing First reduces hospital visits, admissions, and duration of hospital stays among homeless individuals, and overall public system spending is reduced by nearly as much as is spent on housing. The average cost savings to the public ranges from <u>\$900 to \$29,400</u> per person per year after entry into a Housing First program.

FEDERAL SUPPORT

HUD, the U.S. Interagency Council on Homelessness (USICH), and the U.S. Department of Veterans Affairs (VA) announced on January 26 that more than 140,000 people experiencing homelessness have been permanently housed using the Housing First approach through "House America," a national initiative to address the homelessness crisis. HUD and USICH helped 105 communities permanently house more than 100,000 households experiencing homelessness and add over 40,000 deeply affordable housing units to their development pipelines. Furthermore, the VA helped permanently house more than 40,000 veterans experiencing homelessness in 2022, exceeding by 6.3 percent the department's goal of housing 38,000 veterans.

The VA cites Housing First as a best practice and uses this approach in its HUD-Veterans Affairs Supportive Housing (HUD-VASH) program. Today, the HUD-VASH Program serves nearly <u>90,000 veterans</u> using the Housing First model with 137 public housing authorities across the nation. Results from the 2022 Point-in-Time Count show an <u>11% decline</u> in the number of veterans experiencing homelessness since early 2020, the biggest drop in veteran homelessness in more than five years.

The USICH and HUD cite Housing First as a best practice. In a 2016 memo, USICH urges local officials:

"The U.S. Interagency Council on Homelessness (USICH) and HUD cite Housing First as a best practice. In its 2022 *Federal Strategic Plan to Prevent and End Homelessness*, USICH recommits the federal government to Housing First, referring to the model as "a proven solution that leads to housing stability as well as improvements in health and well-being."

HUD emphasizes the <u>success</u> of Housing First in its <u>House America</u> initiative, and in treating the most difficult category of homelessness:

"Permanent supportive housing models that use a Housing First approach have been proven to be highly effective for ending homelessness, particularly for people experiencing chronic homelessness who have higher service needs. Studies such as HUD's "<u>The Applicability of Housing First Models to</u> <u>Homeless Persons with Serious Mental Illness</u>" have shown that Housing First permanent supportive housing models result in long-term housing stability, improved physical and behavioral health outcomes, and reduced use of crisis services such as emergency departments, hospitals, and jails."

For more information, contact Sarah Saadian, Senior Vice President of Public Policy at the National Low Income Housing Coalition, at ssaadian@nlihc.org, or Steve Berg, Vice President for Programs and Policy at the National Alliance to End Homelessness, at sberg@naeh.org.

1000 Vermont Avenue, NW | Suite 500 | Washington, DC 20005 | 202-662-1530 | www.nlihc.org