



VIRGINIA 
supportive
housing

A Place to Start

Cost Savings and
Client Outcomes



Executive Summary

A Place to Start (APTS) provides permanent housing and comprehensive mental health services to individuals in the City of Richmond and the counties of Chesterfield and Henrico who have a long history of homelessness and serious mental illness.

Often referred to as “chronically homeless,” program participants have been unable to succeed in traditional office-based services and suffer greatly from the symptoms of their illnesses, primarily schizophrenia and bipolar disorder. These individuals are considered the “hardest to serve,” and

the costs of their homelessness and untreated illnesses are high. Based on a program model that has been found to be effective in other communities, APTS helps end homelessness for this group of individuals and reduces costs to the community.

A program of Virginia Supportive Housing, APTS began providing services in December 2007 and has served 58 individuals since then. In addition to being the compassionate thing to do, the creation of housing-first programs such as this actually saves communities money. On average,



“Based on a program model that has been found to be effective in other communities, APTS helps end homelessness for this group of individuals and reduce costs to the community.”

the cost of the housing subsidy for APTS is \$5,000 per client per year. The cost of clinical and housing services, medications for those without benefits, new participants’ move-in costs and other program-related costs are approximately \$13,000 per client per year, making the total cost of APTS about \$18,000 per client per year (or about \$900,000 for 2010). Traditional

supportive services models, including VSH’s studio apartments, cost approximately \$10,222 per person per year. However, prior to entry into APTS, program participants cost “the system” much more. As the following information shows, APTS is not only the clinical answer to an un-served population, but it is also a financially wise program to operate.



APTS: Clinically and Financially Wise

To measure the cost savings specific to the Richmond community, data from area hospital systems and client criminal records for the first 52 were evaluated. Initial data, including participant demographic information and criminal history, was captured upon program entry. Hospitalization records were noted in February 2009 and March 2010. Participant “event data” — hospitalization, incarceration, employment and housing changes — was captured as these events occurred after entry into the program.

This evaluation shows that APTS effectively ends homelessness for its participants while saving the community valuable financial resources. The following are the major findings:

Program Retention

- The APTS program had a 98% success rate in keeping clients in housing. Only one of the program participants has returned to homelessness since the program’s inception.

Increased Income

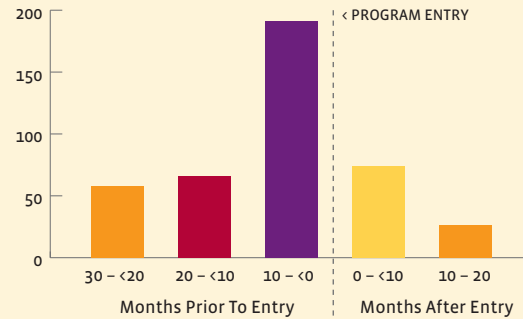
- The number of clients with an income increased by 33%. The median income was \$674, and the average income was \$711. The primary source of client income was Supplemental Security Income (SSI), obtained by 82% of participants. The remaining clients received Social Security Disability Income (SSDI). One client worked and received SSDI.

Savings in Emergency Department and Inpatient Costs

- An estimated 66% of APTS clients' emergency department cost (approximately \$83,500) was saved during the first 20 months of program participation in comparison to the 20 months prior to entering.
- Compared to the 20 months prior to program entry, clients' emergency department visits decreased 61.5% (157 fewer visits) in the 20 months after entering the program.
- Inpatient hospitalizations for psychiatric admissions decreased 62% after clients entered the program.
- Although hospital admissions increased during the APTS participants' first 10 months in the program, admissions after this initial "adjustment period" decreased 79.5%.

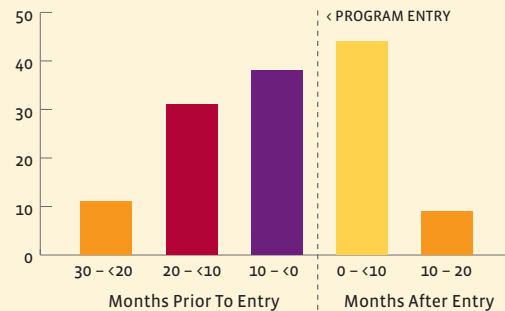
Emergency Department Visits

Number of visits by 10-month intervals prior to and after program entry



In-Patient Hospital Stays

Number of stays by 10-month intervals prior to and after program entry

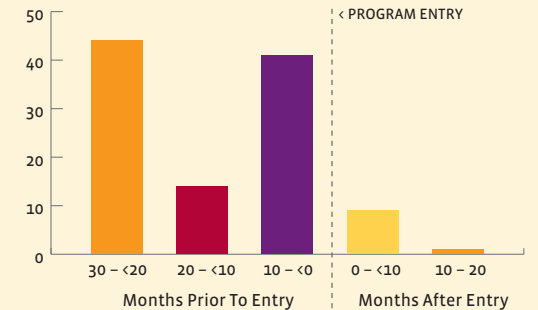


Savings in Criminal Justice Costs

- Although cost data was unavailable for arrests and associated processing/judiciary costs, the number of APTS client arrests during the 20 months before and after program entry declined by 83.1%. This suggests significant costs savings for the criminal justice system.
- The 74% decline in average incarceration duration and the 89% decrease in number of incarcerations save estimated \$98,072 for area corrections facilities and the criminal justice system as a whole.

Arrests

Number of arrests by 10-month intervals prior to and after program entry



Summary of Estimated Cost Savings to the Community

- Comparing the total costs for emergency department visits, inpatient hospital stays and incarceration costs during the 20 months prior to and the 20 months after program entry, **the community saved more than \$320,000**. This does not include arrest and other judicial or ancillary costs, such as ambulance services, behavioral health and homeless service system costs (intake, feeding programs and emergency shelter).

“Individuals who have spent years sleeping on the streets now have a home of their own. Those who have been unable to access necessary mental health treatment are now receiving the services they need.”

- The total community cost saving represents the difference between the average annual cost per client for incarcerations and hospital visits prior to program entry (\$6,062) and after program entry (\$3,227) — **almost a 50% decrease**.
- In evaluating clients with the heaviest use of hospitals and jails, **annual costs to these institutions went from almost \$18,000 per year prior to program entry to \$528 per year after**.

For the full report, go to virginiassupportivehousing.org/apsreport

In addition to remarkable monetary savings, the APTS program has benefitted program participants in profoundly positive ways. Individuals who have spent years sleeping on the streets now have a home of their own. Those who have been unable to access necessary mental health treatment are now receiving the services they need. The stability the program provides has allowed participants to reclaim their lives and start the recovery process.



In His Own Words



The following are excerpts from a letter written by a current APTS participant. His words clearly express the impact APTS has had on his life.

For years I was homeless—eight to be exact. I have been hospitalized for mental illness and have served time for various non-violent crimes. One of my worst memories of being homeless is being cold. Because of frostbite and severe nerve damage to my feet, I have half a foot and can barely walk at times. So, when it is 35 degrees or colder, it is very important to warm my feet. If I don't, the

cold precipitates frostbite or even death. Most people don't recognize what the homeless population goes through. There is no shelter from the rain, heat or snow. Most people don't know that other homeless care agencies don't provide a safe place to get out of the elements. So, when it is raining, snowing or when it's cold, there is no place to go even for five minutes.

Filling meals are hard to come by; you stand in line for hours just for one or two meals a day, in the rain, snow or heat.

Most people degrade you or think you are nothing when you are homeless or mentally or physically disabled. I felt so alone and helpless until Virginia Supportive Housing's A Place To Start

program came my way. A Place To Start is just that—a new place to start, but with help. You don't have to go it alone. Before A Place To Start came into my life, I had given up. I felt like I had no one who really cared or understood that all I needed was a place to start with affordable rent and services to keep my housing.

Living on the streets can almost take your soul if you let it. At a time when I thought no one cared if I lived or died, I met the A Place To Start team. Without the constant and considerable emotional support of A Place To Start, I would be homeless or dead.

Since I have been in the A Place To Start program, I have not been hospitalized or incarcerated. I have been able

to stay on my medication which is something I've never been able to do on a consistent basis. All the staff at A Place To Start have been true warriors; we have cried together and fussed together. It doesn't matter if I am taking my meds or staying sober; they keep coming back to help no matter what.

I know I'm not just a number or name to them. All the team, even the doctor, truly listen and ask in-depth questions about me and my treatment. I guess what I am trying to say is that at A Place To Start everyone there considers and recognizes me as a real person. I thank God for them.

By having someone to talk to, someone who is really interested or really concerned or even cares about my

personal as well as my physical and mental needs, A Place To Start saved my life.

To sum it all up, if I hadn't started at A Place To Start when I did, I would still be homeless, dead or in jail for a long time. It is hard to put it all into words. I can't begin to explain to you the pain and agony that I have felt in my life. Now I am happy about all my accomplishments and the people who help me get through it. I feel proud now.

I know that I am somebody. I have much love and respect for A Place To Start. Thank God I now have A Place To Start.



PO Box 8585
Richmond, VA 23226

virginiasupportivehousing.org
(804) 788-6825