

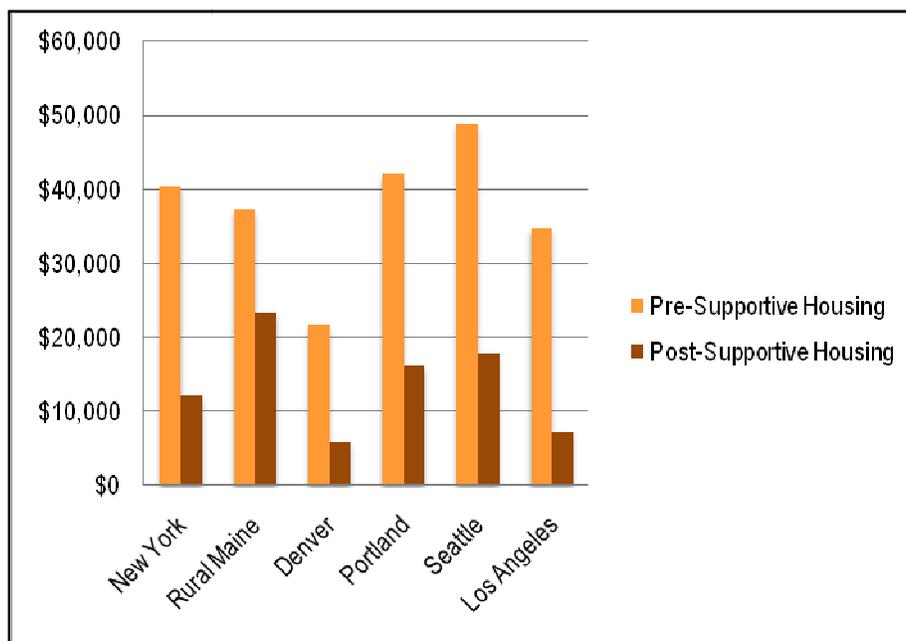


FAQ's about Supportive Housing Research: Is Supportive Housing Cost Effective?

Supportive housing is designed primarily for people with long histories of homelessness due to persistent obstacles like serious mental illness, a substance use disorder or chronic medical problems. Compared with other very low-income people, these men and women disproportionately uses shelters, emergency health care and public mental health services—often cycling rapidly through various public institutions at great cost to taxpayers. Supportive housing can break this cycle by providing affordable housing *and* the services these people need to stay in a home. The result? Reduced burden—and cost—to our public systems. Just look at the numbers.

Supportive Housing Generates Significant Cost Savings to Public Systems

Cost studies in six different states and cities found that supportive housing results in tenants' decreased use of homeless shelters, hospitals, emergency rooms, jails and prisons.¹



Per-Person Annualized Cost of Public Services Before and After Entering Supportive Housing

Health Care, Shelter and Corrections Systems See the Biggest Cost Offsets

The same studies indicate that health care systems see the most savings, followed by shelter and corrections.

Health Care. In New York, reduced psychiatric hospitalizations resulted in an annual savings of \$8,260 per person. In Denver and Los Angeles, annual reductions in physical health hospitalizations saved \$3,423 and \$13,392 per person, respectively.

Shelter. Large annual savings were also generated as a result of reductions in shelter use - \$3,799 and \$6,844 per person in New York and Denver, respectively.

Incarceration. Savings from reductions in jail and prison use were smaller, but still significant. In New York, combined annual savings from jail and prison was \$800 per person, \$686 in Denver, and \$1,320 in Los Angeles.

¹ Throughout this summary, figures were converted to annual amounts in order to better compare across studies.

Supportive Housing Is No More (And Sometimes Even Less) Costly

Supportive Housing saves significant money to many public institutions while using no more and sometimes fewer resources in return for better results. For example, in New York, reductions in service use resulted in an annualized savings of \$16,282 per unit, which amounts to 95% of the cost of providing supportive housing. In Portland, the annual savings per person amounted to \$24,876, whereas the annual cost of housing and services was only \$9,870.

Emerging Evidence: Supportive Housing vs Housing Alone

A study conducted by the Economic Roundtable in Los Angeles looked at cost savings generated from supportive housing and housing without services. For the general homeless population, temporary or permanent housing (without services) reduces public costs by 50%. But for the chronically homeless, supportive housing reduces public costs by 79% suggesting that adding services gets communities an even greater return for their investment in those that have been homeless the longest.

The Bottom Line: Supportive Housing Is Cost Effective!

Our communities need solutions that work to prevent and end homelessness—and supportive housing offers much-needed outcomes for no more (if not less!) expense to our public systems.

Meet Lavelle...

Lavelle Conner, 46, estimates he's been arrested 150 times. While struggling with schizophrenia, depression and drug addiction during his 12 years of homelessness, he slept in abandoned buildings and ate out of garbage cans. With little if any support, Lavelle faced one dead end after another. "The drugs helped my pain, so I kept taking things that weren't mine to support my habit."

Lavelle's story is not unusual. Many like him are trapped in a cycle of homelessness, incarceration, and health and mental health crises. Taxpayer dollars are wasted as the status quo continues and peoples' lives spiral out of control.

But with the right help, Lavelle was able to turn his life around. He became a permanent supportive housing tenant through Thresholds, a Chicago-area nonprofit. Since obtaining housing, counseling and other support services, he has been living with stability for nearly four years. Lavelle no longer abuses drugs and has remained out of trouble. He has served as president of the tenant council and a consumer advocate for a Thresholds' jail diversion program. He says, "I learned that it took guidance and support to help me get my life back together...I prefer opportunities over privileges."