

Rhode Island's *Housing First* Program

Year 1 Evaluation

Executive Summary

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In 2005, the state of Rhode Island and the United Way of Rhode Island created a program to address chronic homelessness in the state by housing 50 homeless single adults in subsidized apartments and by providing those clients with the services they needed to stay housed. The program was designed according to “*Housing First*” principles which involve rapid access to permanent housing with voluntary access to a variety of services. The program was implemented in late 2005 with the first client accessing housing and the 48th client was placed in April of 2007. An evaluation of the program by Eric Hirsch, PhD and Irene Glasser, PhD began in July 2006. The primary evaluation tool was in-depth interviews with clients in the program. This preliminary report is based on 41 baseline interviews and 30 follow-up interviews with clients. A more complete report will be released during the summer of 2008.

The results of this program have been very positive. The program is clearly serving its intended *chronically homeless* population. At the time of our interviews, clients in the program had been homeless for an average of 7.6 years. We do not have complete data yet on the use of publicly-funded services. The data we do have, on 18 clients, indicates that there has been a dramatic decline in the use of government-funded services, as shown in the tables below.¹

The Cost of Homelessness

Estimated costs for year before entering *Housing First* program

Service Used = Quantity	Cost per	Total Cost
Hospital overnights = 534	\$1,719	\$917,946
Mental health overnights = 73	\$1,300	\$94,900
Alcohol/drug overnights = 538	\$220	\$118,360
Emergency room visits = 177	\$640	\$96,640
Jail/prison overnights = 919	\$108	\$84,780
Shelter overnights = 9,600	\$25	\$205,000
Total = \$1,517,626		
Divided by 48 clients = \$31,617 per client		

¹ These tables involve extrapolating 6 months of data to 12 months and extrapolating 18 to 48 clients.

Research supported by the United Way of Rhode Island

The Cost of Supportive Housing

Estimated costs for year after entering *Housing First* program

Service Used = Quantity	Cost per	Total Cost
Hospital overnights = 149	\$1,719	\$256,131
Mental health overnights = 16	\$1,300	\$20,800
Alcohol/drug overnights = 43	\$220	\$9,460
Emergency room visits = 75	\$640	\$48,800
Jail/prison overnights = 149	\$108	\$16,092
Shelter overnights = 640	\$25	\$16,000
Total = \$366,483		
Divided by 48 clients = \$7,635 per client + \$9,500 cost of supportive services + \$5,643 cost of housing subsidy = \$22,778 per client		

The estimated cost per client in institutional services use while in the program is \$7,635 per person per year. Adding program costs of \$9,500 per person for supportive services and \$5,643 person for housing subsidies results in a total per client cost of \$22,778 per person per year. **This is \$8,839 per person less than the institutional costs of \$31,617 per person while these individuals were homeless for a year. For these 48 clients as a whole, the costs while in this Housing First program are approximately \$424,272 less than the institutional costs of one year of homelessness.**

These cost savings can only be realized if clients remain in their new homes. A return to a life in the street or in shelters is destructive to the client's health, mental health, and level of social integration. And it dramatically increases the costs to the government and taxpayers due to increased use of health, mental health, corrections, and shelter facilities. Out of the total 48 individuals housed by the program, 16 clients have left. Given that the program has been in existence for 18 months and assuming 48 housing slots at this point in the program, the turnover rate per year has been 22%. This is in line with national turnover rates for other supportive housing programs around the country.

The clients themselves consider this program to be very successful. 93% of clients reported being "Very Dissatisfied" with their housing situation the year before entering their apartment. By contrast, 78% of clients reported being "Very Satisfied" and 12% "Somewhat Satisfied" with their housing situation at the time of our first interviews. Those in the program also feel they are making great progress on health, mental health, and social goals. While homeless, nearly half of participants rated their health as "Poor" or "Very Poor" and two-thirds of participants said that physical or mental health disabilities had limited their ability to interact with those they felt close to. Once in the program nearly half rated their health as "Good or "Very Good" and only one third felt that their disabilities limited their social interaction.

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Year 1 Evaluation
Executive Summary**

Program case managers have been very effective in getting their clients on income support programs such as Supplemental Security Income (SSI). This has resulted in a slight increase in their incomes. They have been less effective in promoting work. The great majority of those participating in this program have mental and physical disabilities that make it very difficult or impossible for them to work in part-time or full-time jobs.

This pilot supportive services program has been extremely successful. Our recommendation would be to expand this program to include more chronically homeless Rhode Islanders, a population estimated to be approximately 650 individuals. This would result in cost savings for the state and its citizens, and it would dramatically improve the lives of those benefiting from the program.

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Year 1 Evaluation
Executive Summary**