

# Executive Summary of the Housing First Model Development Initiative

## Background

The Secretary's goal is to eliminate homelessness among veterans by 2015. According, VHA Homeless Programs Office has enhanced programming and developed new initiatives over the past several years to meet this objective. Under the National Center on Homelessness among Veterans, Model Development Core, new program designs, based on practice informed research, have been implemented. Among these, and most likely to reduce homelessness among the chronic homeless Veteran population, is Housing First. "Housing First" programs offer immediate permanent housing without requiring treatment compliance, abstinence, or "housing readiness" with a treatment first approach used by many traditional homeless programs.

## Research

Prior to implementing Housing First, a systematic review of the literature was conducted. The findings are summarized below.

**The problem and the need.** The majority of services and accompanying costs for persons experiencing chronic homelessness are incurred by a small minority of persons utilizing preventable and expensive acute healthcare services (Culhane & Bryne, 2010), and coming into contact with the criminal justice system (Poulin, Maguire, Metraux & Culhane, 2010). While existing services and interagency collaborations to prevent initial and repeat episodes of homelessness are vital in the fight to address homelessness, they are generally not sufficient in the absence of housing support (Gerber, Haradon, & Phinney, 2008), particularly for those who experience severe mental illness in addition to chronic homelessness (Newman, & Goldman, 2008). For those experiencing chronic homelessness, permanent supportive housing interventions such as Housing First are needed to provide residential stability and access to supportive services to prevent expensive acute health care use (Culhane, & Bryne, 2010), with accompanying personal and societal costs.

**Outcomes for supportive housing.** Supportive housing interventions have been shown to improve housing outcomes and stability as well as reduce acute healthcare use and criminal justice involvement for persons experiencing chronic homelessness with severe mental illness (Culhane, Metraux, & Hadley, 2002; Gilmer, Stefancic, Ettner, Manning, & Tsemberis, 2010). These reductions in acute healthcare use and criminal justice involvement resulted in significant cost savings when compared to those not receiving supportive housing services (Gilmer, Stefancic, Ettner, Manning, & Tsemberis, 2010), with one study finding these savings offset 95% of the costs of providing supportive housing (Culhane, Metraux, & Hadley, 2002). Reductions in acute

healthcare use is consistent with other studies on supportive housing for persons experiencing chronic homelessness documenting improved access to routine outpatient care for both physical and behavioral health needs (Mares & Rosenheck, 2011). Given this evidence, the provision of supportive housing services, such as Housing First, represents a strong investment in taxpayer dollars (Culhane, Metraux, & Hadley, 2002).

**Outcomes for Housing First.** Multiple randomized studies document the ability of Housing First interventions to provide better residential stability and housing outcomes (Padgett, Gulcur, & Tsemberis, 2006; Stefancic & Tsemberis, 2007; Tsemberis & Eisenberg, 2000; Tsemberis, Gulcur, & Nakae, 2004) when compared to linear residential treatment approaches or treatment-as-usual conditions for persons experiencing chronic homelessness with severe mental illness. These beneficial residential stability and housing outcomes among Housing First participants did not come at the expense of increased levels of substance use compared to those in treatment-as-usual conditions (Padgett, Gulcur, & Tsemberis, 2006; Tsemberis & Eisenberg, 2000; Tsemberis, Gulcur, & Nakae, 2004), contrary to assumptions that the provision of housing without mandated sobriety would result in higher levels of participant substance abuse. Consistent with research on other, more general supportive housing interventions, Housing First participation has been shown to be associated with reduced costs and return in housing investment due to reduced use of acute healthcare services and criminal justice involvement by Housing First participants (DeSilva, Manworren, & Targonski, 2011; Larimer et al., 2009; Parker, 2010; Sadowski, Kee, VanderWeel, & Buchanan, 2009). In addition to these positive clinical and public health outcomes, qualitative interviews with Housing First participants supports the acceptability and positive perception of Housing First services among persons experiencing chronic homelessness with severe mental illness (Pearson, Montgomery & Locke, 2009).

**Comparison of housing models - Housing First vs. treatment first.** Two studies that have systematically examined the literature on outcomes for persons experiencing chronic homelessness with severe mental illness participating in different housing interventions document the superiority of housing plus supportive services housing models compared to non-model housing interventions (Leff, Chow, Pepin, Conley, Allen, & Seamna, 2009; Nelson, Aubry, & Lafrance, 2007). Results from one study examining the long-term outcomes of chronically homeless persons with severe mental illness participating in a national multi-site housing project found that persons who received Housing First (vs. treatment first) had better housing outcomes and fewer days incarcerated, but with no observed differences in clinical outcomes (Tsai, Mares, & Rosenheck, 2010), consistent with prior studies of Housing First and other supportive housing interventions.

**Veteran-specific outcomes.** Veterans experiencing homelessness are more likely than housed veterans to have higher rates of acute healthcare use and associated costs (Buchholz et al., 2010), suggesting the need for supportive housing services. Supported housing services represent the preferred choice of housing services among veterans experiencing chronic homelessness with severe mental illness (Schutt,

Weinstein, & Penk, 2005). Among veterans receiving supportive housing services, no differences in supportive housing tenure has been found between veterans who did and did not receive residential treatment prior to their involvement (Mares, Kaspro, & Rosenheck, 2004), supporting the superiority of Housing First-type approaches versus residential treatment first approaches for veterans experiencing chronic homelessness with severe mental illness. Consistent with other studies examining supportive housing services compared to other approaches to address homelessness in the general population, research supports the superiority of supportive housing approaches among veterans to improve residential stability and housing outcomes (Rosenheck, Kasporow, Frisman, & Liu-Mares, 2003).

## **Practice**

Community providers such as Boley Centers in Florida have provided permanent housing with supportive services for chronically homeless people with serious mental health and substance abuse issues for some time (Clark, Teague, Henry, 1999). The full development of this type of program is through Pathways to Housing and this became the model labeled Housing First (Tsemberis & Eisenberg, 2000)

An early precursor of the VA involvement in supportive housing with an emphasis on Housing First was the development of the Collaborative Initiative to Help End Chronic Homelessness (CICH), an innovative demonstration project coordinated by the U.S. Interagency Council on Homelessness (USICH), jointly funded by the Departments of Housing and Urban Development (HUD), Health and Human Services (HHS [SAMHSA and HRSA]), and Veterans Affairs (VA). Initiated in 2003 it focused on improving outcomes for chronically homeless individuals by making funding available to support 11 communities working to integrate housing and treatment services for disabled individuals who have experienced long-term and/or repeated homelessness. The following six core services were provided for 3-5 years: permanent supportive housing, case management, mental health treatment, substance abuse treatment, primary health care, and veteran's health services.

## **Cost Benefit Analysis**

Prior to VA's implementation of Housing First a review of literature comparing various approaches was conducted to determine cost benefit analysis. A groundbreaking study released in 2001 documented substantial cost savings from community-based care compared to shelters, jails, and hospital beds (Culhane et al., 2001). Annual per capita costs of the Pathways To Housing, a New York City based Housing First Program, are

\$22,500 compared with \$40,000 to \$50,000 for treatment first congregate housing programs, \$85,000 for a jail bed, and \$175,000 for a state psychiatric hospital bed (Anderson, 2005). This review influenced VA's decision to establish Housing First pilots

## **Current Offerings**

In preparation for implementation of the Housing First model, VA reviewed its current offerings of housing alternatives for homeless Veterans. This review was a necessary step in the model development process to determine the need for the new program, to determine "fit" with existing programs, and to avoid duplication of programs already offered.

VA currently provides the following programs that offer permanent, transitional, or temporary residential treatment and respite for homeless Veterans:

**HUD-VASH:** The HUD-VASH program offers permanent housing with case management/supportive services in a joint partnership with HUD. The program targets chronically homeless Veterans and families, and provides the Veterans with placement in permanent housing of the Veteran's choice thru a Housing Choice voucher.

**Grant and Per Diem:** This grant program provides transitional housing and supportive services to homeless Veterans via grants and per diem payments to non-profit community providers.

**HCHV Contract Residential Treatment:** This VA program provides contract time limited residential treatment services with community based providers for homeless Veterans. VA operates a Safe Haven model development program for chronically homeless Veterans under the authorities provided for this program.

**Domiciliary Care for Homeless Veteran Programs:** This VA program offers time limited residential treatment services to homeless Veterans. The facilities are usually on the grounds of the VA Medical Centers and have capacity to provide care for Veterans with mental illness and substance abuse treatment issues.

A review of the offerings determined that many of the programs did not offer a low demand approach, sometimes required sobriety and compliance with mental health treatment as a condition of admission or continued stay, often could not house Veterans rapidly, and frequently used a step approach to providing the Veteran permanent housing as opposed to providing a "housing first" approach. In fact, a significant proportion of VA's homeless programs offerings are transitional or residential treatment oriented by design. The review indicated that implementation of a Housing First model would provide chronically homeless Veterans with a desirable and needed alternative.

## **Needs Assessment**

The selection of the 14 VAMC Housing First pilot sites was based on the needs of Veterans in large urban areas and targeted communities. In an effort to end homelessness among Veterans, the VA and HUD collaborated on the site selection by first deciding that the target population must be those Veterans who met HUD's definition of "chronic homelessness" or long term homeless who were living on the streets or shelters. The Housing First model was specifically designed to serve this target group of Veterans who were literally homeless, rather than coming from a setting such as the VA's Grant Per Diem Program, residential treatment or other HUD funded, non-VA, housing program.

In addition, the VA and HUD reviewed the national homeless Continuum of Care data from Homeless Coalitions that conducted their annual "point in time" surveys to determine the highest numbers of Veteran who were homeless, and specifically those communities with high populations of chronically homeless. The following sites were selected to participate the 14 site Housing First pilot, with dedicated HUD-VASH Permanent Supportive Housing vouchers and enriched HUD-VASH staffing for the VA: Greater Los Angeles; San Francisco; New York City (Bronx and NY Harbor),; Philadelphia; Washington, DC; Chicago; Detroit; Denver; Dallas; Boston (New Bedford VAMC); Portland, St. Petersburg (Bay Pines VAMC, Fl.); Syracuse and New Orleans.

## **Technical Assistance**

The National Center among Homeless Veterans selected a core team of Technical Assistance experts from the VA, University of South Florida and Pathways to Housing to provide on-site Housing First Model Development and technical assistance to all of the 14 Housing First sites. This TA was complemented with bi-weekly conference calls with all of the sites. Besides the VA's standard HUD-VASH Handbook for "regular HUD-VASH", it was agreed that all sites would use the book: *Housing First – The Pathways Model to End Homelessness for People with Mental Illness and Addiction*". (Tsemberis, Sam J.; Hazelden Edition). Dr. Tsemberis is the Founder of Pathways to Housing (Housing First) and a member of the core consulting team. In addition, a special chapter "HUD-VASH and Housing First" was written by several contributing authors in the National Center's "HUD-VASH Resource Guide for Permanent Housing and Clinical Care (2011) for use by the HUD-VASH pilot sites.

## **Authorities for Provision of Services**

There is no specific legislative authority for the Housing First model for placement of homeless, but HUD encourages the use of this model and provides technical assistance and information about the model on its web site. Specific authority for Section 8 housing

that encompasses HUD's Housing Choice voucher program is provided by the Housing and Community Development Act of 1974. The 2008 Consolidated Appropriations Act (Public Law 110-161) enacted December 26, 2007, allocated \$75 million dollars funding the HUD-Veterans Affairs Supportive Housing (HUD-VASH) voucher program, authorized under section 8(o)(19) of the United States Housing Act of 1937. This new program combines HUD Housing Choice Voucher rental assistance for homeless veterans with case management and clinical service support which is provided by VA at its own medical centers and also in the community.

## **Model Construction**

### **Program Components**

There are a number of key components of the Housing First approach that must be incorporated into a successful Housing first model development initiative:

- Housing First programs target chronically homeless Veterans with severe mental illness and/or persistent substance abuse problems.
- Permanent housing is provided to the homeless Veteran as quickly as possible and then treatment and other support services are wrapped around the Veteran to help the Veteran obtain and maintain permanent housing.
- This is a departure from many traditional programs that require treatment before housing and may require residential treatment or transitional housing before placement in permanent housing.
- Treatment and supportive services for Veterans in Housing First is most effectively provided by implementation of an Assertive Community Treatment (ACT) Team.
- ACT is a service-delivery model that provides comprehensive, community based treatment to individuals with serious and persistent mental illnesses who have experienced chronic homelessness.
- Unlike other community-based programs, ACT is not a linkage or brokerage case-management program that connects individuals to mental health, housing, or rehabilitation agencies or services. Rather, it provides highly individualized services directly to consumers, most frequently, in the Veteran's home.
- ACT team members are trained in the areas of psychiatry, social work, nursing, substance abuse, and vocational rehabilitation. A dedicated ACT team provides these necessary services 24 hours a day, seven days a week, and 365 days a year.
- A typical ACT Team is comprised of the following staff: Case managers (SW, Nursing or Psychologist), a Peer specialist, a Housing Specialist, a Nurse Practitioner, a Psychiatrist (.25FTE-.5FTE), and a Program Assistant.

### **Site Requirements**

VA sites implementing Housing First were required to meet the following basic requirements:

- To use up to 50 HUD-VASH vouchers to target chronically homeless Veterans requiring additional case management support.
- To hire and implement ACT Teams for ongoing management of Veterans and their families placed in the Housing First Program
- To participate in the in technical assistance, fidelity reviews, and data management activities as a model development site of the VA National Center on Homelessness among Veterans.

### **Programmatic Adjustments**

Only minor program adjustments were needed to implement Housing First at the fourteen Housing First sites. Due to hiring and recruitment constraints being experienced by some of the selected sites, facilities were allowed to contract Housing First program and case management services.

**Funding Requirements:** The fourteen Housing First model development sites each received approximately \$325,000 for start up costs and hiring of ACT team staff. Total costs for the first year of operation of the fourteen sites was \$4.5 million.

### **Providers Operational Requirements**

Contracted providers were required to meet the same requirements as VA facilities implementing the Housing First model

**Training Development** – Besides formal technical assistance, the VA hosted two formal training in New Orleans for the 14 Housing First site in 2011 and 2012. Representative from the VA Senior Management of Homeless Services, the National Center, University of South Florida and Pathways to Housing led the trainings. The training was structured as an opportunity for all 14 pilot sites to learn about the core principles and practices of Housing First; organizational culture shift from a linear model of transitional housing to housing first; target populations; panel discussions on strategic implementation issues; administrative problem solving and information shared among the pilot sites. The second training in 2012 was held in conjunction with the first National Conference on Housing First where VAMC personnel could interact and learn from other non-VA Housing First providers who in some cases have been implementing the Housing First model for 20 years.

**Model Refinement** – Housing First in the VA can best be described as an evolutionary process; whereby the “fidelity” of the Housing First model is being held as the ‘gold standard’ and modifications are being made by the VA based on VA HUD-VASH resources, needs of Veterans, staffing/personnel processes and available access to other VAMC services that may not be present in non-VA Housing First models. For example, in order to meet the needs of Veterans who have serious co-occurring mental health and substance use/abuse issues, the addition of substance abuse counselors on the Housing First team was a priority. The expansion of peer specialists (Veterans in recovery) on many of the pilot teams is a natural evolution of the model and best practices in Housing First. From a funding perspective, the initial HUD-VASH allocation did not include financial resources for start-up costs, such as fully furnished apartments, utensils, security deposits, and move-in expenses. Therefore, the VA needed to forge community-based partnerships, often with homeless coalitions, non-profit providers and businesses to build the program. Although the Housing First model and approach is primarily “on-site”; Veterans do have access to a variety of behavioral health and healthcare service on the campus on the VAMC’s. Also the development of the Homeless –Patient Aligned Care teams (H-PACT), VA Safe Havens and Community Referral and Resources Centers (CRRC’s) exist in several of the Housing First pilot sites (I.E. Bay Pines, Portland, New York, etc.) where a comprehensive and “integrated” opportunity for the VA is possible.

## **Model Delivery**

### **Plan**

The Secretary has determined the Housing First approach be VA policy and be the model of care for chronically homeless Veterans in HUD-VASH Programs. VA is adopting the Housing First approach for the U.S. Department of Housing and Urban Development VA Supportive Housing (HUD-VASH) program. HUD-VASH is a joint effort between HUD and VA to move Veterans and their families out of homelessness and into permanent supportive housing. In this program, HUD provides housing assistance through its Housing Choice Voucher Program (Section 8); enabling Veterans who are experiencing homelessness to rent privately-owned housing. VA offers eligible Veterans case management and supportive services through its healthcare system across the 50 states, the District of Columbia, Puerto Rico, and Guam.

### **Site Suitability**



The requirements for the sites are described in the previous section.

### **Stakeholder Buy-In**

Implementation of the Housing First model required a high degree of collaboration between VA Housing First staff and the local Public Housing Authority staff. To facilitate that collaboration, national training was conducted jointly with both groups. VA staff and PHA staff were encouraged to meet regularly to share problems with implementation of the model and to problem solve issues related to model implementation.

### **Provider Contracts**

Three sites chose to implement Housing First through service contracts. Sites utilizing contracts were required to develop statements of work that required the same components as VA managed programs. Contracting for services resulted in substantially longer implementation times.

### **Program Operation**

During the first months of operation in FY 2012, the fourteen sites placed 455 Veterans in permanent housing with an average placement time of 123 days and 90% of the Veterans place qualifying as chronically homeless. The HUD-VASH programs at the fourteen sites placed 2,182 Veterans with an average of 132 days to placement and 50% of the Veterans meeting the chronic homelessness criteria.

It should be noted that these are early program implementation results with some programs not being fully operational and having a full compliment of staff. Early results also indicate a high percentage of homeless Veterans remaining stably housed with high satisfaction with program participation.

### **Staff and Site Training**

Each model development site was encouraged to provide additional training to their facility staff and to make their facilities aware of their targeting requirements, ACT Team support provided to program participants, and the basic Housing First model components.

### **Operations Adjustments**

The ability to rapidly house Housing First clients for model implementation sites was significantly affected by two factors that required program adjustments and interventions:

**Housing stock availability:** Having housing stock immediately available is critical to the Housing First model. Most sites experience delays in housing Veterans as rapidly as supported by the model by the availability of “move in ready” housing stock, delays in Section 8 housing inspections, and processing and orientation delays at local Public Housing Authorities (PHA). A number of programmatic adjustments have been made to address this problem including VA staff conducting housing inspections, having landlord open houses, working with PHAs to increase housing ready stock, and working with PHAs to streamline administrative procedures. Some problems remain in this area.

**Furniture, household goods and move in subsidies:** The lack of a ability to for VA or PHAs to provide these items in directly has been a significant impediment to rapid placement. Both VA and PHA staff have worked with non-profit, charitable, and private funders to ameliorate this problem, but it remains a significant barrier to rapid placement.

## References

- Buchholz, J. R., Malte, C. A., Calsyn, D. A., Baer, J. S., Nichol, P., Kivlahan, D. R., et al. (2010). Associations of housing status with substance abuse treatment and service use outcomes among veterans. *Psychiatric Services*, 61(7), 698-706.
- Clark, C., Teague, G., & Henry, R. (1999). Prevention of homelessness in Florida. *Alcoholism Treatment Quarterly*, 17 (1/2), 73-91.
- Culhane, D. P. & Byrne, T. (2010). Ending chronic homelessness: Cost-effective opportunities for interagency collaboration. Penn School of Social Policy and Practice Working Paper. Available at: [http://works.bepress.com/dennis\\_culhane/94](http://works.bepress.com/dennis_culhane/94)
- Culhane, D. P., Metraux, S., & Hadley, T. (2002). Public Services Reductions Associated with Placement of Homeless Persons with Severe Mental Illness In Supportive Housing. *Housing Policy Debate*, 13(1), 107-163.

- DeSilva, M. B., Manworren, J., & Targonski, P. (2011). Impact of a Housing First program on health utilization outcomes among chronically homeless persons. *Journal of Primary Care & Community Health, 2*(1), 16-20.
- Gerber, E.R., Haradon, S., & Phinney, R. (2008). Reforming the system of care: A review of the literature on housing and service arrangements for homeless populations. Center for Local, State, and Urban Policy, Policy Report, no 12.
- Gilmer, T. P., Stefancic, A., Ettner, S. L., Manning, W. G., & Tsemberis, S. (2010). Effect of full-service partnerships on homelessness, use and costs of mental health services, and quality of life among adults with serious mental illness. *Archives of General Psychiatry, 67*(6), 645-652.
- Larimer, M. E., Malone, D. K., Garner, M. D., Atkins, D. C., Burlingham, B., Lonczak, H. S., et al. (2009). Health care and public service use and costs before and after provision of housing for chronically homeless persons with severe alcohol problems. *JAMA: The Journal of the American Medical Association, 301*(13), 1349-1357.
- Leff, H. S., Chow, C. M., Pepin, R., Conley, J., Allen, I. E., & Seaman, C. A. (2009). Does one size fit all? What we can and can't learn from a meta-analysis of housing models for persons with mental illness. *Psychiatric Services, 60*(4), 473-482.
- Mares, A. S., Kaspro, W. J., & Rosenheck, R. A. (2004). Outcomes of supported housing for homeless veterans with psychiatric and substance abuse problems. *Mental Health Services Research, 6*(4), 199-211.
- Nelson, G., Aubry, T., & Lafrance, A. (2007). A review of the literature on the effectiveness of housing and support, assertive community treatment, and intensive case management interventions for persons with mental illness who have been homeless. *American Journal of Orthopsychiatry, 77*(3), 350-361.
- Newman, S., & Goldman, H. (2008). Putting housing first, making housing last: Housing policy for persons with severe mental illness. *American Journal of Psychiatry, 165*(10), 1242-1248.
- Padgett, D. K., Gulcur, L., & Tsemberis, S. (2006). Housing First services for people who are homeless with co-occurring serious mental illness and substance abuse. *Research on Social Work Practice, 16*(1), 74-83.
- Parker, D. (2010). Housing as an intervention on hospital use: Access among chronically homeless persons with disabilities. *Journal of Urban Health, 87*(6), 912-919.

- Pearson, C., Montgomery, A. E., & Locke, G. (2009). Housing stability among homeless individuals with serious mental illness participating in housing first programs. *Journal of Community Psychology, 37*(3), 404-417.
- Poulin, S. R., Maguire, M., Metraux, S., & Culhane (2010). Service use and costs for persons experiencing chronic homelessness in Philadelphia: A population-based study. *Psychiatric Services, 61*(11), 1093-1098.
- Rosenheck, R., Kaspro, W. J., Frisman, L., & Liu-Mares, W. (2003). Cost effectiveness of supported housing for homeless person with mental illness. *Archives of General Psychiatry, 60*, 940-951.
- Sadowski, L. S., Kee, R. A., VanderWeele, T. J. P., & Buchanan, D.. (2009). Effect of a housing and case management program on emergency department visits and hospitalizations among chronically ill homeless adults: a randomized trial. *JAMA, 301*(17), 1771-1778.
- Schutt, R. K., Weinstein, B., & Penk, W. E. (2005). Housing preferences of homeless veterans with dual diagnoses. *Psychiatr Serv, 56*(3), 350-352.
- Stefancic, A., & Tsemberis, S. (2007). Housing first for long-term shelter dwellers with psychiatric disabilities in a suburban county: A four-year study of housing access and retention. *Journal of Primary Prevention, 28*, 265-279.
- Tsai, J., Mares, A. S., & Rosenheck, R. A. (2010). A multisite comparison of supported housing for chronically homeless adults: "Housing First" versus "residential treatment first". *Psychological Services, 7*(4), 219-232.
- Tsemberis, S., & Eisenberg, R. F. (2000). Pathways to housing: Supported housing for street-dwelling homeless individuals with psychiatric disabilities. *Psychiatric Services, 51*(4), 487-493.
- Tsemberis, S., Gulcur, L., & Nakae, M. (2004). Housing First, consumer choice, and harm reduction for homeless individuals with a dual diagnosis. *American Journal of Public Health, 94*(4), 651-656.