Assessing the Cost of Homelessness

Collecting data on the extent of homelessness in California is critical to addressing the problem. This data allows cities and counties to understand the demographics and needs of their homeless populations and track the associated costs. Because there is no one-size-fits-all solution to homelessness, this data enables leaders to tailor their approach to the unique needs of their community. Local governments are collecting data about their homeless populations in a variety of ways. This section presents information on how preventative services can result in cost savings for local governments and a few examples of software and approaches that local governments statewide are using to collect data about individuals and families experiencing homelessness in order to provide better case management.

In a time when local governments are fiscally strained to provide services to their constituents, it is more important than ever to justify increased costs. Santa Clara County has developed a way to do this by quantifying future savings from actions taken today.

Created by the nonprofit organization Destination: Home and Santa Clara County, the Silicon Valley Triage Tool looks at 38 different pieces of information to calculate the probability that a homeless individual will have high ongoing costs. The identifying traits include demographics, criminal justice, medical diagnoses, health and emergency care usage, behavioral and mental health and social services indicators. The Triage Tool relies on a county database of all of the service and cost records across county departments for every resident (104,206) who has experienced episodes of homelessness over a six-year period. This offers information on services provided and costs accrued for every resident who has been homeless in the past six years. The tool helps identify high-need patients for further engagement. High need patients would be connected with an intensive case manager and enrolled in a permanent supportive housing program. The case manager will continue to monitor the individual's progress, so they can offer additional services if

needed and determine when the added support results in improved outcomes[10].

Daniel Flaming, Economic Roundtable's president, who helped to build the Triage Tool, says California's agencies already have all the information they need to create a database similar to Santa Clara County's.

Below is a summary of the types of data and costs tracked in the Silicon Valley Triage Tool:

- **Demographics** including age and gender;
- **Criminal Justice** including arrests, jail time and probation;
- **Medical Diagnoses** including chronic medical conditions and medical diagnoses;
- **Health & Emergency Services** including emergency medical services, hospital admissions and emergency room visits; and
- **Behavioral Health** including mental health inpatient and outpatient visits, substance abuse, public assistance and food stamps.

The full spreadsheet and accompanying worksheets can be found at **https://economicrt.org/publication/silicon-valley-triage-tool/.**

10 http://destinationhomescc.org/wp-content/uploads/2016/02/SiliconValleyTriageToolFactSheetFINAL.pdf

Though these costs differ for all communities, examples of costs for a few jurisdictions below are:

- The Santa Clara County community spent $520 million annually providing services for homeless residents over six years, examined in a report by the nonprofit Economic Roundtable[11];
- The City of Sacramento spends more than $13.6 million annually to address homelessness[12]; and
- According to a report by the County Chief Executive's Office, Los Angeles County spent nearly $1 billion to care and manage about 150,000 homeless people in 2015[13].

Preventative Services and Cost Savings

Taking a proactive and coordinated approach to address homelessness can help your community in the long run. The resources and homelessness plans included in this report can be helpful when starting your community's plan.

Addressing homelessness early on and implementing preventative services and strategies can save jurisdictions resources and revenue in the long run.

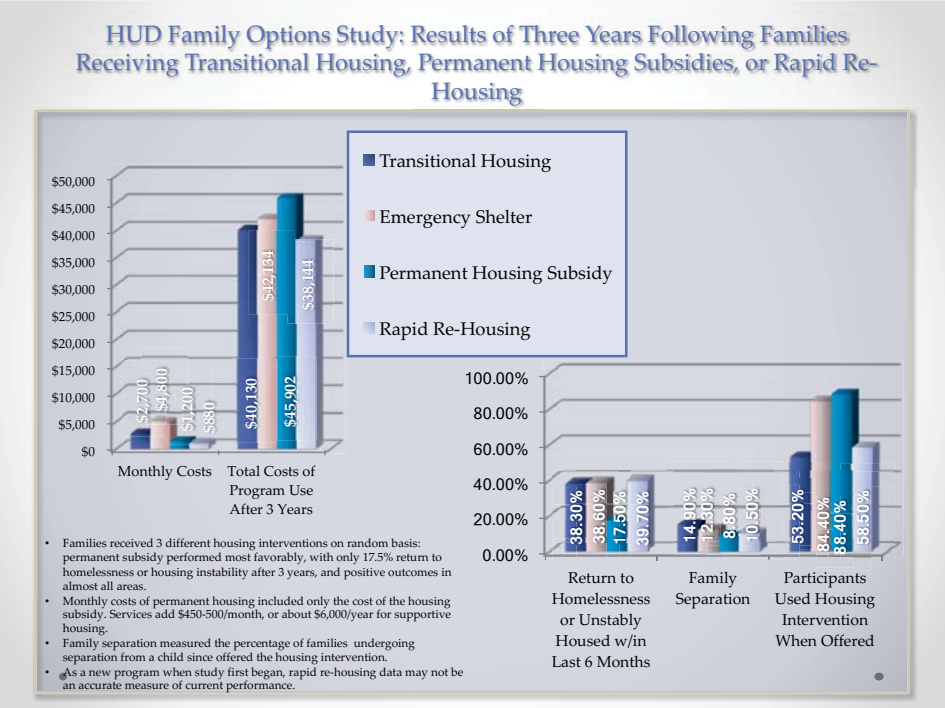
Some cities and counties have demonstrated how coordinated and specialized support to the homeless individuals at greatest risk can result in significant cost savings.

Using data from the Triage Tool, Santa Clara County estimated that it could save $19,282 per person by housing the top 1,000 most costly homeless individuals, for a total annual savings of $19,282,000[14].

A 2009 report found that in Los Angeles County, homeless General Relief recipients incurred county costs of $2,897 per month, versus $605 per month for residents of permanent supportive housing.[15]

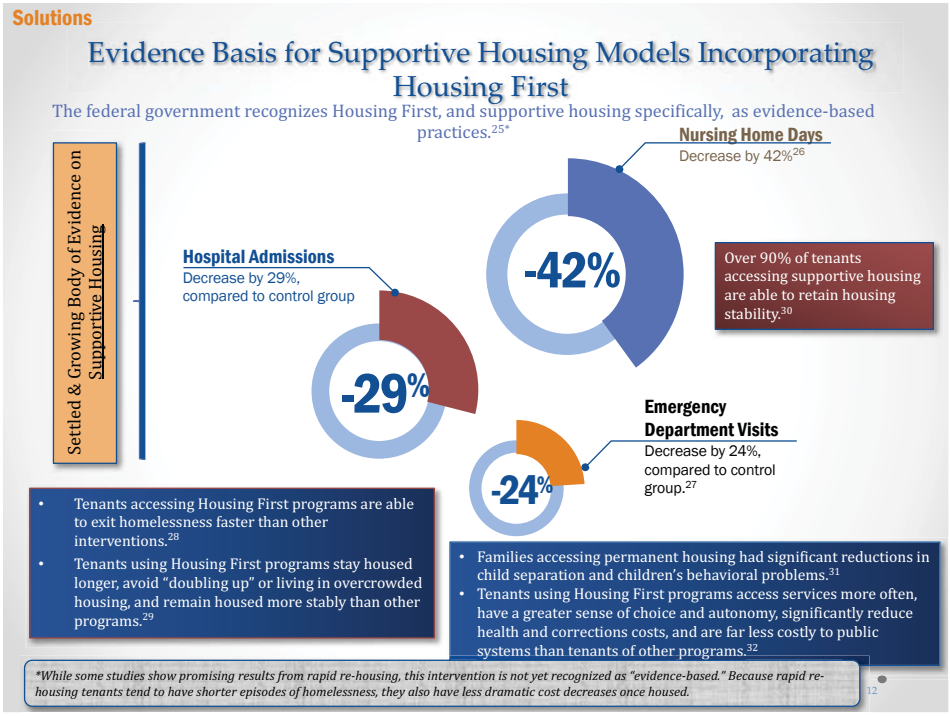
San Diego County's Project 25

San Diego County is home to the fifth-largest homeless population in the nation. Project 25, a pilot funded by United Way, was a three-year (2011–13) project designed to determine if direct coordinated services for the community's most frequent homeless service users could significantly reduce the costs of homelessness. The project was a collaborative effort coordinated by the homelessness charity St. Vincent de Paul Village in partnership with Telecare Corporation and under contract with San Diego County.



Source: https://www.hud.gov/sites/documents/23-HOMEASSIST.FOR_FAMILIES.PDF

11 *Economic Roundtable: Home Not Home: The Cost of Homelessness in Silicon Valley*. Page 2.
12 City of Sacramento. Cost of Homelessness to the City. October 2015.
13 Los Angeles Chief Executive Office. *The Services Homeless Single Adults Use and their Associated Costs: An Examination of Utilization Patterns and Expenditures in Los Angeles County over One Fiscal Year*. January 2016.
14 Pre-housing cost: $53,366; post-housing costs: $37,083. http://destinationhomescc.org/wp-content/uploads/2016/02/SiliconValleyTriageToolFactSheetFINAL.pdf
15 https://economicrt.org/wp-content/uploads/2009/11/Where_We_Sleep_2009.pdf



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Project 25 identified the core homeless individuals who were the most frequent users of public services such as ambulances or emergency rooms. A total of 28 individuals (between the ages of 22–61) were analyzed as part of this project and provided intensive individualized support including permanent housing provided through the San Diego Housing Commission. Other services included health care (medical, dental and psychological), drug and alcohol treatment and education on how to manage money. This intense support was an important component of the program — some participants were visited by practitioners 4–5 times per week at the beginning of the project.

After its completion in 2013, Project 25 resulted in significant savings and reductions.

- The 28 participants in the project used a total of approximately $3.5 million in expenses from all public services in the base year of 2010. In 2013, the expenses dropped to $1.1 million, resulting in a reduction of 67 percent in total costs.
- The net return on dollars spent for Project 25 was 207 percent in 2012 and 262 percent in 2013[16].

Data Collection

Homeless Management Information Systems

Cost and savings estimates are only as good as the data used to calculate them. Continuums of Care are required by HUD to have a Homeless Management Information System (HMIS) in place. HMIS are local information technology systems used to collect data on homeless individuals and families and those receiving services.[17]

16 Fermanian Business & Economic Institute at Point Loma Nazarene University. *Project 25: Housing the Most Frequent Users of Public Services among the Homelessness*. Page 9.

17 **https://www.hudexchange.info/programs/hmis/**

While some communities use tools such as Excel, GPS coordinates and Google Earth to track and maintain data on their homeless populations, software options are also available, including:

- Clarity
- Client Services Network/CSN
- Eccovia Solutions – Client Track
- Enginuity
- ServicePoint
- Social Solutions

Please note that the Task Force did not have the opportunity to review software and the listing is not an endorsement, but is offered as general information.

San Diego's HMIS is the data collection tool used by the majority of homeless-dedicated service providers in San Diego County. Over 60 agencies, 250 homeless-dedicated projects and 450 HMIS users enter homeless service data into the HMIS on an ongoing basis. The Homeless System Framework tracks entry into the system, those served and exit destination type (permanent housing, temporary housing, etc.). The tool allows the user to sort by reporting period, project type and project location. The Framework and HMIS can be accessed here: **https://public.tableau.com/profile/regional.task.force.for.the.homeless#!/vizhome/SystemFramework-AllClients-8_4_17/System_Framework_Story**.

Alameda County implemented its HMIS system in 2005. Called InHOUSE (Information about Homelessness, Outcomes, and Service Engagement), the system is supported by a coalition of Alameda County Housing and Community Development and the 14 cities within the county, nonprofit organizations and funders as well as other county departments that provide services to those who are homeless or at risk for becoming homeless. The database includes over 54,000 client records, with over 45 agencies involved in the data collection and more than 300 programs receiving homeless funding. To find out more visit **www.acgov.org/cda/hcd/hmis/index.htm.**

HCD offers guides and tools for Continuums of Care to help with the development of HMIS Systems. Those guides can be found at **www.hudexchange.info/hmis/guides/#coc-resources**.

Collection Methods

Some government agencies have contracted with research firms to collect and analyze data. For example, a number of counties including Santa Cruz, Sonoma, San Benito, Monterey, Marin, Solano and Santa Clara as well as the cities of San José and San Francisco worked with **Applied Survey Research (ASR)**, a social research firm, to conduct point-in-time counts and assess the needs of the homeless population in each jurisdiction. Find out more at **www.appliedsurveyresearch.org/homelessness-reports.**

Through its open data portal, the City of Santa Rosa tracks homeless encampments, service calls and homelessness related police and fire incidents within the city limits. Access Citizen Connect at **http://citizenconnect.srcity.org**.

Data Sharing

One of the challenges pertaining to data is the sharing of the data once it is collected. Concerns about individual privacy has led to laws and regulations that make it very difficult for departments and agencies to share the information they have in a meaningful way. However, there is possible change on the horizon in this area.

AB 210 (Santiago, Chapter 544, Statutes of 2017) sponsored by Los Angeles County and recently signed into law by Gov. Jerry Brown, authorizes "counties to establish a homeless adult and family multidisciplinary personnel team with the goal of facilitating the expedited identification, assessment and linkage of homeless individuals to housing and supportive services within that county and to allow provider agencies to share confidential information for the purpose of coordinating housing and supportive services to ensure continuity of care. The bill requires the sharing of information permitted under these provisions to be governed by protocols developed in each county, as specified, and would require each county to provide a copy of its protocols to the State Department of Social Services".[18] The bill encourages counties to establish data-sharing among departments and may help both counties and cities collaborate and share data in a confidential manner.

18 https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180AB210