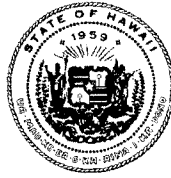


NEIL ABERCROMBIE
GOVERNOR



PATRICIA McMANAMAN.
DIRECTOR

PANKAJ BHANOT
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

April 20, 2011

MEMORANDUM

TO: The Honorable Rida T.R. Cabanilla, Chair
Committee on Housing

FROM: Patricia McManaman, Director

SUBJECT: **S.C.R. 44, S.D. 1 – ENCOURAGING FURTHER IMPLEMENTATION
OF HOUSING FIRST PROGRAMS AND SERVICES TO COMBAT
CHRONIC HOMELESSNESS**

Hearing: Wednesday, April 20, 2011; 11:00 a.m.
Conference Room 224, State Capitol

PURPOSE: The purpose of this resolution is to have the Legislature support and encourage further implementation of housing first programs and services as a key strategy in ending the chronic homelessness of the most vulnerable individuals in Hawaii.

DEPARTMENT'S POSITION: The Department of Human Services supports this resolution. The State of Hawaii has long supported this national best practice that has proven its success many times over across the nation. The United States Housing and Urban Development has made available competitive resources for "housing first" through its Shelter Plus Care Program annually. Over the years, the State of Hawaii has successfully applied for ongoing Shelter Plus Care renewal and new funding in all four counties amounting to \$7 million annually.

The housing first approach to the chronically homeless is working in Hawaii and making a substantial difference to the well being of our most vulnerable residents.

Thank you for the opportunity to provide comments.



CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF SCR 44, SSCR 1279: ENCOURAGING FURTHER IMPLEMENTATION OF HOUSING FIRST PROGRAMS AND SERVICES TO COMBAT CHRONIC HOMELESSNESS

TO: Representative Rida Cabanilla, Chair; Representative Pono Chong, Vice Chair, and Members, Committee on Housing

FROM: Betty Lou Larson, Legislative Liaison, Catholic Charities Hawaii

Hearing: Wednesday, 4/20/11; 11:00 am; CR 224

Chair Cabanilla, Vice Chair Chong, and Members of the House Committee on Housing:

Thank you for the opportunity to provide testimony on SCR 44, SD1 (SSCR 1279), which encourages further implementation of the Housing First model. Catholic Charities Hawaii supports this initiative.

The Housing First model has been very successful in many areas of the Mainland. It has a good track record in assisting homeless people to gain permanent housing and then provide the services needed to keep them in housing and successfully transition off the streets. Catholic Charities Hawaii supports this model as a way to target the chronically homeless and assist them to transition to permanent housing.

Partners in Care, the Oahu coalition of homeless providers, government representatives and community stakeholders recently compared the public costs for an unsheltered homeless person vs. a resident in Supportive Housing, such as in a Housing First model. They found that the average public cost for an unsheltered homeless person is \$2,897 per month vs. the average public cost for a resident in supportive housing is \$605 per month. Public costs can be decreased by 79% by providing supportive housing with services. (Public costs include medical costs for ER visits and hospitalizations, substance abuse treatments, social services including outreach to the homeless, etc.)

This model is not a one time effort. Your support will mean ongoing implementation and focus on the chronically homeless who utilize so many services.

Thank you for hearing this resolution and for your support to end the crisis in homelessness which is impacting on our neighborhoods, our parks, our economic centers, and especially the people who fall into homelessness.



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• www.CatholicCharitiesHawaii.org



April 18, 2011

To: Rep. Rida Cabanilla, Chair, Rep. Pono Chong, Vice Chair and Members of the Committee on Housing

From: Pamela Menter, Safe Haven/Mental Health Kokua Project Director

RE: SCR 44, SD1 Relating to ENCOURAGING FURTHER IMPLEMENTATION OF HOUSING FIRST PROGRAMS AND SERVICES TO COMBAT CHRONIC HOMELESSNESS

Hearing: Wednesday, April 20, 2011, 11:00 a.m. Room 224

Position: Support

The Housing First model successfully targets those who are chronically homeless. It is both cost-effective and the right thing to do, and has been documented across the country on numerous occasions. [Please refer to *WHAT IS THE COST OF HOMELESSNESS?* on next page.]

Responsibility for Housing First implementation in Hawaii lies within the entire community. However, it is crucial and pivotal for our government to be supportive and at the helm of all who are counted upon to be involved: homeless people and service providers, businesses, foundations and individual donors, faith communities and volunteers. The most efficient and effective implementation of Housing First will be through strategic partnerships among all of the above.

Although it is not impossible to house chronically homeless people with significant barriers—severe and persistent mental illness, HIV infection, substance abuse disorder, etc., there are important considerations regarding how the chronically homeless can successfully obtain and keep permanent housing, i.e. via Housing First:

- The chronically homeless must receive supportive services. There must be sufficient support and inducement to get the chronically homeless off the streets. Our community's most compromised residents need assistance reintegrating into housing; services alone do not end homelessness. Successful navigation of the rental market is often a real challenge for the most capable of people; it is far more difficult for those with a severe and persistent mental illness.
- Housing without services does not work. To be successful, chronically homeless individuals need primary health care services alongside social supports, money management skills development and job readiness training to successfully retain housing. Housing First is the thoughtful combination of supportive services with quality, affordable housing. It is a research-proven, cost-effective strategy that ends homelessness.
- Doing nothing is a recipe for social and financial disaster. Communities that fail to address their homeless population in a systematic way are forced to foot the bill for massive public response systems just to manage - not end - an enormous homelessness problem. Housing First directly facilitates the return on the public and private dollars invested in homelessness by adopting supportive housing strategies.

Thank you for this opportunity to submit testimony.

WHAT IS THE COST OF HOMELESSNESS?

The cost of homelessness can be quite high, particularly for those with chronic illnesses. Because they have no regular place to stay, people who are homeless use a variety of public systems in an inefficient and costly way. Preventing a homeless episode or ensuring a speedy transition into stable permanent housing can result in a significant cost savings.

Comparison of Average Public Cost of an Unsheltered Homeless Person and a Resident in Supportive Housing¹

The average public cost for an unsheltered homeless person is \$2,897 per month. In comparison, the average public cost for a resident in supportive housing is \$605 per month. By providing supportive housing with supportive services, public costs can be decreased by 79%.

Public costs for unsheltered homeless individuals vary by age, gender and individual attributes. Public costs increase for unsheltered homeless if they are older, unemployed, disabled, suffering from mental illness, or are substance abusers.

- Single unsheltered adults between 18 to 29 years of age who have no jail history, no substance abuse problems or mental illness, and are not disabled cost an average of \$406 a month.
- Single unsheltered adults 46 years old or older who also have substance abuse issues or mental illness with no recent employment history cost an average of \$5,038 a month.
- Public costs for homeless men are 40 percent higher than for homeless women on average.

Average Cost of Public Services Provided to a Person Who is Homeless in Hawaii

Health Care Costs - 38% of all public costs for those who are unsheltered are health care costs.

A study of hospital admissions of homeless people in Hawaii revealed that 1,751 adults were responsible for 564 hospitalizations and \$4 million in admission costs. Their rate of psychiatric hospitalization was over 100 times their non-homeless cohort. The researchers conducting the study estimate that the excess cost for treating these homeless individuals was \$3.5 million or about **\$2,000 per person**.²

- Average cost for substance abuse treatment for a homeless person in Hawaii **\$4801.96**³
- Average ER Visit for non-urgent medical treatment in Hawaii **\$830 per visit**⁴
- Average cost of a hospital stay in Hawaii **\$4,519 per day**⁵
- Average cost of imprisonment in Hawaii **\$41,273 a year per inmate, or \$113 per day**.⁶

¹ "Where We Sleep, Cost When Homeless and Housed in Los Angeles" 2009, A full copy of this report can be downloaded from <http://www.economicrt.org>

² From (Martell J.V., Seitz R.S., Harada J.K., Kobayashi J., Sasaki V.K., Wong C. Hospitalization in an urban homeless population: the Honolulu Urban Homeless Project. *Annals of Internal Medicine* 1992; 116:299-303).

³ Calculated from Lai, M.C., Yuen, S., Yuan, S., Zhang, J., & Okano, S.Y. (2009). Alcohol and Drug Treatment Services Report: Hawai'i, 2000 – 2008. Honolulu: University of Hawai'i, Center on the Family.

⁴ "Potential Savings through Reduction of Inappropriate ER Utilization in Hawaii" by Josh Green, MD, State Senator, ER physician and Medical Director of the Hawaii IPA.

⁵ Pacific Business News: <http://www.bizjournals.com/pacific/stories/2008/10/27/story2.html>, Sunday October 26, 2008.

⁶ Calculated from "Prisoners in 2009" by William J. Sabol, Ph.D., Heather C. West, Ph.D., Bureau of Justice Statistics, US Department of Justice, <http://bjs.ojp.usdoj.gov/index.cfm?ty=pbdetail&iid=2232>