GRANTMAKERS IN HEALTH

Confronting Chronic Homelessness: Health Funders Consider New Solutions

On any given day, at least 800,000 people are homeless in the United States, including about 200,000 homeless families. Most homeless people have incomes less than 50 percent of the federal poverty level, which makes it virtually impossible for them to find rental property within their means. To make matters worse, as many as 70 percent of homeless individuals struggle with serious health problems, mental and physical disabilities, and/or substance abuse problems (Burt 2001; National Health Care for the Homeless Council 2004).

Poor health can be either a cause or a consequence of homelessness. For some people, serious illness or disability can cause job loss, the depletion of savings, medical debt, and eviction. For others, the instability inherent in homelessness can cause chronic health problems to worsen. Conditions that require continuous care – such as diabetes, hypertension, tuberculosis, HIV, mental illness, and addiction – are tremendously difficult to manage without a stable residence. And many homeless people are exposed to new health risks – such as frostbite; leg ulcers; upper respiratory infections; and the trauma resulting from muggings, beatings, and rape – that are clearly a result of living on the streets (National Coalition for the Homeless 2005).

HEALTH CARE FOR THE HOMELESS

The health care system is not designed to respond effectively to homeless people. Most homeless people do not have health insurance, which prevents them from receiving care from mainstream providers. Safety net clinics are often ill-suited to serve people staying in shelters and unprepared to deal with the complex conditions commonly presented by homeless people (O'Connell 2004). As a result, homeless people have become high-cost users of the acute care system. The *Boston Health Care for the Homeless Program* recently tracked the medical expenses of 119 chronically homeless people and found that in the course of 5 years, the group accounted for 18,834 emergency visits, at a minimum cost of $1,000 per visit (Gladwell 2006).

Homeless people need health care that combines aggressive street outreach with integrated systems of primary care, mental health and substance abuse services, case management, and client advocacy. The federal *Health Care for the Homeless* program (HCH), which was modeled after a successful four-year demonstration operated in 19 cities by The Robert Wood Johnson Foundation (RWJF) and The Pew Charitable Trusts, funds 176 grantees across the country. These projects, designed and managed at the community level, have demonstrated that health services tailored to the special needs of people experiencing homelessness can dramatically improve their access to appropriate care. Current federal funding, however, enables the projects to serve approximately 550,000 people a year, far below the estimated number of people who annually experience homelessness (Bureau of Primary Health Care 2006; National Health Care for the Homeless Council 2004).

> *"Chronic homelessness is an issue that cuts across many funders' interests – from health and health care, mental illness, and child welfare to prisoner reentry, poverty, and community development. No single funder or provider can solve it alone, and we cannot solve it without the involvement of both the private and public sectors."*
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> Source: Risa Lavizzo-Mourey, The Robert Wood Johnson Foundation

Some researchers and advocates have come to believe that placement in permanent, affordable housing should be the first form of treatment for homeless people with health problems, preventing many diseases and making it possible for those who are unwell to get better (National Coalition for the Homeless 2005). Others recommend searching for upstream solutions, seeking out ways to prevent homelessness from occurring. These new approaches have challenged health funders to work with nontraditional partners on unconventional projects.

HOUSING FIRST

People who are homeless for the first time and experiencing a temporary predicament may need rental assistance, help negotiating with landlords, or referrals to public programs. Those with extended or recurring periods of homelessness, however, are apt to require a great deal more support for a longer period of time (Burt 2001). One emerging solution is supportive housing, which combines affordable housing units with a range of coordinated support services to help people become stable and self-sufficient. Research indicates that the supportive housing model is cost effective and achieves positive, lasting results (Corporation for Supportive Housing 2006).

In 2001, the Michael Reese Health Trust gave a planning

grant to a multidisciplinary group of Chicago-based health care, respite care, and housing providers who wanted to improve the services available to chronically ill homeless people. Together, they have developed a program that is more robust than the health trust had imagined, involving more than a dozen agencies, six foundations, and several government grants. Now in its demonstration phase, the *Chicago Housing for Health Partnership* is an innovative program intended to get homeless people off the street and into stable housing and a coordinated system of support. Members of the partnership hope to show that when chronically ill homeless people are housed and stabilized, their health improves and they use expensive medical services far less. For the health trust, this is the type of ambitious project that, by intentionally creating collaboration among organizations, providers, funders, and government, increases the foundation's impact and allows limited resources to achieve larger goals.

The Bill and Melinda Gates Foundation is also working to shape long-term, broad-based solutions to homelessness through community-based partnerships. In 2000, the foundation made a commitment of $40 million to launch the *Sound Families Initiative*, with the goal of creating 1,500 service-enriched transitional housing units for homeless families in Pierce, King, and Snohomish counties of Washington State. By the fall of 2005, more than 1,100 new housing units had been funded, thanks to a partnership of the private philanthropic community; nonprofit housing and service providers; and local, state, and federal governments. The University of Washington's School of Social Work is evaluating *Sound Families*. The early results have been promising: 89 percent of families moved on to permanent housing, 49 percent of families increased their incomes, and 16 percent fewer families relied on Temporary Assistance to Needy Families (TANF).

RWJF has also come to see supportive housing as an important investment for health funders, joining forces with six funding partners to create the *Partnership to End Long-Term Homelessness.* The partnership aims to end long-term homelessness by raising public awareness of the problem and creating 150,000 supportive housing units across the nation within 10 years, and will dedicate more than $37 million in grants and loans to nonprofit groups working on the problem. The work of the initiative will be carried out by the Corporation for Supportive Housing and the National Alliance to End Homelessness. Each of the funding partners – RWJF, Deutsche Bank, Fannie Mae, the Melville Charitable Trust, the Conrad N. Hilton Foundation, Rockefeller Foundation, and the Fannie Mae Foundation – has committed $1 million or more to the effort. In addition, the partnership hopes to leverage at least $30 million more from other foundations and businesses and will work to increase public and private sector financing for the initiative.

PREVENTION FOCUS

A wide variety of circumstances place people at risk of losing their homes, such as domestic violence, substance abuse, mental illness and exposure to trauma, release from custodial or therapeutic institutions, aging out of foster care, and financial reversals. Identifying people at risk of chronic homelessness and intervening on their behalf would clearly have a significant impact on the problem. For health funders, long used to investing in prevention, this is a natural fit.

The *Homelessness Prevention Initiative* was started in the spring of 2003 under the leadership of The Boston Foundation, Tufts Health Plan, Massachusetts Medical Society, and Alliance Charitable Foundation. In January 2005, a second grant of $1 million, an amount equal to the first year's allocation, was distributed among 18 organizations selected for their focus on individuals and families at significant risk of becoming homeless. The organizations are located across Massachusetts, and their programs offer discharge planning and placement for those being released from care and custody, supportive housing services, mental health support, and substance abuse counseling. The funders believe that the initiative has the potential to influence state policy and priorities by demonstrating the effectiveness of a range of approaches to preventing homelessness and helping vulnerable individuals and families access permanent housing. All of the funded programs are being evaluated, measuring their success in maintaining housing stability, promoting positive health outcomes, and promoting self-sufficiency. Once provided with outcomes data from the initiative that demonstrate what works, the funders hope that the state will be able to reinvest in prevention more prudently by directing resources toward implementing and sustaining proven strategies.

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