

NEWS RELEASE

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Effectiveness of Permanent Supportive Housing in Maine

Second year review shows continued savings and improved health

PORTLAND, ME (October 19, 2009) – The latest cost analysis of homelessness confirms that providing permanent supportive housing programs for homeless people in urban and rural areas produces tangible cost savings while helping citizens resume stability in their path to recovery—restoring quality of life to people at a cost less than providing no assistance.

The just released report, *Effectiveness of Permanent Supportive Housing in Maine*, represents the results of a review of the costs associated with the second year of permanent supportive housing for people with disabilities who were formerly homeless. This report contains data pertaining to both urban and rural areas Maine.

For urban people who were homeless with disabilities who retained permanent supportive housing during the second year, the results reflected the following savings.

50% reduction in Service costs

46% reduction in Health Care costs, representing a \$264,046 decrease

Continued reduction in costs in the following areas: **emergency room by 49%, incarceration by 87%, ambulance transportations by 53%, and police contacts by 51%.**

For rural people who were homeless with disabilities who retained permanent supportive housing during the second year, the results reflected the following savings.

37% reduction in Service costs

54% reduction in Mental Health costs, representing a \$389,977 decrease

Continued reduction in costs in the following areas: **emergency room by 15%, incarceration by 91% and ambulance transportations by 16%**

Differences between the levels of savings in the urban and rural areas are attributed to multiple factors. One factor was the higher cost of housing in urban areas, another was the percentage of scattered site housing included in the rural sample. Also increasing the urban costs is the fact that

the urban area includes a number of individuals who were chronically homeless and have been housed in a 'housing first' congregate living program with 24-hour on-site staff, where program costs are higher than at scattered site programs due to the level of support required. The rural data set was 84% scattered site voucher housing as compared with the urban data set, which was only 71% scattered site voucher housing.

This study reinforces findings that permanent supportive housing programs in all areas offer a viable long-term solution to stabilizing the costs associated with housing for people who are homeless with disabilities. The continued improved quality of life—and appropriate care offered through permanent supportive housing is essential to the recovery process for people with disabilities who had experienced homelessness.

In one site alone, due to stable housing and support services, tenants have enhanced their quality of life in multiple ways such as improved physical and dental health, participating in neighborhood activities, meeting educational goals, volunteering, engaging in civic activities, finding employment, and reconnecting to family members.

The study was prepared by Melany Mondello of Shalom House; Jon Bradley, DSW, LCSW, of Preble Street; and Tom Chalmers McLaughlin, PhD, and Nancy Shore, PhD, both from the University of New England. Sponsored by the Corporation for Supportive Housing, MaineHousing, the Maine Department of Health and Human Services, and the Maine Community Foundation, it is the first statewide cost of homelessness data collection in the country that looks at costs of both urban and rural homelessness.

Jon Bradley, associate director of Preble Street, said, “These studies provide clear evidence that permanent supportive housing is key to addressing the problem of homelessness. It not only provides people with a chance for affordable safe living but also offers them a chance for productive and fulfilling lives—the opportunity to live independently, build community, and become good neighbors.”

Mary Haynes-Rodgers, executive director of Shalom House, Inc., agreed, adding, “This study and its findings clearly support the need for continued, and increased, funding to provide supportive housing opportunities for those in need. This research shows us that not only is it the right and humane thing to do but the most cost effective option as well.”

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About Shalom House, Inc. (www.shalomhouseinc.org)

The mission of Shalom House, Inc. is to offer hope for adults living with severe mental illness by providing a choice of quality housing and support services that help people lead stable and fulfilling lives in the community.

About Preble Street (www.preblestreet.org)

The mission of Preble Street is to provide accessible barrier-free services to empower people experiencing problems with homelessness, housing, hunger, and poverty and to advocate for solutions to these problems.