



Hudson County Division of Housing and Community Development

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Analysis of Bonus Program - Before and After Housing Move-in

Twenty-five individuals, identified as meeting HUD's definition of *Chronic Homelessness*, were permanently housed and received comprehensive case management for one full year under the Bonus Program Housing vouchers administered by the not-for-profit organization, Collaborative Support Programs of New Jersey (CSP-NJ). Clients were identified, housed and received services throughout 2014-2017.

These vouchers were executed under the Housing First Model, which obeys a low-barrier entry process for clients receiving permanent supportive housing (PSH) services. By providing open and easier access to PSH programs, the model claims swifter stabilization of clients can be achieved, leading to improved outcomes. Among one of the chief benefits imputed to Housing First is the reduction in the frequency in which homeless populations engage with public institutions such as local law enforcement, prisons, hospitals and emergency shelters. Through this, Housing First argues, public institutions can realize meaningful cost-savings.

To determine this model's impact on public institution costs, expenditures incurred by the Hudson County Correctional Facility, Jersey City Medical Center, and Hudson County's Continuum of Care was examined in the context of *Before* and *After* this group was formally housed.

Numerical values presented under the *Before* time period refer to a given outcome's yearly average value experienced throughout the 5 years prior to the housing move-in date. For example, a value presented for the entire group's "average amount of days spent in jail" would refer to the yearly average amount of days spent in jail during the 5 years prior to being housed. In contrast, numerical figures listed under the *After* time period specify the value of an outcome throughout the *first year of housing only*.

Public Institution and Bonus Program Costs

The following section reviews various costs associated with the voucher group. "Jail Costs" include the cost of being arrested and booked in Hudson County along with the cost of spending time incarcerated in the Hudson County Correctional Facility. Hospital Costs are derived from charges incurred by Jersey City Medical Center in providing any type of care (emergency, inpatient, and outpatient care). Likewise, shelter costs are the expenditures associated with the number of days clients had spent in any Hudson County emergency shelter. Lastly, costs incurred by providing the vouchers are outlined and compared against Public Institution expenditures.

Chart 1 Avg Costs Per Public Institution Before and After Move-In - Entire Group

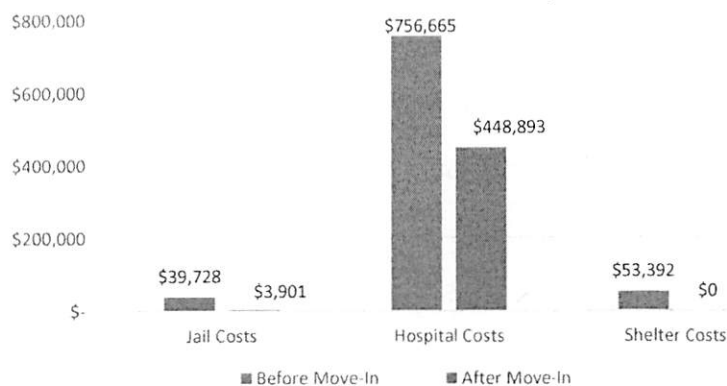
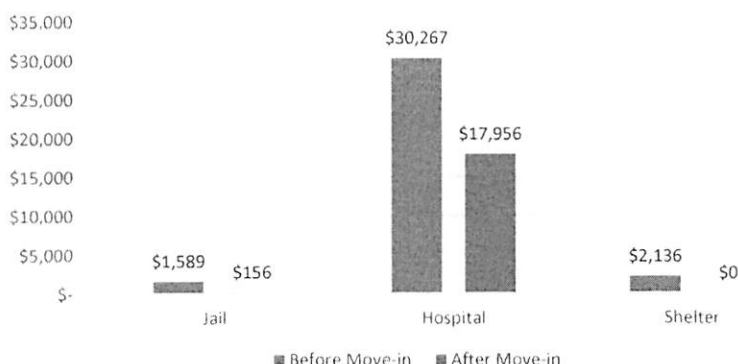


Chart 2 Avg Costs Per Public Institution Before and After Move-in - Per Client



Summary Points

[Chart 1]

a. Jail Costs reduced by 90%

Jail expenditures are associated with number of days incarcerated, therefore days spent in jail was reduced by 90%.

b. Hospital Costs reduced by 41%

Reduction in hospital charges suggest clients may potentially be addressing medical issues proactively rather than when conditions become so severe to ignore.

c. Shelter Costs reduced by 100%

Since all clients were permanently housed, none required stays in emergency shelters. This in turn improves shelter bed availability in Hudson County.

[Chart 2]

Cost figures presented refer to average costs per client before and after move-in within each public institution

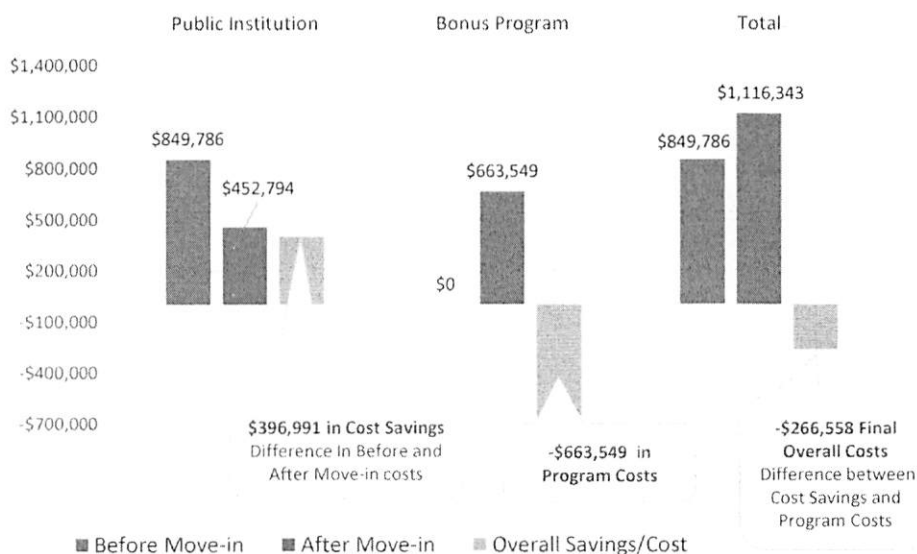
Chart 3 Avg Total Public Institution Costs Before and After Move-in - Entire Group



Chart 4 Bonus Program Costs Incurred in First Year of Housing For Entire Group



Chart 5 Cost Savings: Public Institution Costs and Bonus Program Costs



Summary Points

[Chart 3]

When comparing total public institution cost before and after move-in, total costs dropped by nearly half, amounting to a 47% reduction overall. In dollar figures, this is a \$396,991 cost savings per year.

[Chart 4]

On a yearly basis, the following funds are appropriated for each client:

- a. Comprehensive Services: \$11,721.96
- b. Housing Voucher: \$14,820.00
- c. Total Cost: \$26,541.96

[Chart 5]

When juxtaposing Public Institution cost savings against Bonus Program and Public Institution costs incurred during the first year of housing, a final cost difference of -\$266,557.52 is reached.

While a negative cost suggests more money was spent providing the bonus vouchers than had the program not been administered at all, this calculation has a significant limitation: hospital costs derived from a single Hospital (Jersey City Medical Center).

The likelihood charges were missed from other surrounding hospitals is arguably significant when considering 6 other hospitals are situated in Hudson County while numerous others exist in bordering counties:

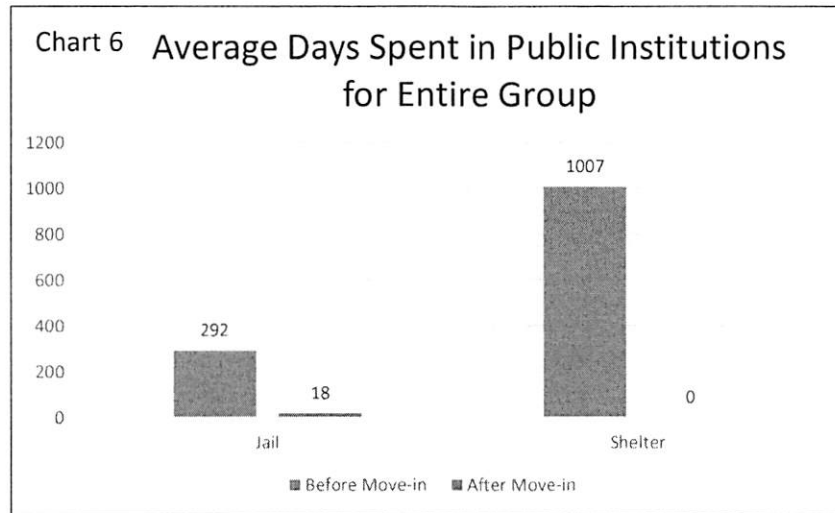
Essex County: 11 Hospitals

Bergen County: 9 Hospitals

Union County: 7 Hospitals

Implications of Public Institution Cost Savings

With a significant cost savings experienced by public institutions due to the reduction in jail and shelter utilization, there are several ramifications to consider regarding law enforcement and Hudson County's ability to provide greater emergency shelter coverage.



In terms of jail data, a before and after comparison of average days spent in jail for the entire group illustrates a 97% reduction in days spent incarcerated. This demonstrates an overwhelmingly positive change in jail recidivism, suggesting permanent housing has reduced interactions with the criminal justice system.

It is imperative to note, however, that landmark changes to New Jersey's bail system, enacted on January 1st 2017, have completely overhauled how detained individuals are handled by law enforcement and correctional facilities. Under the new system, arrested persons are assessed for risk of danger and flight within 48 hours by the pre-trial services unit of a given county's superior court and, if little to no risk is calculated, detained persons will typically spend no more than 2 days incarcerated. While this new policy would fundamentally change incarceration rates in New Jersey, our program's clients were not significantly affected by bail reform. Only 2 individuals were arrested at all during 2017, with the rest of the incarcerations occurring in 2015 and 2016.

With less interactions with law enforcement, another benefit realized is reduction in police hours spent detaining and processing arrest bookings. On average during the 5 years prior to move-in, 25.6 total police officer hours were spent yearly in detaining and processing booking for the entire voucher group. This total can also be presented as 3 8-hour work days spent by a single police officer on a yearly basis. In contrast, during the first year of housing, a total of 20 police hours were spent in detaining and processing booking for the entire group. This is an equivalent of 2 and a half 8-hour work days spent by a single police officer.

Similarly, shelter recidivism was also extremely reduced, dropping by 100%. While the PSH program benefits those receiving the actual voucher, its impact on shelter utilization also means more beds are available in Hudson County's emergency shelters. As an entire group, an average of about 1007 nights were spent each year, during the 5 years before housing, within the emergency shelter system. When utilizing HUD's official calculation to convert shelter nights into year-round equivalent shelter beds, Hudson County now has an additional 2.7 shelter beds available throughout the year that would have likely been used had the voucher program not been housed.

While no data was collected on length of days spent on hospitalizations, the cost data suggests clients are engaging less frequently with Jersey City Medical Center. This could be a result of clients proactively addressing medical issues through doctors rather than emergency room services or it can equally be explained by clients simply accessing other hospitals. No definitive conclusions can be reached given the limit on cost data to a single hospital. Moreover, this limit could also mean that the voucher group may have cost much more prior to move-in than what the Jersey City Medical Center data illustrates. As new hospital cost data is gathered, this report will be updated accordingly.

Frequent Users of Public Institutions

In this section, cost data is presented among the Top 5 Most Frequent Users for each respective public institution. While the above section demonstrated meaningful reductions in public institution utilization for the overall group, the program's impact can be further understood through examining the most frequent users. The most frequent users presented per chart are listed from the most costly/engaged before move-in from left to right. Client names are anonymized to alphabetical letters, with an asterisk denoting clients appearing in multiple Top 5 charts.

Chart 7 Top 5 Frequent Jail Clients - Days Spent in Jail Comparison

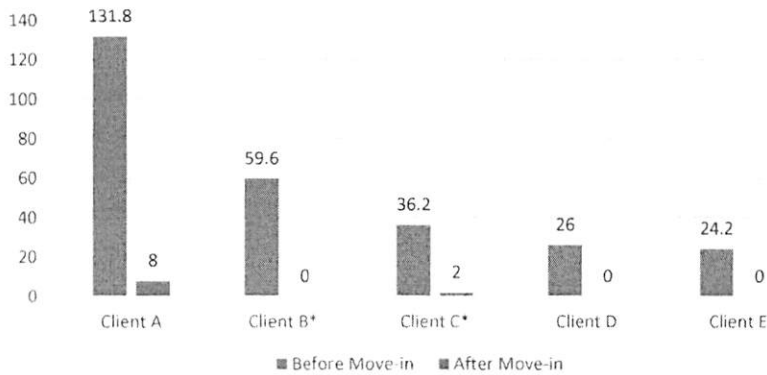


Chart 8 Top 5 Frequent Jail Users - Cost Comparison

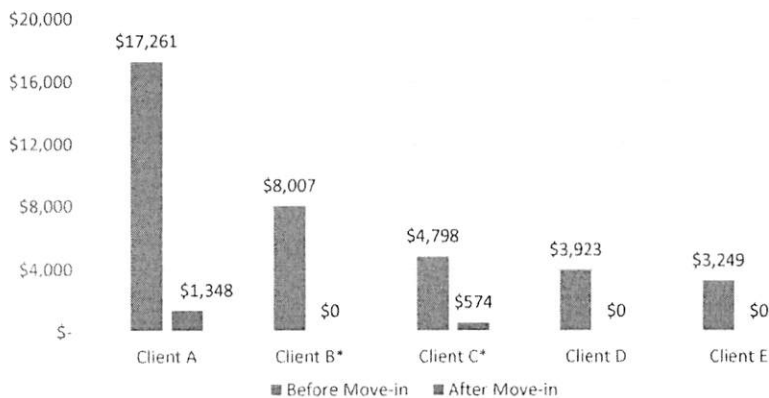
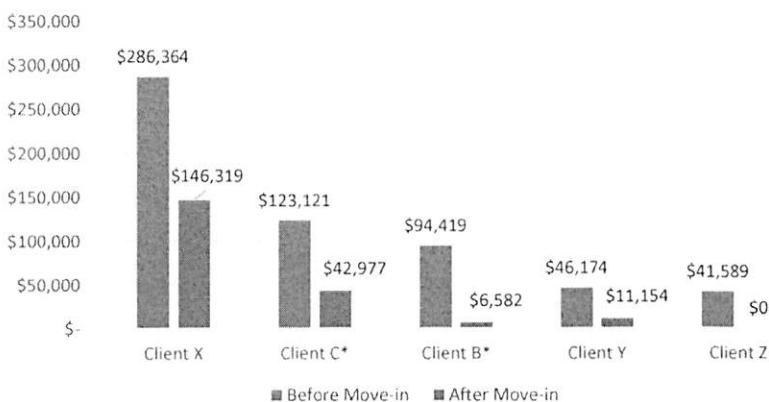


Chart 9 Top 5 Costly Hospital Clients - Cost Comparison



Summary Points

[Chart 7]

Significant reductions in the amount of days incarcerated were experienced:

Client A: 94% Decrease

Client B: 100% Decrease

Client C: 94% Decrease

Client D: 100% Decrease

Client E: 100% Decrease

[Chart 8]

Due to less incarcerated days spent, jail costs were also comparably reduced:

Client A: 92% Decrease

Client B: 100% Decrease

Client C: 88% Decrease

Client D: 100% Decrease

Client E: 100% Decrease

[Chart 9]

Data on days spent in hospital was not pulled. Only charges from the hospital was assessed. For each costly hospital client, meaningful reductions in cost were seen:

Client X: 49% Decrease

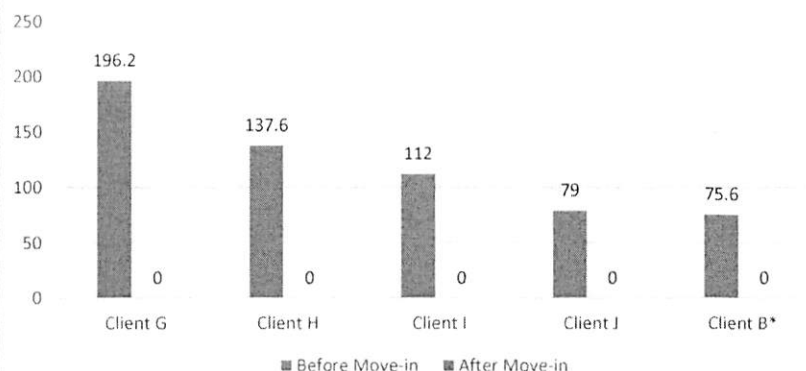
Client C: 65% Decrease

Client B: 93% Decrease

Client Y: 76% Decrease

Client Z: 100% Decrease

Chart 10 Top 5 Frequent Shelter Clients - Days Spent in Shelter Comparison



Summary Points

[Chart 10]

In terms emergency shelters, days sheltered in Hudson County were reduced by 100% for all clients since were permanently housed throughout the year after the move-in date.

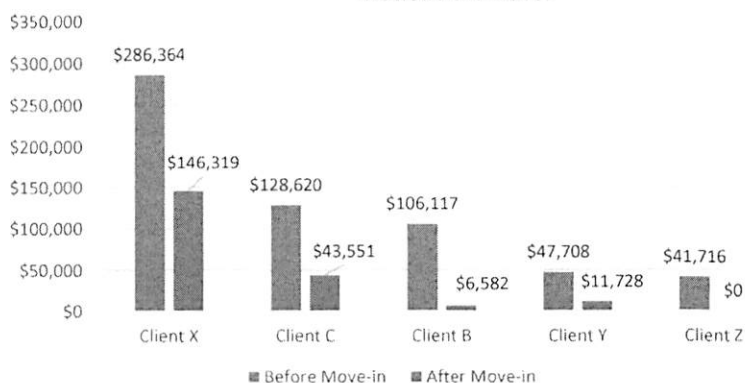
Chart 11 Top 5 Frequent Shelter Clients - Cost Comparison



[Chart 11]

With no days spent in emergency shelters, each of the most frequent shelter users saw a 100% in costs incurred to Hudson County.

Chart 12 Top 5 Most Expensive Clients - Sum Total of all Public Institution Costs



[Chart 12]

Data on days spent in hospital was not pulled. Only charges from the hospital was assessed. For each costly hospital client, meaningful reductions in cost were seen:

Client X: 49% decrease

Client C: 65% decrease

Client B: 93% decrease

Client Y: 76% decrease

Client Z: 100% decrease

Client B: Case Study

Client B was the only individual featured among the Top 5 most expensive clients for each given public institution, therefore making Client B's assessment critical in understanding the Bonus Program's effectiveness in utilization/cost reduction.

Overall, Client B experienced significant improvement, having less expensive hospitalizations, no jail incarcerations, and no engagement with emergency shelters.

Client B - Expenses per Institution			
	Hospital	Jail	Shelter
Before Move-in	3rd Most Expensive	2nd Most Expensive	5th Most Expensive
After Move-in	10th Most Expensive	No Expenses	No Expenses

