

# Study finds L.A. County saves money by housing sick homeless people

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Los Angeles County's marquee program to provide housing for very sick homeless people saved taxpayers thousands of dollars by reducing hospitalizations and emergency room visits, a three-year Rand Corp. study released Monday found.

Considered a national model, Housing for Health uses county and federal money to subsidize rents and intensive case management for acutely ill homeless people.

Rand, a Santa-Monica-based research group, found that the medical savings more than offset the cost of housing. For every \$1 invested in the program, county government was spared \$1.20 in healthcare and social service costs, the study said.

Participants improved their mental health, and 96% remained in housing for more than a year, the study found.

"Oftentimes, these programs strive to 'break even' in terms of costs and only exhibit cost savings among the most vulnerable, while the Los Angeles program shows considerable savings across a diverse population," said Sarah Hunter, a senior behavioral scientist and lead author of the study.

The \$70-million-a-year program began on skid row in 2012, and has fanned out across the county, with 20-30 outreach and street medicine teams up and running, and 50 planned, Marc Trotz, the director, said.

Over the past five years, the effort has moved 3,400 homeless people into apartments and housing projects. Clients are also placed in recuperative care centers and temporary "bridge" housing on their way to permanent housing.

Under a "Housing First" approach, the program does not make participants go through drug or mental health treatment to get help. The goal this coming year is to get 2,500 people off the streets.

"It's ramping up to where it would need to be to make a visible and meaningful dent on the streets," Trotz said. "Are we there yet? No, but the county is getting more people housing than ever before."

The study examined county costs for public hospitalizations, jail stays, emergency room visits and welfare for 809 formerly homeless participants before and after they found housing.

There were no incarceration savings because residents stayed in jail longer, the study found. Hunter said the researchers don't know if the program cut down on private hospital visits because they didn't have the data.

The study also found that housing did not resolve all of the residents' mental health and medical issues, suggesting that the county might need to provide long-term services and rent subsidies to keep people off the streets.