

# Housing the homeless costs the same as leaving them on streets

## Final results of \$110-million national study reveal benefit of Housing First model

BY LORI CULBERT, VANCOUVER SUN    APRIL 8, 2014

true



Tyson Pappas was part of the control group of the At Home study. He is one of the 200 people who is homeless and has a mental illness but was not offered a home.

**Photograph by:** Arlen Redekop, Vancouver Sun

For every \$10 invested in housing the mentally ill or drug addicted, \$9.60 was saved in taxpayer-funded services such as emergency rooms and shelter beds, according to a \$110-million national study.

In other words, by spending four-per-cent more, society's most troubled homeless people could transition from living in precarious or no housing with little support to a safe place with services to help them stabilize.

"On average, the intervention comes close to paying for itself among high-needs participants," says the final report involving the At Home/Chez Soi project.

Run by the Mental Health Commission of Canada and funded by the federal government, the study ran from 2008 to 2013 and involved 2,000 hard-to-house, mentally ill Canadians in five cities.

The Vancouver arm provided shelter and support to 300 marginalized people plucked off the streets.

*The Vancouver Sun* wrote extensively about this project, tracking researchers' early findings that the participants relied less on expensive social services as their lives stabilized. That included fewer visits to hospitals and medical clinics, reduced stays in shelters, and a slight decrease in interaction with police and the courts.

The report released Tuesday concludes the five-year study and provides more specific cost analysis.

For the half of study participants labelled “high needs” — who leaned more heavily on social services — the price to offer this Housing First model was nearly a wash; for every \$10 invested, they reduced their use of social services by \$9.60. (The annual intervention cost, on average, was \$22,257 per person, and their reduction of service use equalled \$21,375.)

For the most desperate 10 per cent of this troubled group, there was actually a cost savings to provide them with housing and support: for every \$10 invested, they used \$21.72 fewer services.

That was not the case for the moderate-needs half of the study group: for every \$10 invested, they used \$3.42 in fewer services. (The annual intervention cost, on average, was \$14,177 per person, and their reduction of service use equalled \$4,849.)

However, like the others, the moderate-needs folks’ lives stabilized, allowing them to become more productive members of society.

Each participant was housed for a maximum of two years, and the report notes it isn’t clear what the long-term cost benefit of this program would be.

“However, some of our results suggest that the cost offsets would increase over time,” the report said, noting the participants had improved quality of life, required less medical support and, in some cases, relied less on welfare as they began working.

Vancouver Mayor Gregor Robertson said in a statement Tuesday that the final report confirms this Housing First approach is crucial to tackle the challenges of homelessness, mental illness and drug addiction.

The future, though, is uncertain for Vancouver’s 300 study participants who have lost funding for their homes and support services.

“The success of At Home is a clear demonstration that the federal and provincial government should continue to support the participants so that we don’t roll back the progress we’ve made, and that they can transition into stable, long-term homes with community supports,” Robertson said.

At a media event in Ottawa Tuesday, Candice Bergen, the federal Minister of State for Social Development, said the At Home project provides “strong evidence” that it is an effective way to lower homelessness.

Bergen said the federal government is now committed to using a Housing First approach, which was first created in New York.

The Mental Health Commission has created a tool kit, available later this spring, to help other Canadian cities implement this kind of program.

Housing First means that marginalized people are offered a home and support services to stabilize, before pursuing long-term goals that may address their mental health and drug addictions.

In Vancouver, 200 participants were housed in apartments scattered around the city, while 100 lived together in the former Bosman Hotel downtown. A 200-person control group showed some improvements over the course of the study but fewer than those who were given homes.

[lculbert@vancouversun.com](mailto:lculbert@vancouversun.com)

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