Ending Long-Term Homelessness for People with Complex Needs

The Opportunity

The President’s FY 2017 Budget would increase HUD’s Homeless Assistance grants by $414 million. That increase includes an investment of $330 million which, if funded by Congress, would help to create the 25,500 units of supportive housing necessary to achieve an end to chronic homelessness. Doing so will not only save lives and improve our communities, it will save money.

The Need

On any given night, more than 83,000 Americans with disabling health conditions who have been experiencing homelessness for long periods of time – some for years or decades – can be found sleeping on our streets, in shelters, or other places not meant for human habitation. These men and women commonly have a combination of mental health problems, substance use disorders, and medical conditions that worsen over time and too often lead to an early death.

Figure 1: Estimates of People Experiencing Chronic Homelessness, by State, 2015
Source: U.S. Department of Housing and Urban Development 2015 AHAR Part 1

Without connections to the right types of housing options and services, they cycle in and out of hospital emergency rooms and inpatient beds, detox programs, jails, prisons, and psychiatric institutions – all at high public expense. Some studies have found that each individual experiencing chronic homelessness costs taxpayers as much as $30,000 to $50,000 per year.
The Solution: Supportive Housing

Supportive housing has been shown to help people permanently stay out of homelessness, improve their health conditions, and, by reducing their use of crisis services, lower public costs. In fact, numerous studies have shown that it is cheaper to provide people experiencing chronic homelessness with supportive housing than to have them remain homeless.

Based on this overwhelming evidence, in 2010 the Administration set a goal to end chronic homelessness, and has focused on increasing the supply of supportive housing and promoting the adoption of Housing First practices that help people obtain housing quickly and without barriers and preconditions.

The Need for Greater Progress

Since 2010, the number of people experiencing chronic homelessness on any given night has declined by 22%. And some communities – like New York City, Boston, and almost two dozen others – have achieved an end to chronic homelessness among Veterans. However, our national progress is slowing. Between 2014 and 2015, point-in-time estimates show only a 1% decrease for those experiencing chronic homelessness. In many communities today, it’s clear that there are not enough supportive housing opportunities. To restore momentum and achieve an end to chronic homelessness, HUD’s budget for supportive housing must be increased.

Our Ongoing Strategy

While the new resources being sought through the President’s FY 2017 budget are absolutely necessary to bring supportive housing to the scale we need to end chronic homelessness, we are continuing to drive action among national partners and communities to maximize their existing resources, including:

- Creating more supportive housing by redirecting existing housing resources and aligning health, behavioral health, and housing systems at the state-level
- Leveraging Medicaid and behavioral health systems to provide supportive services
- Improving the targeting of supportive housing units to people experiencing chronic homelessness
- Implementing best practices, such as Housing First and assertive outreach and engagement

Through this combination of strategies, and new investments targeted wisely, we know that we can end long-term homelessness for people with the most complex needs in our communities.