

Purpose & Methodology*

This project explores the financial costs associated with homelessness for eight individuals in Linn County. When these individuals were stably housed, they cost up to **\$4,754 per person per month less** than during homelessness. Researchers worked with participants who had primarily lived in Linn County from July 2013 to June 2018, and who experienced a minimum of 1 year of homelessness during that period. Through interviews, researchers established participant’s monthly housing history and gained access to participant’s medical and social services records.

Costs to Whom?

Although it is difficult to draw direct connections from specific taxpayer dollars to the costs analyzed, all three major systems involved in this study – medical, legal, and housing – receive large portions of their funding from taxpayer sources. Funding can come directly from the city or county, or in the form of grants and contracts, all of which is funded almost entirely by taxpayer dollars, albeit not necessarily local tax dollars.

Aggregate Results

From 2013 – 2018, the costs associated with homelessness for all eight participants totals to **more than \$1,200,000**.

Eli accounts for **over 50% of the total cost of homelessness** during this period. This is not surprising, as other cost studies have shown that about 10% -15% of individuals experiencing *chronic homelessness*** account for about 50% of the total costs associated with homelessness.

**flowchart explaining what it takes to qualify as chronically homeless here: <https://www.hudexchange.info/resources/documents/Flowchart-of-HUDs-Definition-of-Chronic-Homelessness.pdf>

Fig. 1: Total Costs For All 8 Participants 2013 - 2018 By Housing Status

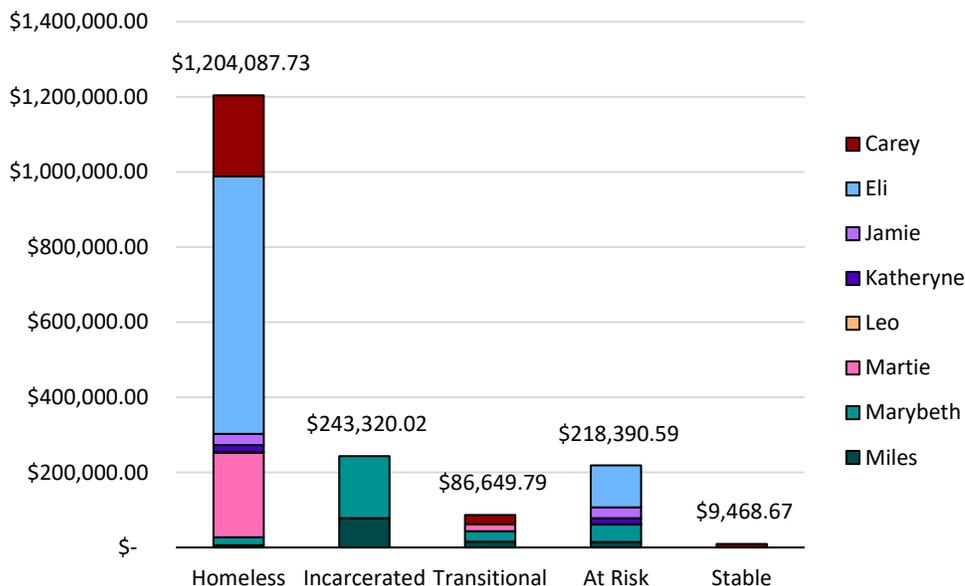
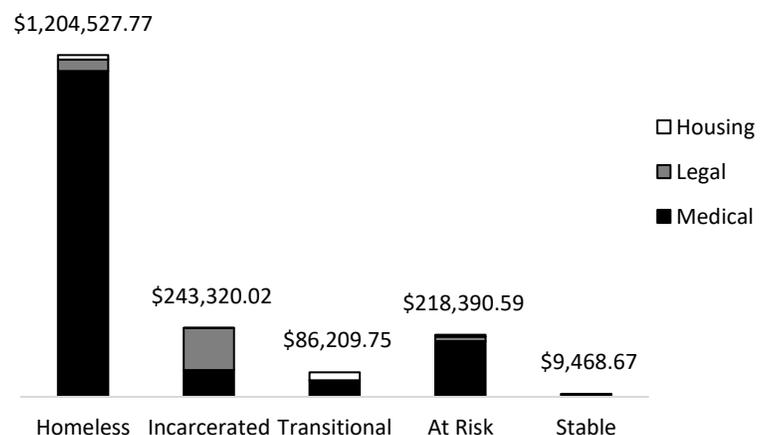


Fig.2 shows how the costs in Fig. 1 are split between the medical, legal, and housing systems.

When participants were homeless, at risk, or in stable housing, their **medical costs accounted for over 90% of the total costs**. Medical interactions accounted for **over 60% of the total number of interactions** (Fig.3) in each housing category. The emergent nature or long-term necessity of certain medical needs account in part for these high costs.

When participants were **incarcerated, their legal costs accounted for 61% of the total costs**. When participants were in **transitional housing, their housing costs accounted for 33% of the total costs**. This is due entirely to the costs of

Fig. 2: Total System Costs 2013 - 2018



incarceration and transitional housing themselves, as there were no other interactions involving those systems while participants were experiencing those housing situations (Fig. 10 and Fig.12).

Fig. 3: Total System Interactions 2013 - 2018

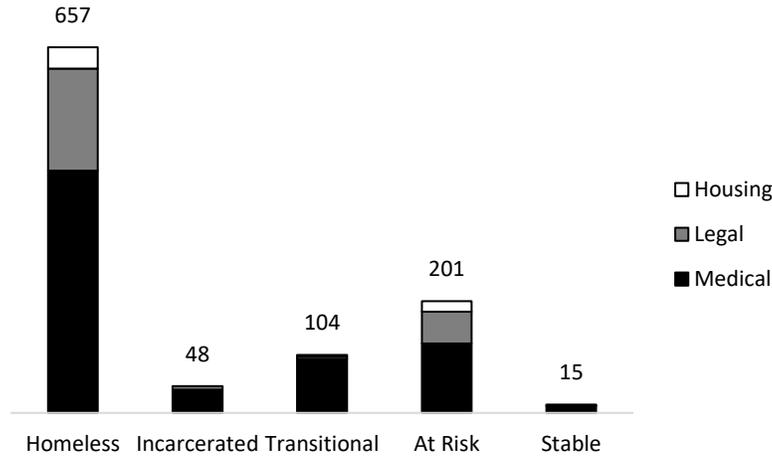


Fig. 3 shows the total number of interactions associated with each system for each housing category. An interaction was recorded any time a participant engaged in a service or with an agency.

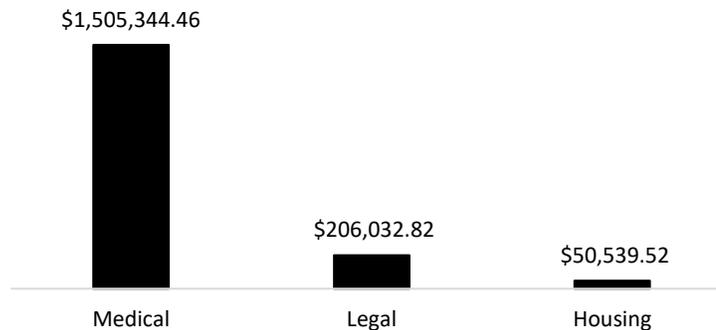
When participants were stably housed, **12 (80%) of their interactions were with the medical system.** Two interactions were with legal entities, and one was a housing interaction that does not have any costs associated with it.

The total costs and interactions associated with each system for all housing categories combined can be seen in Fig. 4. This highlights not only the costs associated with the different systems, but how

often those systems are utilized, regardless of housing category. For instance, medical interactions are often very expensive, averaging **\$2,117 per interaction**, (as compared to the average costs of **\$811 and \$842 per each legal and housing interaction**, respectively) and thus their costs dwarf the other systems.

Fig. 4

Total Costs For All Housing Categories And Participants 2013 - 2018



Total Number Of Interactions For All Housing Categories And Participants 2013 - 2018



Medical services are also the most utilized- **more than double both the legal and housing interactions combined.** This is unsurprising, as medical interactions are necessary to maintain health whereas legal and housing interactions are not always necessary. However, the type and urgency of medical interactions can be indicators of the quality of life of individuals, as seen in Fig. 9, and it is worth investigating ways to improve the medical systems' response to clients experiencing homelessness.

From 2013 – 2018, participants spent different amounts of time in each housing category. Some, like Eli and Martie, spent a total of **over 54 months homeless each**, while others would frequently move between housing categories (Fig. 5). For instance, Jamie experienced four different bouts of homelessness totaling to 29 months that was interspersed with experiencing at risk housing.

Fig.5: Total Months Per Housing Category 2013 - 2018

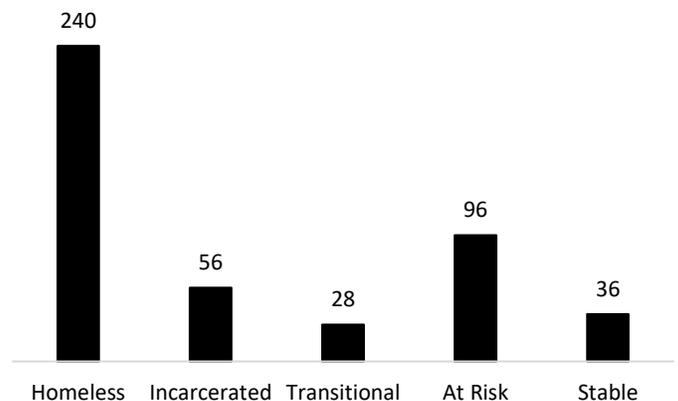


Fig. 6: Average Monthly Cost Per Person



Fig. 6 shows the total average cost per month per person. There is a **\$4,754 decrease in the total average cost per month** from homelessness to stability.

Fig. 7 shows each participant’s individual average cost per month for each of the housing categories they experienced.

Eli is clearly an expensive outlier. While homeless and at risk he cost an average of **\$12,684** and **\$18,618 per month**, respectively. Additionally, every participant – except Leo – cost an average of **over \$1,000 per month while homeless**.

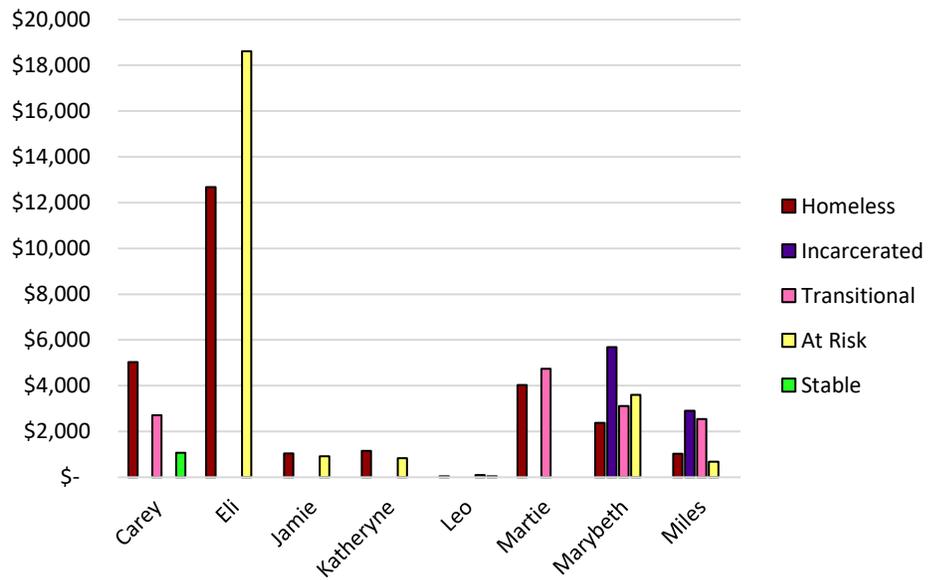
What Now?

These costs can be large enough to be a concern to Linn County. However, the medical, legal, and housing systems lack the ability to communicate about these high-cost users across systems, and Linn County lacks adequate programs and housing options to help people move to stable housing. Thus:

- Establishing **closer partnerships and data-sharing procedures** may help to identify and get high-cost individuals connected to services, and
- **Increasing support for intensive service programs such as transitional housing and long-term supportive housing** will likely be beneficial to individuals experiencing homelessness, as well as financially beneficial to the Linn County community. For high-cost users, the cost of supportive long-term housing is still less expensive than remaining homeless.

Fig. 7: Average Cost Per Month For Each Participant

Individuals have vastly different costs per month than the average cost per month



Housing Categories

Homeless: staying in emergency shelter, sleeping on the streets, or another category of homelessness categories found here: https://www.hudexchange.info/resources/documents/HomelessDefinition_RecordkeepingRequirementsandCriteria.pdf

Incarcerated: in prison, jail, or a halfway home for at least 90 days

Transitional: staying in a temporary housing unit meant to bridge the gap from homelessness to stable housing

At Risk: renting their own home but due to lease violations and unstable income was at risk of losing their residence

Stable: housed in their own home and are not at risk of losing their housing

**For questions or more information, please contact Willis Dady Homeless Services at (319) 362 – 7555. All names in this study have been changed to protect the participant’s identities.*

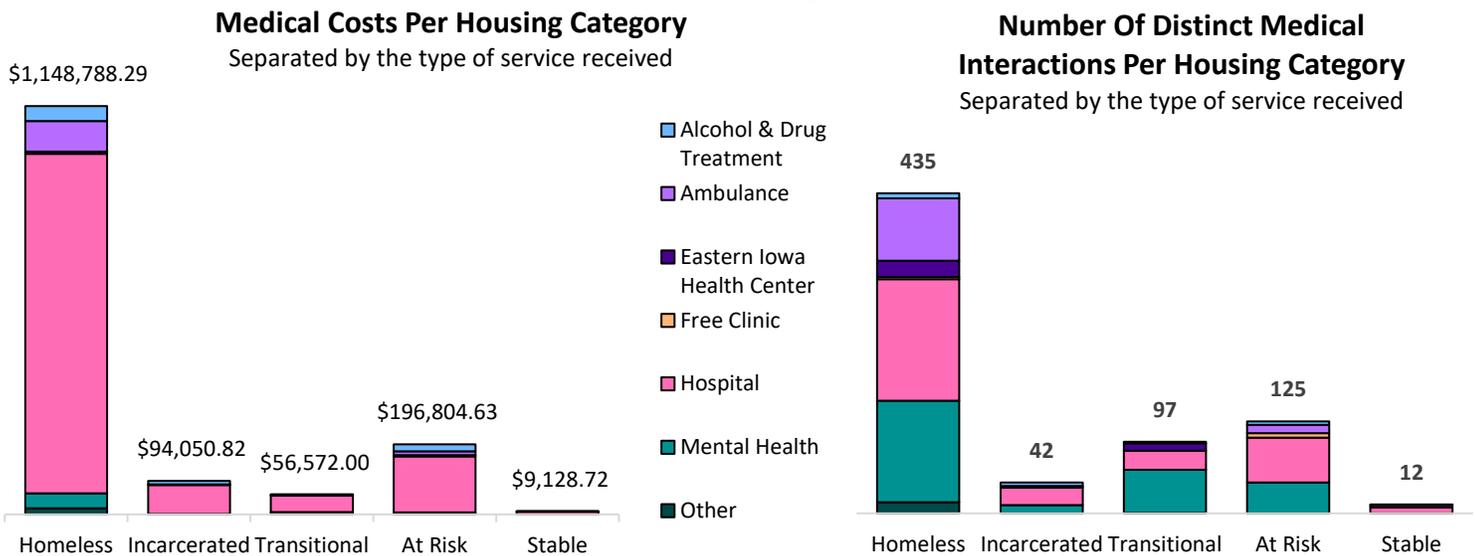
Medical Results

Ideally, medical interactions should not disappear when someone is housed, as that would indicate that people are not caring for themselves. However, if someone is *only* using the ER, they may only be seeking medical assistance when they desperately need it. In this study, on average, **an outpatient ER visit is \$1,740 more expensive** than a non-ER outpatient visit, and similarly **an inpatient ER visit is on average \$9,495 more expensive** than other inpatient visits.

In Fig. 8, hospital visits are all lumped together; any mental health interactions shown occurred when people accessed other agencies, such as the Abbe Center or Foundation 2. Likewise with alcohol & drug treatments. Ambulance interactions are separated from hospital interactions because occasionally participants rode an ambulance, but then refused treatment at the hospital.

Although free clinics do not charge fees, the equivalent costs of their services were calculated from estimates of costs of doctor's time and prescriptions.

Fig. 8

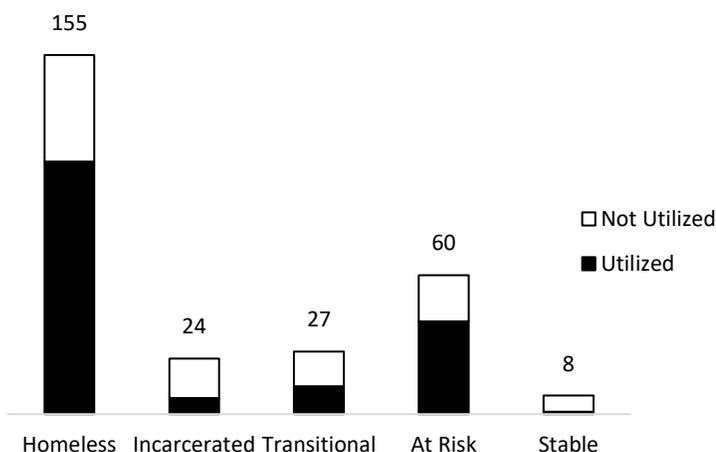


In Fig. 9, we can see that ER utilization decreases as people are stably housed. When experiencing **homelessness and at-risk housing situations**, respectively **70% and 67% of the hospital interactions involved the ER**. However, when participants were stably housed, only **12.5% (1 out of 8)** of the hospital interactions involved the ER.

Eli accounted for **60%** of all homeless ER visits. He had **66 ER interactions** while homeless and **14 while at risk** - more than an average of one a month. These interactions account for **56% and 62% of the total costs** of all hospital visits while homeless and at risk, respectively.

Fig. 9: Hospital Interactions

Comparing emergency room utilization vs. non-utilization



Even ignoring Eli's interactions while homeless and at risk, the other participants' ER interactions, respectively, account for **49% and 57%** of the hospital interactions, which are still higher utilization rates than when stably housed.

The high rate of ER visits while participants are homeless is expected; Jamie noted that, while homeless, he only used the hospital when he was desperate. The high rate of ER visits while at risk indicates that there may be more that can be done to identify and address issues for people no longer homeless, but not yet stably housed.

Legal Results

Not every participant experienced incarceration, but those who did accrued high costs during their incarcerations. During 2013 – 2018, the cost per inmate per night in halfway homes ranged from \$74.66 – \$79.65, and the cost per inmate per night in prisons ranged from \$90.03 - \$95.85. This can mean that the **cost for keeping a single inmate incarcerated for a month ranged from \$2,090.48 - \$2,971.35.**

A call to service means that there was some sort of interaction between an officer and a participant; it does not mean someone was breaking the law. Each call to service is estimated to take one hour and involve one officer. Depending on the year, these calls can vary from **\$74 - \$81** per hour.

Court costs include court costs, fines, surcharges, restitutions, or other costs accrued.

Fig. 10

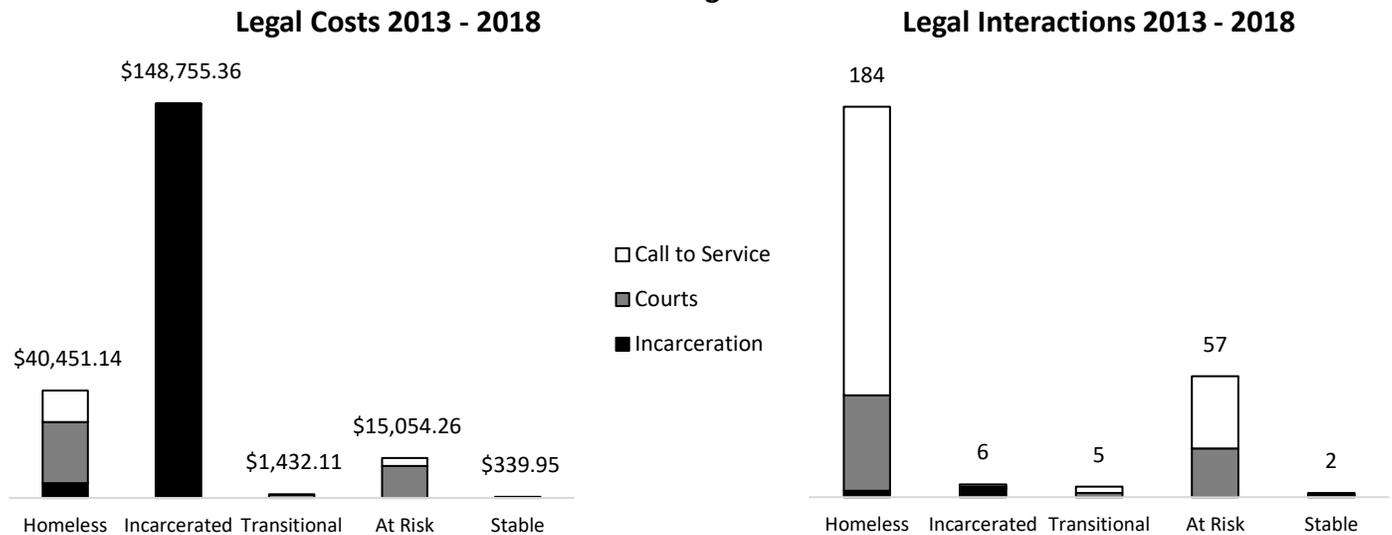
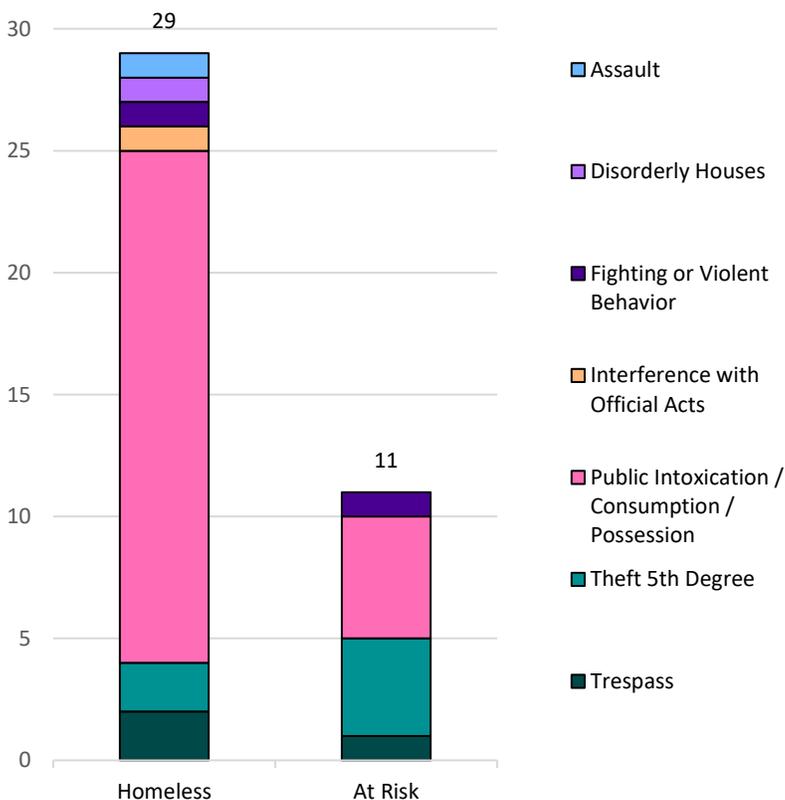


Fig. 11: Simple Misdemeanor Charges



When participants were incarcerated, their legal costs accounted for **61% of the total cost**, even though they were **12.5% of the total interactions**, as seen in Fig. 10. This is due to the high cost of incarceration itself.

3 of 5 prison sentences occurred while participants were experiencing homelessness, and a total of **28% of all interactions while homeless were in the legal system.**

Of the **62 total charges** accrued while homeless, **29 were simple misdemeanors.** Most of the misdemeanors, seen in Fig. 11, constituted crimes such as public intoxication, publicly consuming alcohol, or possession of drug paraphernalia; theft of the 5th degree, or of property under \$200; and trespassing. All three of these charges are commonly associated with homelessness.

The only two legal interactions that occurred while participants experienced stability were a call to service and a fine for fishing without a license.

Housing Results

Housing costs vary depending on the program a participant utilizes. HACAP and the Catherine McAuley Center (the CMC) both operated transitional housing programs costing between \$21.41 and \$36.67 per person per night. These programs enable participants to develop skills necessary to move into stable housing. For example, Carey’s **average cost per month dropped by \$2,313 when she entered transitional housing**, and it dropped by **another \$1,650 when she left transitional housing to stability**.

Programs that do not have a trackable cost include aftercare with the CMC and Waypoint’s day program. These provide support and household necessities, but it is almost impossible to track any costs associated with their utilization.

Rapid rehousing, prevention, and outreach programs all involve casework. Typically, a participant will meet with a caseworker for one hour a week at a cost of \$17.50 per hour. Shelters can vary in cost as well; the winter overflow shelter costs \$11.54 per person per night, whereas Waypoint and Willis Dady emergency shelters cost \$28 per person per night.

Fig. 12

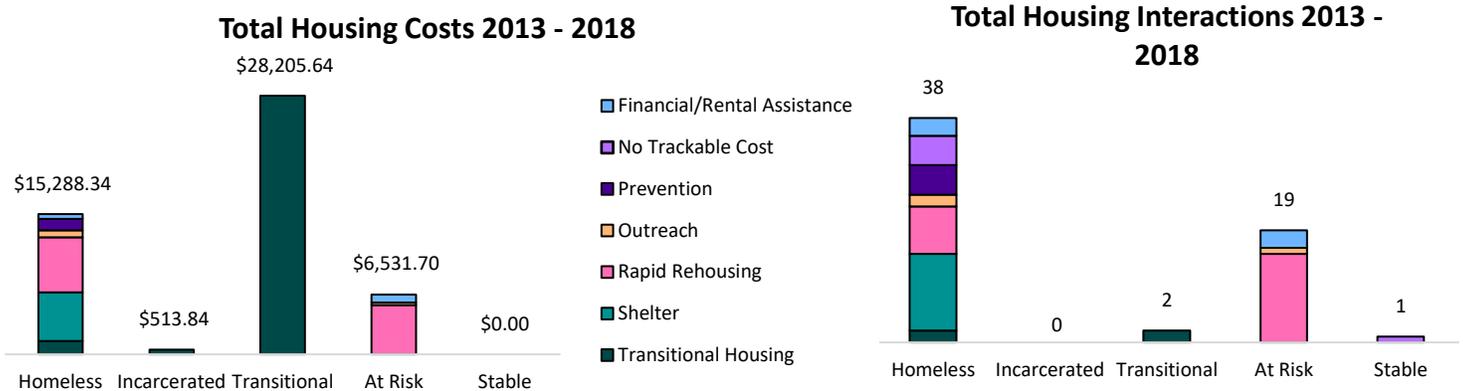


Fig. 12 shows high housing costs associated with transitional housing, but few interactions. Participants are often in transitional housing programs for several months, accruing high costs, but negating the need for additional housing services.

Fig. 13: Housing Interactions Per Person

Different people utilized different housing programs

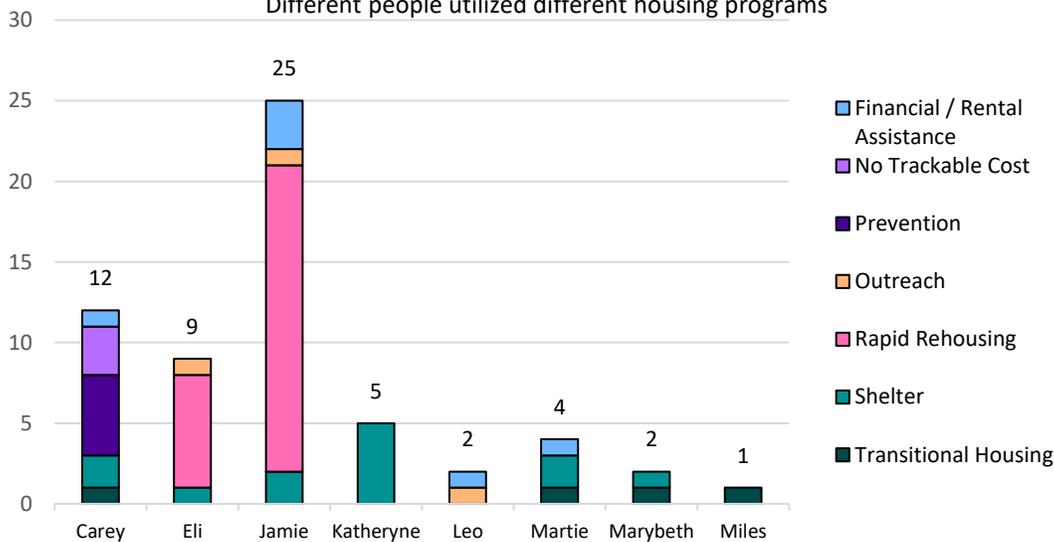


Fig. 13 shows that each participant utilizes housing services differently. Some participants are more aware of the services available, some cannot qualify for certain programs, and others do not want certain services.

For example, Leo never entered shelter, and did not utilize Rapid Rehousing until recently because he did not want to take assistance away from others.

Instead, Leo would sleep in his car – except for the weekends he would get to see his son. Then, he would rent hotel rooms so that his son had a safe place to stay. The costs Leo accrued **from housing services totals \$620**. However, **Leo spent over \$17,000 on hotel rooms** to properly care for his son. This money could have instead been used to pay for rent if he had connected with more intensive services sooner.