Project 50: Ending Chronic Homelessness with Permanent Supportive Housing and Integrated Data Systems

Project 50 was a coordinated effort among multiple government agencies to provide permanent housing and supportive services to 50 of the most vulnerable chronically homeless individuals living in LA County's Skid Row.

Background

In October of 2007, Los Angeles County Supervisor Zev Yaroslavsky convened a regional conference of homelessness experts, administrators and LA County representatives to examine the persistent and expensive problem of homelessness in the County. The conference culminated in strong support for a Permanent Supportive Housing (PSH) approach. The project was influenced by the successes of the New York City based non-profit, Common Ground, as well as the wealth of literature supporting this method.[1] In November of 2007, the LA County Board of Supervisors unanimously passed the project with a $3.6M budget. Since its inception, Project 50 has been expanded to house 133 participants, and has an 80% retention rate after four years.

Project 50 Process and Program

In December 2007, an outreach team used a Vulnerability Index (developed by Common Ground), to identify the 50 most at risk chronically homeless people on Skid Row for the program. A comparison group was also selected of 46 homeless people with the highest vulnerability scores after the program group, and very similar demographics and county service utilization.

In addition to housing, program participants were given physical health, mental health and substance abuse treatment by a team of professionals who met regularly to discuss the patient, kept one collective record for each patient, and shared office space. Supportive services also included money management lessons, benefit (re)establishment, employment opportunities, education opportunities and community reintegration services.

Main Findings:

➢ **Project 50 yielded total cost offsets of $3.284 million or 108 percent of the money the program spent on housing and services.**
➢ **Cost increases for mental health and substance abuse treatment were recovered through savings in incarceration and out-patient medical services.**

133 people housed since expansion

80% retnetion after four years

$4,774 saved per person

$3.284M total saved

Program Group Demographics

➢ **76% mentally ill**
➢ **90% substance abuse**
➢ **60% physical health issues**
➢ **9.58 Average years homeless**

Innovative Evalutation Method

Through integrating records across service-providing agencies and comparing the housed group with a similar non-housed control group, the Project 50 evaluation showed that the program yielded total cost offsets of $3.284 million or 108 percent of the money the program spent on housing and services. The cost-benefit analysis is derived from what the County would have likely spent on service delivery had it not invested in permanent supportive housing.
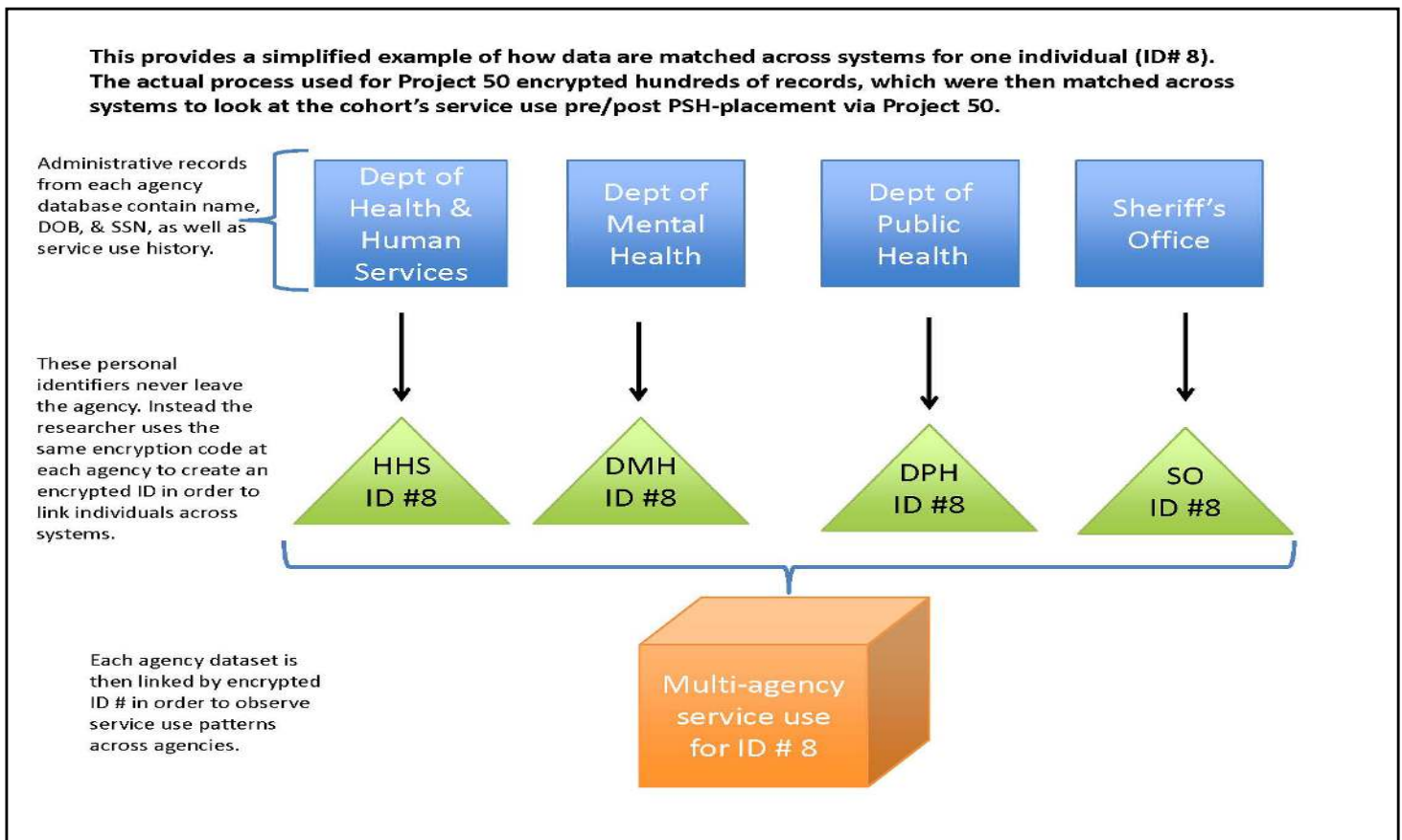
Using Integrated Data Systems for the Project 50 Evaluation

In 2007, LA County drafted an agreement to share administrative data between nine County agencies for the purpose of program evaluation. This integrated data system came to be known as the Enterprise Linkages Project (ELP). The Research and Evaluation Services (RES) unit for LA County was able to use this integrated data system for the Project 50 evaluation by drafting a memorandum of understanding between the four agencies of interest. These service providers were the Department of Mental Health, the Department of Health Services, the Department of Public Health, and the Sheriff's office. Two years after Project 50 began, administrative data from these departments were linked to track the program group and comparison group's use of services for the two years before the program began as well as the first two years after placement into permanent supportive housing.
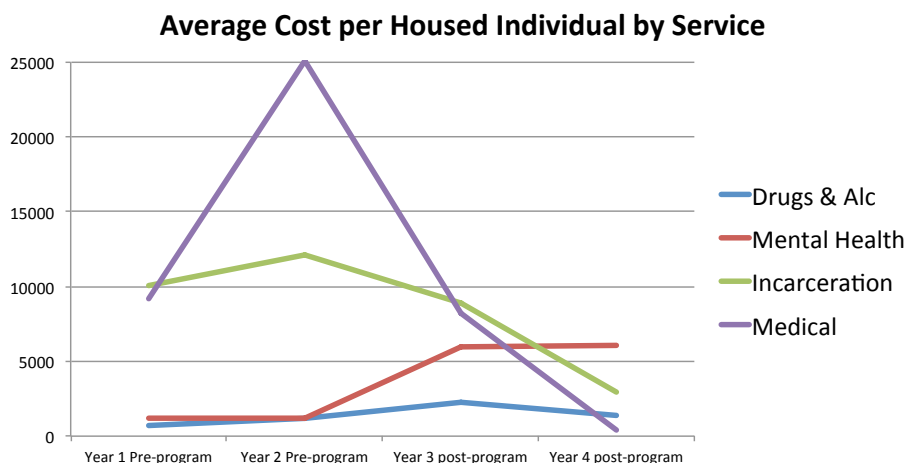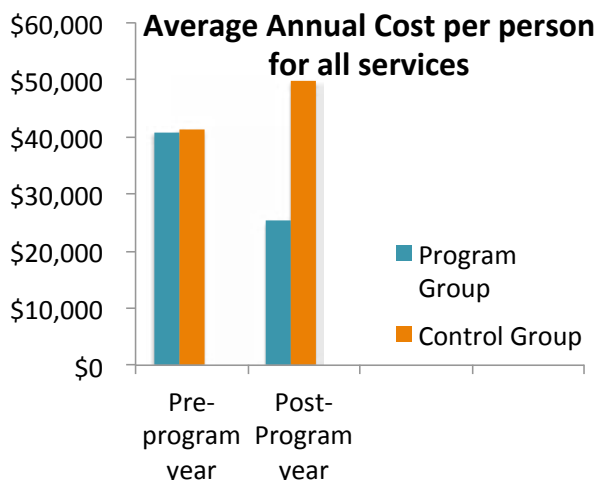
The research team could not feasibly rely on self-reporting to track service use history. Instead, RES used de-identified linkage keys **(see Figure 1)** to integrate participant and comparison group data across the four service agencies.

This means an individual's personal information was given the same identification number across agency records in order to track service use for both groups without using personal identifiers. While linking data across systems, the evaluation team used probabilistic matching, which estimates for the likelihood that there was an error in data entry if the vast majority of identifiers are the same.

Savings were estimated by comparing what the County would have spent based on the costs generated by the control group. The results show that in its first year of the program, Project 50 saved the County 108 percent of what it had invested in the program, yielding $3.284 million total cost offsets or $4,774 per occupied unit. Given that the use of County services began to decline significantly after the first year, the program likely saved the County much more in later years. Individuals experiencing chronic homelessness were cycling through incarceration, shelters, hospitals, mental health clinics, and substance abuse facilities without sustained recovery

This provides a simplified example of how data are matched across systems for one individual (ID# 8). The actual process used for Project 50 encrypted hundreds of records, which were then matched across systems to look at the cohort's service use pre/post PSH-placement via Project 50.

Administrative records from each agency database contain name, DOB, & SSN, as well as service use history.

These personal identifiers never leave the agency. Instead the researcher uses the same encryption code at each agency to create an encrypted ID in order to link individuals across systems.

Each agency dataset is then linked by encrypted ID # in order to observe service use patterns across agencies.

Dept of Health & Human Services → HHS ID #8

Dept of Mental Health → DMH ID #8

Dept of Public Health → DPH ID #8

Sheriff's Office → SO ID #8

Multi-agency service use for ID # 8

Evaluation Findings and Impact

Average Annual Cost per person for all services

Average Cost per Housed Individual by Service

Results by Service

Incarceration costs declined 28% for Project 50 participants during the first year of the program while they **increased 42 percent** for the comparison group.

Decreased use

Medical costs declined 68% for program participants over two years while comparison group costs declined 37%.[2]

Decreased use

Rampant unaddressed **Mental Health** issues before the program led to a **367 percent increase** in treatment costs over the two-year period. Savings on incarceration and medical offset this increase.

Increased access

Substance Abuse treatment costs increased for program participants; however, they were still less than the rising cost of substance abuse treatment for non-program participants.

Increased access

Conclusion

LA County integrated administrative data across four agencies to demonstrate that permanent supportive housing (PSH) provides the basic stability necessary for social services to be effective. The evaluation's use of integrated administrative data has been commended for its ability to scientifically demonstrate what works, for whom, and at what cost. As a result, Project 50 has been replicated in Venice, Santa Monica, San Fernando Valley, Hollywood, and the Veterans Administration.

1 Caton, Carol LM, Carol Wilkins, and Jacquelyn Anderson. "People who experience long-term homelessness: Characteristics and interventions." Toward Understanding Homelessness: The 2007 National Symposium on Homelessness Research. 2007. Burt, Martha R., and Brooke E. Spellman. "Changing homeless and mainstream service systems: Essential approaches to ending homelessness." Toward Understanding Homelessness: The 2007 National Symposium. Vol. 4. 2007. Culhane, Dennis P., Kennen S. Gross, Wayne D. Parker, Barbara Poppe, and Ezra Sykes. "Accountability, cost-effectiveness, and program performance: Progress since 1998." Departmental Papers (SPP) (2008): 114.

2 Participants in Project 50 had access to private clinics and in-home care as a more cost-efficient alternative to hospitals.