

\$50
million
in HB 5005

OREGON HOUSING AND COMMUNITY SERVICES

Permanent Supportive Housing

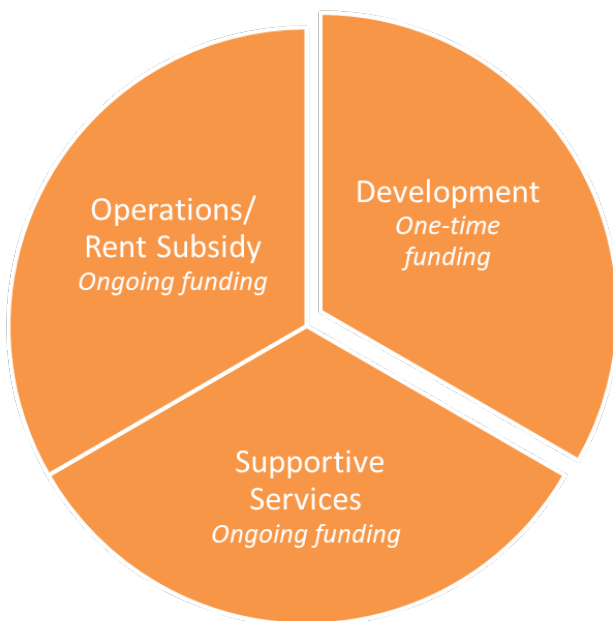
2019 Legislative Agenda

Permanent supportive housing (PSH) provides housing stability to Oregon's most vulnerable residents through service-enriched affordable housing. A wide body of evidence supports the use of PSH to achieve better outcomes for people and lower costs across systems including health care, criminal justice and emergency services.

Why this strategy?

This model ensures that Oregonians facing the most complex challenges have access to the individualized supportive services they need. PSH is proven to create housing stability for chronically unsheltered homeless populations and can also benefit the formerly incarcerated, those with severe and persistent mental illnesses, and other sensitive populations.

Intervention	2018 Cost	Duration
State Hospital Stay	\$800	Per night
Emergency Room	\$500	Per average visit
County Jail	\$125	Per night
PSH	\$59-64	Per night



Robust Partnerships

PSH truly requires a team effort. The three distinct elements to a successful PSH program require coordination and partnership across multiple sectors and systems including state agencies, CCOs, developers of affordable housing, local service providers, and others. OHCS will partner with the Oregon Health Authority to utilize existing housing vouchers for operations and supportive services.

Permanent Supportive Housing

EVIDENCE BASED PRACTICE

Nationwide Impact of PSH

The Supporting Housing Network of New York reviewed more than 16 national studies that analyzed the system cost of providing public services to chronically homeless individuals living on the street compared with serving those same individuals while living in PSH. The Network summarized the overall savings for three cities:

- Hospital usage **decreased by 45%** in Chicago when 200 persons experiencing chronic homelessness were provided PSH, saving the program \$900,000 in 18 months.
- Public costs were **reduced by more than 75%** in Seattle when chronically homeless persons with substance use disorders were provided PSH.
- The annual inpatient Medicaid **cost decreased by 35%** in the City of New York when 4,000 homeless, mentally ill residents were provided permanent supportive housing

Success in Oregon

A Center for Outcomes Research & Education study reviewed Home Forward's Bud Clark Commons, a PSH apartment complex in Portland. It found that in the year after moving in, **average health costs were \$899 per month, a 45% reduction** to the \$1,626 per month before residents moved into the Bud Clark Commons. Total Medicaid cost reductions were more than \$500,000 in the first year following resident move-in. Residents saw improvements in health care needs being met and reported significant improvements in physical and mental health, and significant improvements in self-reported physical and mental health, after moving into PSH.

Case Study: Knoxville, Tennessee

According to the 2012 Comparative Costs and Benefits of Permanent Supportive Housing in Knoxville Study, there was a **57% decrease in costs** associated with community services as a result of placement in permanent supportive housing. When factoring in the cost of housing and eliminating outliers, they found that supportive housing reduced each formerly homeless person's public costs by \$1,145 per year.