

Executive Summary

August 2008

STUDY OF SUPPORTIVE HOUSING IN ILLINOIS: Interim Report on Publicly-Funded Service Usage by Residents Prior to Entry into Supportive Housing

Background

The Illinois-based Supportive Housing Providers Association commissioned The Heartland Alliance Mid-America Institute on Poverty to conduct a cost-study of supportive housing in Illinois, which began in 2005.

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Overview of Supportive Housing

Supportive housing is affordable housing coupled with supportive services that enable residents to remain housed and ensure long-term housing stability. It is typically operated by non-profit service or housing providers. Services provided vary by site but typically include case management and linkages to specialty services such as mental health or substance abuse treatment.

Research suggests that stabilizing individuals in supportive housing can reduce their use of expensive public crisis services such as emergency rooms, psychiatric hospitals, jails, and substance abuse treatment programs.¹ Furthermore, these cost decreases may offset a portion of permanent supportive housing expenditures, thus making investment in this housing model attractive to policymakers and others who seek to maximize the value of public resources invested in programs to reduce and eliminate homelessness.

Study of Supportive Housing in Illinois

This study was launched to document and analyze supportive housing residents' use of public services prior to entering housing and afterwards, in order to determine the cost savings of supportive housing to other systems. The hypothesis of the study is that supportive housing reduces a person's usage of expensive, primarily public-funded services.

The study tracks individuals' amount of service usage for 2 years before they entered supportive housing, comparing it to their usage of services 2 years after, as well as the change in types of services utilized over time. The study included supportive housing residents across Illinois living in developments that had been in operation for at least one year, and that served individuals who are homeless or at risk of homelessness, and individuals who have a mental illness and/or who are formerly incarcerated.

A total of 476 supportive housing residents in 11 counties participated in the study. Residents in the study reported high rates of experiences with mental illness, drug and alcohol-related issues, incarceration, and chronic physical health problems. These characteristics are often associated with high usage of expensive services.

The majority of the data for this study are from administrative records from the following entities in Illinois: Illinois Department of Healthcare and Family Services, the Illinois Department of Corrections, the Illinois Department of Human Services' Division of Mental Health and Division of Alcoholism and Substance Abuse, and various county jails and hospitals. Due to the unavailability of data before July 1, 1999 at one state agency, data used in this study are for the time period of July 1, 1999 to June 30, 2006.

¹ Caton, C., Wilkins, C., & Anderson, J. (2007). *People who experience long-term homelessness: Characteristics and interventions*. Oakland, CA: Corporation for Supportive Housing.

Summary of Publicly-Funded Service Usage by Residents Prior to Entry into Supportive Housing

This second interim report provides a picture of the services supportive housing residents accessed within the 2 years before they entered supportive housing. Although 476 supportive housing residents participated in the research study, this report is based on the 436 residents who entered supportive housing after July 1, 1999. Service usage within six different systems is reported here: Medicaid-reimbursed services, non-Medicaid reimbursed hospital services, state mental health hospitals, state-sponsored substance abuse treatments, state prisons, and county jails.

This report does not provide a full picture of state-funded services usage. Services such as homeless shelter and non-Medicaid-funded nursing home uses were left out due to the limited record keeping systems in the state. In addition, these results under-represent actual service utilization due to the following:

- A few record requests went unfilled (primarily hospitals and jails)
- Errors were identified within records
- Self-report by residents of past service utilization at hospitals and jails

For this analysis, the data are broken out into “users” and “uses.” A “user” is an individual that used a service during the time frame, for example, has Medicaid coverage and uses it during the study period. A “use” is calculated when a user has consumed a service, such as a billable service through Medicaid, or spent time in prison. In addition, when available, the number of days spent in a hospital or facility is included. These measures taken together provide a snapshot of the degree of publicly-funded service utilization of supportive housing residents before they moved into supportive housing.

Medicaid-Reimbursed Service Usage

Medicaid is a state-administered health insurance program that is available only to people with limited income and who meet certain eligibility requirements. A total of 230 (52.8%) residents were covered by Medicaid at some point during their pre-supportive housing time period. The most expensive Medicaid services, *inpatient medical care* and *inpatient psychiatric care*, were among the least utilized services though those users that utilized inpatient care used it fairly intensively. *Pharmacy* had the most users and most uses out of all the Medicaid-reimbursed services. *Outpatient psychiatric care* was the second most utilized service category with over 10,000 uses, though less than half of the Medicaid users utilized these services. In addition, a small number of residents spent a considerable amount of time living in *nursing homes*.

Medicaid-Reimbursed Service Usage: Pre-Supportive Housing Time Period, N=230	Number of Users	Number of Uses	Average Number of Uses per User	Number of Days	Average Number of Days per Use
<i>Category 1: Inpatient Care</i>	n=230				
Inpatient Medical Care	71	137	1.9	381	2.8
Inpatient Psychiatric Care	38	124	3.3	911	7.3
<i>Category 2: Pharmacy, Home Health, Medical Equip.</i>					
Pharmacy	198	13,895	70.2		
Home health care and medical equipment	38	607	16.0		
<i>Category 3: Outpatient Care</i>					
Outpatient Medical Care	166	1,195	7.2		
Outpatient Psychiatric Care	97	10,226	105.4		
<i>Category 4: Physician care, care by other providers, dental care</i>					
Physician care	191	8,457	44.3		
Care by other providers	82	223	2.7		
Dental Care	64	335	5.2		
<i>Other</i>					
Nursing Home Care	24	31	1.3	6,922	223.3

Summary of Publicly-Funded Service Usage by Residents Prior to Entry into Supportive Housing, *Continued*

Hospital-Based Care Usage, Non-Medicaid Reimbursed

Since not all residents in the study were eligible for or covered by Medicaid, medical records were requested for the study time period from 56 hospitals across the state. Of the total, 99 residents (23%) received non-Medicaid reimbursed hospital care during the pre-supportive housing period. Twenty-one of these 99 residents had Medicaid at some point during their pre-supportive housing time period. Similar to the Medicaid findings, while lower numbers of residents received *inpatient medical care or psychiatric care*, those that did consumed a high volume of services. There were also high numbers of *emergency room* and *outpatient care* uses.

Hospital-Based Care Usage, Non-Medicaid Reimbursed: Pre-Supportive Housing Time Period, N=99	Number of Users	Number of Uses	Average Number of Uses per User	Number of Days	Average Number of Days per Use
Inpatient Medical Care	23	60	2.6	219	3.7
Inpatient Psychiatric Care	9	13	1.4	330	25.4
Emergency Room	68	200	2.9		
Outpatient Medical Care	69	455	6.6		
Outpatient Psychiatric Care	7	39	5.6		

State Mental Health Hospital Usage

In addition to those receiving Medicaid-reimbursed psychiatric inpatient care, 26 residents (6.0%) spent time in a state mental health hospital sometime during their pre-supportive housing time period. These 26 residents averaged 1.2 visits to a state mental health hospital during the 2 years prior to supportive housing entry. Visits ranged from one day to 415 days, with an average stay of 45.5 days. Residents spent a total of 1,457 days in a state mental health hospital in the pre-supportive housing time period.

Substance Abuse Treatment Usage

134 residents (30.7%) utilized treatment services through the Illinois Department of Human Services' Division of Alcoholism and Substance Abuse (DASA) sometime during the 2 years prior to their entry into supportive housing. A majority of the residents in substance abuse treatment received it in an outpatient setting. Slightly over 3 out of 10 residents who received treatment required detoxification, which is a medically managed intensive inpatient treatment that is more costly than other substance abuse treatment options. Sixty percent of residents who were in detoxification moved on to residential rehabilitation, an expensive 24-hour structured and supervised treatment approach.

Substance Abuse Treatment Usage: Pre-Supportive Housing Time Period, N=134	Number of Users	Number of Uses	Average Number of Uses per User	Number of Days	Average Number of Days per Use
Outpatient Treatment	70	176	2.5		
Case Management	56				
Detoxification	42	68	1.6	400	5.9
Residential Rehabilitation	40	62	1.6	1,810	29.2
Psychiatric Evaluation	12	14	1.2		
Halfway House	6	7	1.2	654	93.4
Recovery Home	5	6	1.2	404	67.3



Supportive Housing Providers Association

The Supportive Housing Providers Association (SHPA) is a statewide association of organizations who provide supportive housing. SHPA enables increased development of supportive housing and supports organizations that develop and operate permanent supportive housing. For more information call 773.359.0123 or email supportivehsg@aol.com.



Corporation for Supportive Housing

Established in 1992, the Corporation for Supportive Housing Illinois office works to promote the development of supportive housing to end long-term homelessness through three core products and services: capacity building to enhance the supportive housing industry's skills and knowledge; financial and technical assistance to partners; and promoting policy reforms and coordinated systems. For more information call 312.332.6690 or email ilinfo@csh.org.



The Heartland Alliance Mid-America Institute on Poverty

The Heartland Alliance Mid-America Institute on Poverty conducts research that shines a spotlight on social issues in order to promote informed and effective policy and program solutions. For more information call 773.336.6075 or email maip@heartlandalliance.org.

This report is available for download: www.heartlandalliance.org/maip/ and www.supportivehousingproviders.org

Time in State Prison

There were 33 residents (7.6%) in the sample that spent some time in a state prison in the 2 years before they entered supportive housing. The length of incarceration ranged from 1 day to 604 days. The average length of stay was 316.5 days. Two thirds of residents that were incarcerated before they entered supportive housing spent more than 6 months in prison. Residents spent a total of 10,445 days in prison in the 2 years before they entered supportive housing.

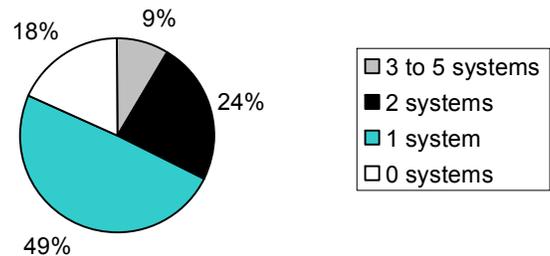
Time in County Jail

There were 24 residents (5.5%) that spent some time in a county jail in the 2 years before they entered supportive housing. The length of time spent in county jail ranged from zero days (no overnight stay) to 254 days. Residents spent an average of 46.4 nights in county jail. A majority of residents that had spent time in a county jail spent less than 6 months in jail. Residents spent a total of 1,576 days in the county jail system in the 2 years before they entered supportive housing.

Usage of Multiple Systems

Only 18 percent of the residents (80) did not access any of the systems studied in the pre-supportive housing time period. Just under half (214) of the residents accessed one system. One third of the residents (142) accessed two or more systems. No resident accessed all six systems.

Usage Across Systems



Conclusion

This interim report focused on the usage of primarily expensive state-funded emergency services prior to entry into supportive housing. Though not a full picture of the usage of state-funded services due to data limitations, it is clear from these initial findings that supportive housing residents are frequent users of expensive services such as inpatient care, psychiatric hospitals, jails, and substance use treatment programs prior to their entry into supportive housing.

The next report will focus on the service utilization of residents after they entered supportive housing and will also look at the costs of services used before and after supportive housing entry. It is anticipated that there will be a decrease in service use after entry into supportive housing for at least those that are using the more expensive services due to the stabilizing effects of supportive housing.