

# HOME FOR EVERY AMERICAN

## INNOVATION AWARD- COST BENEFIT:

### Chicago Housing for Health Partnership

**A**cross the nation, political will to end chronic homelessness has been mobilized by the development of cost benefit data on the economic impact of chronic homelessness on the basic infrastructure of communities: health care, treatment, emergency rooms, and law enforcement. The United States Interagency Council on Homelessness has collected data from more than 65 cost studies and cost benefit analyses. But Chicago has now added something new, taking cost benefit research another step deeper and confirming that the old status quo responses of ad hoc crisis intervention are more expensive than providing homeless people what they want - a place to live.

Data developed in 2006 in Chicago's Cook County Hospital showed that one-third of patients were homeless or at risk, data that demonstrate the "random ricocheting" of those experiencing chronic homelessness between streets, shelters, and hospitals, as well as the high costs associated with hospital use by persons living on the streets or in shelters.

In March 2008, Arturo V. Bendixen, AIDS Foundation of Chicago Vice President for Programs and Partnerships and CHHP director, and research partners from a permanent citywide collaboration in Chicago among health care, housing, and social service agencies released data from a new first-of-its-kind, hospital-based randomized control trial designed to track health outcomes and costs for individuals with long-term histories of homelessness and diagnosed with at least one of 14 chronic medical illnesses. The Chicago Housing for Health Partnership (CHHP) used various Housing First strategies to place individuals identified in three hospitals into supportive housing and track their service and health care use as well as housing stability for a cohort who had high rates of substance use (86%), mental illness (46%), and medical issues such as HIV/AIDS (34%).

Chicago Partnership data indicate 72% of program participants achieved stable housing. Study participants used two-thirds fewer nursing home days annually, were 2.5 times less likely to use an emergency room, and used a mean of 1.5 days of inpatient hospitalization compared to 2.3 days for the "usual care" control group, of whom only 15% were in permanent housing at the end of the study. Annual medical expenses for housed clients were at least \$873,000 less than their usual care counterparts, according to preliminary cost estimates. All participants had at least one chronic disease, and hospitalization costs for the housed group were estimated at \$3.1 million over the 18-month study period and \$5.3 million for the usual care group. Annual costs for housing and case management were estimated at \$12,000 per person per year.