Why Illinois Should Invest in Homeless Services:
Positive Outcomes and Cost Effective Programming

Spring 2011

Illinois supports a vital continuum of services for people at risk of or experiencing homelessness. The **Homeless Youth Program** ensures that unaccompanied homeless youth have a safe place to turn to and a means to prevent their homelessness as adults. The **Homeless Prevention Program** provides a small grant to families at risk of eviction or foreclosure – keeping them in their home is better for the family and more cost-effective for the state. The **Emergency and Transitional Housing Program** provides temporary housing and critical supportive services to get adults back on their feet and help prevent future instability. For the chronically homeless and people with disabilities, the **Supportive Housing Program** provides a permanent solution to homelessness.

State funding in FY 2011 for these four programs totaled only $38.6 million – less than 1% of the $4 billion in total General Revenue Funding for the Illinois Department of Human Services. Yet these programs are integral to Illinois' efforts to end homelessness and secure housing for our most vulnerable citizens , and they get results.

The state's continuum of homeless services has shown success, even in the midst of a deep recession, as point in time[1] counts show that the total homeless population in Illinois decreased by 5% from 2008 to 2009 and the number of people living on the streets decreased by an impressive 32%. However, because of the recession, programs have ever-growing waiting lists and increasing numbers of turn-aways. ***When people access services, we see positive outcomes.*** We need to prioritize the maintenance and expansion of these services to ensure that no one falls through the cracks and the state can realize the full value of these programs.

[1] National Alliance to End Homeless, State of Homelessness 2011. The annual point-in-time counts are conducted each January by local Continuums of Care. This measure is the total number of individuals and persons in families experiencing homelessness in shelters, transitional housing programs or in places not meant for human habitation on a given night.

Homeless Prevention Program

In FY 2010, the Homeless Prevention Program kept 2,322 Illinois households (89% of households served) from becoming homeless.

On average, it costs the state $916 per household to prevent homelessness.

- *People served*: individuals and families who are in imminent danger of eviction, foreclosure, or homelessness, or are currently homeless.
- *Services provided*: time-limited rental/mortgage assistance, security deposit assistance, utility assistance, and case management.
- Currently housed in the Bureau of Homeless Services and Supportive Housing within the Illinois Department of Human Services.
- Funded at $2.4 million in FY2010 and FY2011. (Cut from $11 million in FY2009.)
- The impact of the state funding cuts has been mitigated by the availability of $71 million in federal stimulus funds for Illinois provided through the Homeless Prevention and Rapid Re-Housing Program (HPRP). However, HPRP funds, first awarded in mid-2009, will be exhausted by mid-2012 or sooner.

FY2010 Homeless Prevention Outcomes	
2,620	Total Households Served
2,322	Number of Households Still Housed Four Months After the End Of the Fiscal Year
88.6%	**Percent of Households assisted by the Homeless Prevention Program that Did Not Become Homeless**
$916	Average Cost to the State Per Household to Prevent Homelessness
$1,448	Average Cost to the State Per Household if Homelessness is Not Prevented and Supportive Housing is Needed
$532	Average Amount Saved Per Household to Prevent Homelessness and Avoid the Need for Supportive Housing
$1,235,304	**Total Amount Saved in FY2010 by Preventing Homelessness**

Emergency and Transitional Housing Program

The Emergency and Transitional Housing Program served 29,717 adults and 12,351 children in FY 2010.

54% of people served exit to permanent or transitional (two-year) housing.

- *People served*: individuals and families experiencing homelessness.
- *Services provided*: overnight/emergency shelter, transitional housing, and supportive services.

- Currently housed in the Bureau of Homeless Services and Supportive Housing within the Illinois Department of Human Services.
- Funded at $9.1 million in FY2010 and FY2011.

FY2010 Emergency and Transitional Housing Outcomes	
29,717	Total Adults Served
12,351	Total Children Under 18 Served
42,068	Total Number of Homeless Persons Served
54%	Percent of People Served that Exit to Permanent or Transitional (Two-Year) Housing
$304	Average Cost Per Household to the State to Serve in Illinois Emergency and Transitional Housing Program
55,811	**Number of Turn-Aways Due to Insufficient Resources**

Homeless Youth Program

The Homeless Youth Program supports 1,173 youth experiencing homelessness each year.

87% of the youth using the Homeless Youth Program move into safe, stable housing.

95% of youth experiencing homelessness are unable to access assistance from the Homeless Youth program due to limited funding.

- *People Served*: Unaccompanied homeless youth 21 years of age or younger.
- *Services Delivered*: Housing with supportive services.
- Currently housed in Community Health and Prevention within the Illinois Dept. of Human Services.
- Funded at $4.7 million in FY08, $3.6 million in FY10 and $3.2 million in FY11.

Recent Homeless Youth Outcomes	
1,173	Total Number of Youth Served by State-Funded Homeless Youth Programs Per Year
310	Total Number of State-Funded Beds Designated for Homeless Youth
87%	**Percent of Youth Exiting Homeless Youth Programs into Safe, Stable Housing (2007)**
4,775*	Number of Turn-Aways Due to Insufficient Resources (*Chicago Only)
24,968	Estimated Number of Unaccompanied Homeless Youth in Illinois in 2005
5%	**Percent of Unaccompanied Homeless Youth Served in State-Funded Programs**

Supportive Housing Program

The Supportive Housing Program saves the state $2,400 per year for each individual in need of housing that is served.

Over 6,000 households have safe, stable permanent housing and are off the streets thanks to the state's investment.

- *People Served*: Highly vulnerable populations, such as chronically homeless people and persons with disabilities.
- *Services Delivered*: Services like case management, healthcare, mental health and substance abuse services, employment, and housing counseling.
- Currently housed in the Bureau of Homeless Services and Supportive Housing within the Illinois Department of Human Services.
- Funded at $21.3 million in FY10 and $23.9 million in FY11.

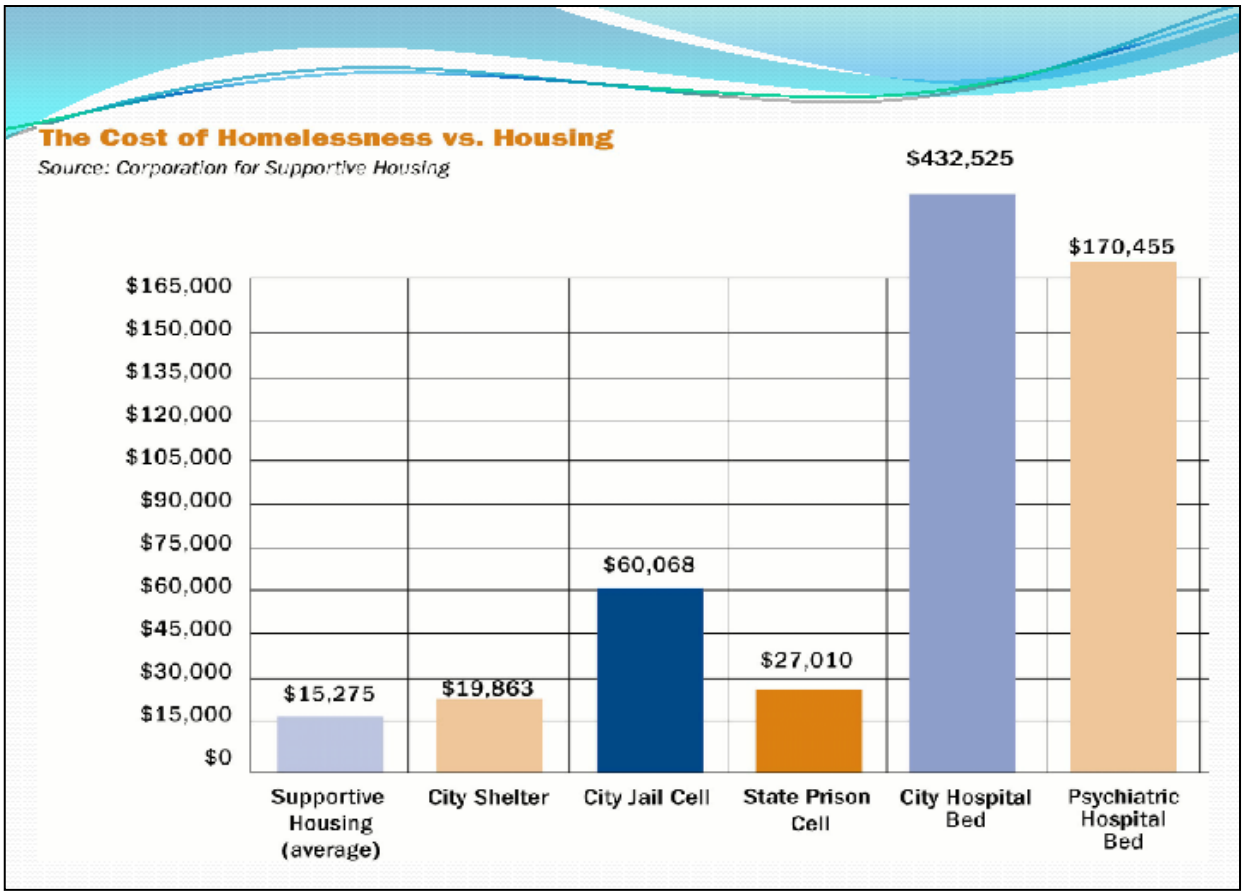
FY2010 Supportive Housing Outcomes	
6,076	Total Households Served
49%	% of People Living Doubled-Up, in an Emergency Shelter, in an Institution, or in Places Not Meant for Human Habitation Prior to Supportive Housing
72%	Percent of People Served that Exit to Permanent or Transitional (Two-Year) Housing
$1,448	**Average Cost Per Household to Serve in Illinois Supportive Housing Program**

Cost Effectiveness

- Supportive housing (subsidized housing combined with supportive services) is the least expensive housing option for someone experiencing homelessness who needs long-term support.

- Investing in supportive housing will also help Illinois meet its Williams v. Quinn Consent Decree obligation by moving persons from restrictive and expensive institutionalization **($115 per day)** to humane and cost-efficient community based housing and services **($42 per day)**. For the cost of one day of institutionalization, the state can provide three days of supportive housing.

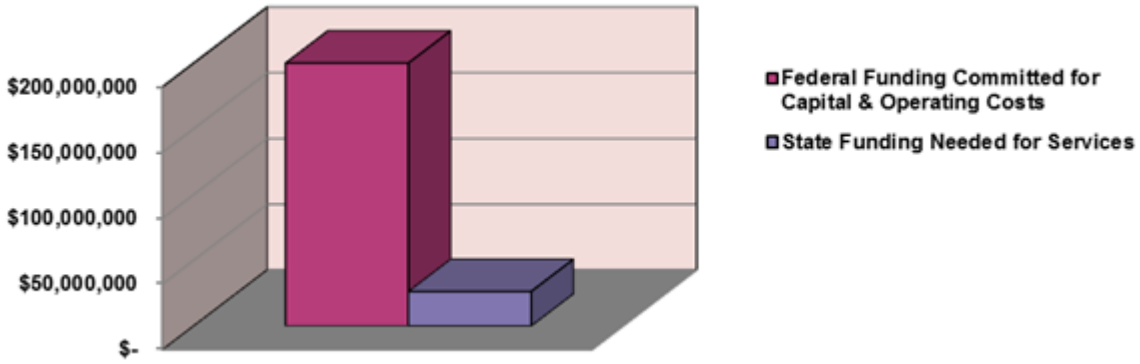
- The following charts and graphs illustrate the cost-effectiveness of housing versus homelessness and the resources leveraged and money saved by investing in solutions that work.



State-Funded Supportive Housing

Leverages $200 million in Federal Funds Every Year:

For Every State Dollar Spent, We Receive $8 in Federal Match



Cost Savings from Pre- to Post-Supportive Housing

Source: Heartland Alliance Mid-America Institute on Poverty
and the Supportive Housing Providers Association

Savings from 177 Residents Over 2 Years Pre- and 2 Years Post- Supportive Housing	
Medicaid-Reimbursed Services	-$183,271
Uncompensated Hospital Services	-$27,968
Inpatient Mental Health Hospital Care	-$399,999
State Prison	-$215,759
County Jail	-$27,481
TOTAL	**-$854,478**
Savings Per Person Per Year	**$2,414**

Compiled by:

Chicago Alliance to End Homelessness
Chicago Coalition for the Homeless
Corporation for Supportive Housing
Heartland Alliance for Human Needs & Human Rights
Housing Action Illinois
Supportive Housing Providers Association