

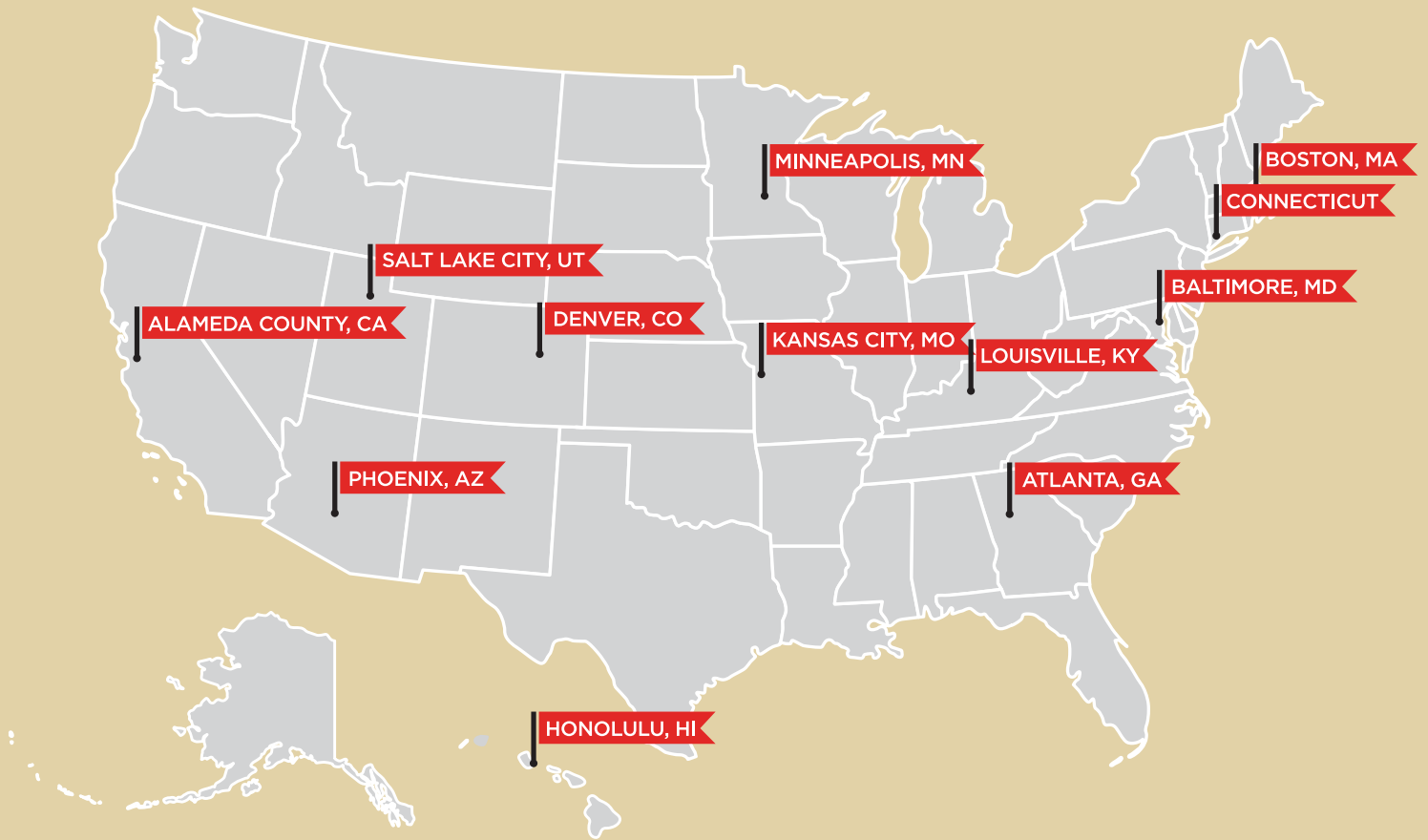


Impacts of Housing and Services Interventions for Homeless Families

FAMILY OPTIONS STUDY:
HIGHLIGHTS FROM THE JULY 2015 REPORT



Family Option Study Sites



THE FAMILY OPTIONS STUDY EXAMINES FOUR INTERVENTIONS:

1. **Permanent housing subsidy, or SUB**, was usually a housing choice voucher that families used to rent private-market housing. SUB could include assistance to find housing but no other supportive services.
2. **Community-based rapid re-housing, or CBRR**, provided a temporary housing subsidy for private-market housing. The assistance was paired with limited, housing-focused services. The average CBRR subsidy lasted 7 months.
3. **Project-based transitional housing, or PBTH**, provided temporary housing in agency-controlled buildings or apartment units. PBTH was paired with intensive supportive services. The average stay in PBTH was 12 months.
4. **Usual care, or UC**, was defined as any housing or services that a family accessed in the absence of priority access to one of the active interventions.

About the Study

The U.S. Department of Housing and Urban Development (HUD) launched the Family Options Study in 2008 to learn about which housing and services interventions work best for families experiencing homelessness. HUD engaged Abt Associates, in collaboration with Vanderbilt University, to design and implement the study. A report published in July 2015¹ provides the first rigorous evidence about the effects of giving families in emergency shelters priority access to permanent housing subsidies, rapid re-housing, or project-based transitional housing relative to “usual care.” In this case, usual care means leaving families to find their way out of shelter without priority access to a program that would provide them with a place to live.

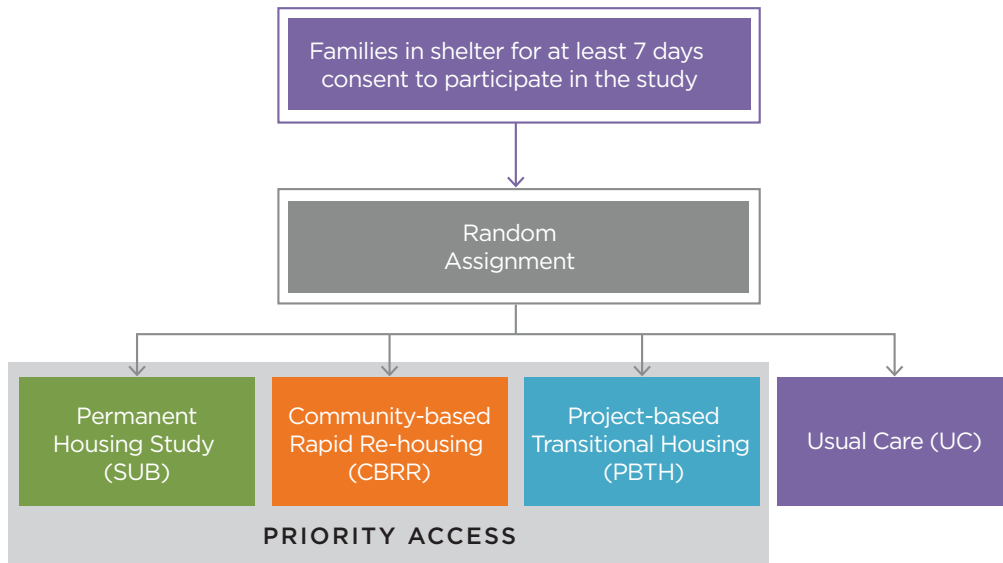
The study was implemented using a rigorous, experimental methodology. Nearly 2,300 families in 12 sites across the country were randomly assigned after spending at least 7 days in emergency shelter. Randomly assigning a large number of families to different interventions is the most certain way to ensure that the results reflect the effects of interventions rather than differences in the families. Random assignment gave a family priority access to: a permanent housing subsidy, usually a Housing Choice Voucher (referred to as SUB); a temporary housing subsidy in the form of community-

based rapid re-housing (CBRR); a temporary, service-intensive stay in a project-based transitional housing facility (PBTH); or placed the family in the usual care group (UC).

Families were free to take up their assigned interventions or make other arrangements on their own, just as would be the case for any family referred to a program with an available slot. Families were not prohibited from using other programs to which they were able to gain access outside the study. The study evaluates the effect of priority access to a program and thus shows the effect of a policy emphasis on a particular approach—that is, relatively more availability in a community.

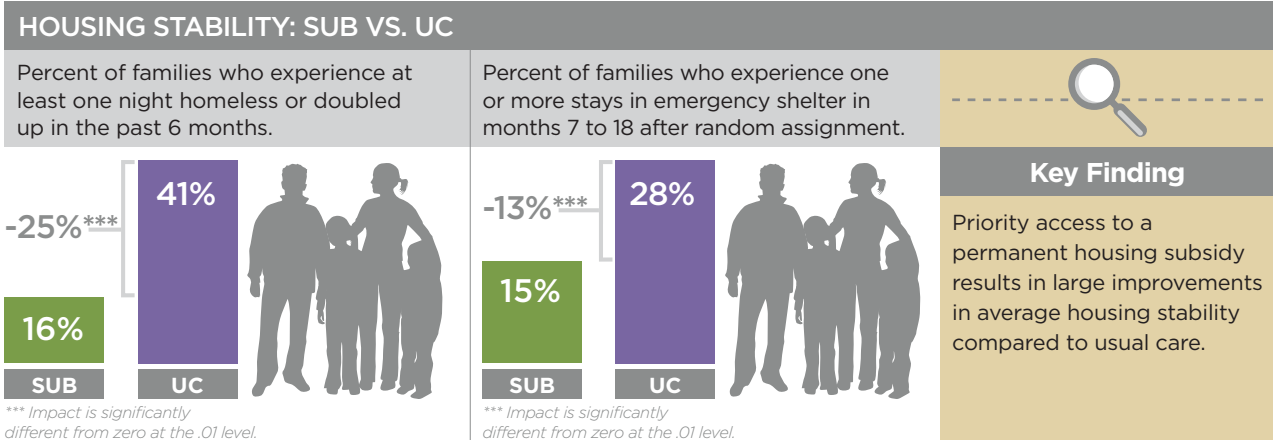
Not surprisingly, families were most likely to use the program to which the study gave them priority access. Of the families given priority access to the SUB intervention, 84 percent used the intervention. The corresponding proportions for CBRR and PBTH were somewhat lower at 60 percent and 54 percent. The design of the study provides a strong basis for drawing conclusions about the impacts of the alternative interventions on several aspects of family well-being. The July 2015 report presents the short-term impacts measured over a follow-up period of about 20 months.

STUDY DESIGN



1 Daniel Gubits et al., July 2015.

Permanent Housing Subsidy Compared to Usual Care

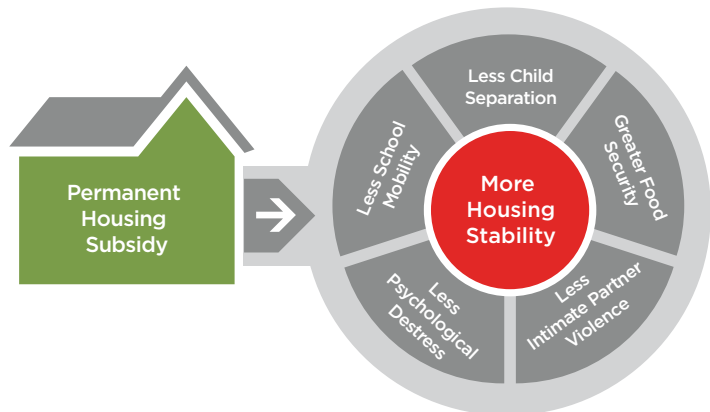


The study defined the central outcome as housing stability and, in particular, preventing families from returning to homelessness. At roughly 20 months after random assignment, priority access to a permanent housing subsidy led to by far the best outcomes for reducing family homelessness. Compared to usual care, assignment to the SUB intervention reduced the proportion of families who returned to homelessness or involuntary doubling up by 25 percentage points (more than half). It also reduced the proportion of families who stayed in emergency shelter during the past year by 13 percentage points (almost half).

The strong effect of a permanent housing subsidy on housing stability had radiating effects in other areas of family well-being. Priority access to the SUB intervention reduced the proportion of families that had at least one child separated in the past 6 months from 17 to 10 percent.² Access to SUB reduced self-reported alcohol dependence or drug abuse from 17 percent to 12 percent of family heads and reduced the incidence of intimate partner violence in the past six months by more than half (from 12 percent to 5 percent).

BENEFITS OF A PERMANENT HOUSING SUBSIDY

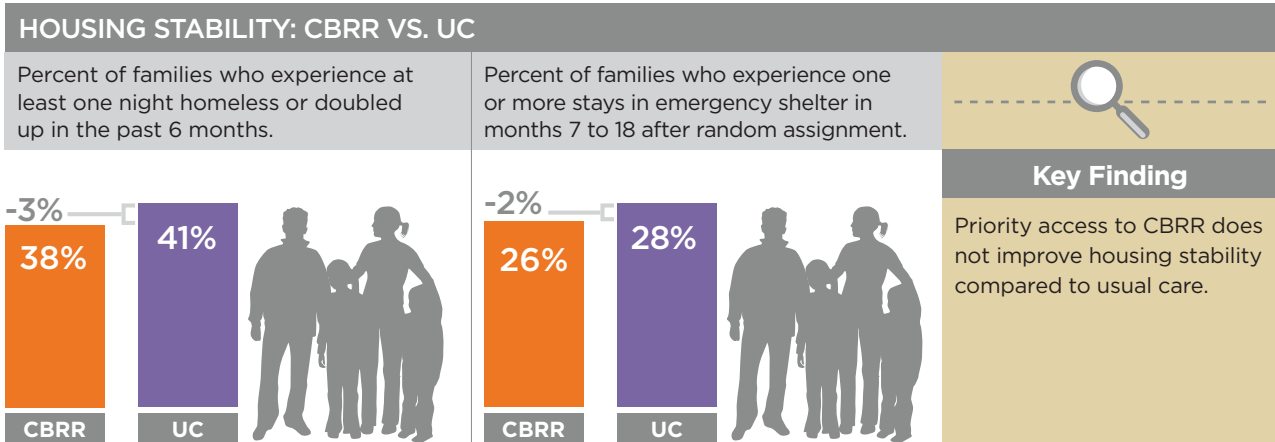
Access to SUB reduced school mobility, likely because housing was more stable. Over the follow-up period, one fewer school move was made by 1 in 5 children in the SUB group compared to children in the UC group. Children in the SUB group also had somewhat fewer absences from school.



The effect of SUB on the study’s measures of a family’s self-sufficiency was mixed. Priority access to SUB had a positive effect on food security, with 74 percent of families reporting they were food secure compared to 64 percent of UC families. However, priority access to a permanent housing subsidy reduced the proportion of family heads reporting that they were working for pay at the end of the follow-up period from 30 to 24 percent.³ It also reduced the proportion who worked at any time since random assignment, from 61 to 50 percent.

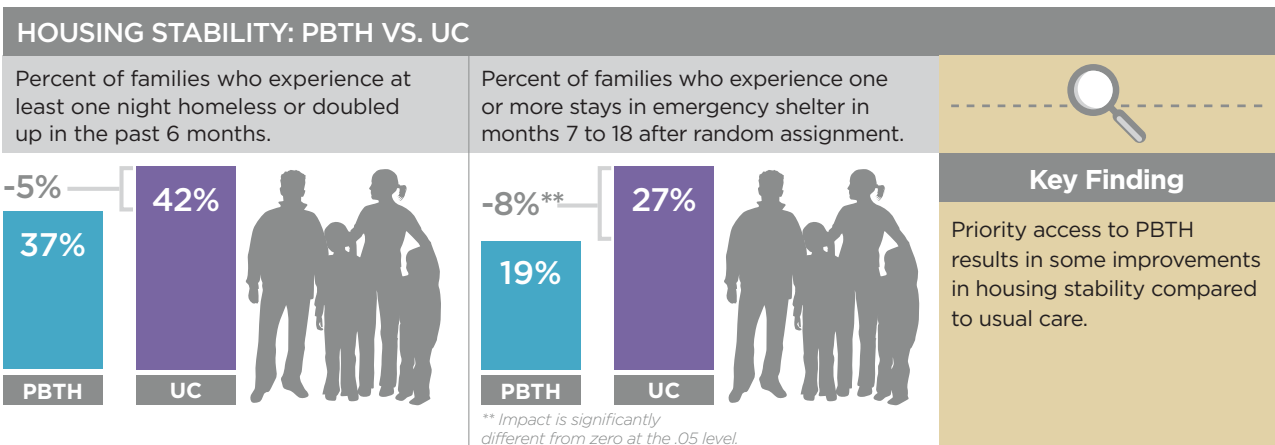
2 Assignment to the SUB intervention also reduced foster care placements in the past 6 months, from 5 percent to 2 percent of families.
 3 These negative employment effects are consistent with other studies that show that access to a Housing Choice Voucher has at least a short-term negative effect on rates of employment (Mills et al. 2006; Jacob and Ludwig 2012).

Temporary Housing Subsidy Compared to Usual Care



Compared to usual care, priority access to CBRR reduced the time families remained in emergency shelters by about two weeks. However, it did not reduce subsequent homelessness. In addition, priority access to CBRR had no effect on family preservation or adult well-being. The study found a few other effects of CBRR. Children in the CBRR group had somewhat fewer absences from school compared to children in the usual care group. In the area of self-sufficiency, priority access to CBRR increased family annual income from about \$9,100 to about \$10,200 and increased the proportion of families who were food secure.

Project-based Transitional Housing Compared to Usual Care



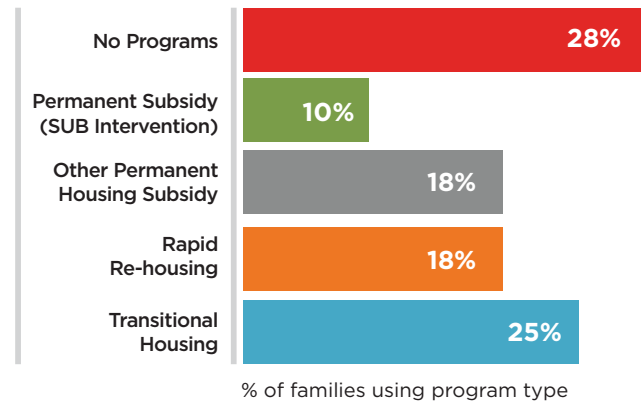
Priority access to PBTH had modest effects on housing stability. Those effects could reflect the fact that some families assigned to transitional housing were still staying there at the end of the 20-month period. Beyond the reduction in homelessness over the 20-month period, however, priority access to PBTH had no effect on family preservation, adult well-being, child well-being, or self-sufficiency. These findings are perhaps surprising, since transitional housing programs often provide services to families designed to help overcome challenges in those areas.

The study team tested whether the study’s interventions had a greater effect for families with more psychosocial challenges or barriers to obtaining housing. That analysis did not find greater effects of priority access to PBTH for families that might be presumed to have greater need for supportive services.

The Homeless Services System

In addition to the impacts of interventions for families, the Family Options Study sheds light on how the homeless services system works. Information on the study’s implementation⁴ shows that, at the time families received priority access to CBRR and PBTH in 2010–2012, many such programs had screening criteria that could exclude families with greater challenges. In addition, the use of programs by study participants shows that some programs are more attractive to homeless families. Families who were given priority access to SUB were more likely to use the assigned intervention than those given priority access to CBRR and PBTH. The Family Options Study also shows how complex the homeless services and housing subsidy systems are in many communities. In addition to remaining in or returning to shelter, families assigned to usual care used a variety of programs—both interventions to which they were not assigned and other housing subsidy programs such as public housing, permanent supportive housing, and project-based Section 8.

PROGRAMS USED OVER 20 MONTHS BY FAMILIES ASSIGNED TO USUAL CARE

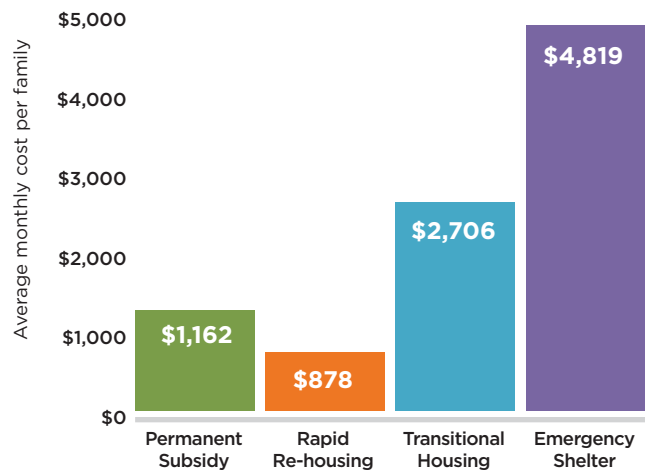


Costs of the Interventions

The Family Options Study analyzed the costs of the three active interventions and emergency shelter, measuring the cost of all resources used to provide shelter or housing and services to a family during the course of a month. The study also measured the cost of all the programs the families used during the 20-month follow-up period. This second measure accounts for use of the assigned intervention and other programs families found on their own.

The cost analysis shows that emergency shelters are very expensive on a per month basis—even more expensive than transitional housing. Both emergency shelters and transitional housing incur substantial costs for the services they provide to families. CBRR has the lowest monthly cost. Although CBRR and SUB are both rent subsidies, CBRR does not use the subsidy formula of HUD’s Housing Choice Voucher program and, on average, provides a somewhat smaller monthly amount.

PROGRAM MONTHLY COST PER FAMILY



⁴ Daniel Gubits et al., March 2013.

Over the 20-month follow-up period, the total program use of families assigned to SUB cost about the same as the total program use of families assigned to UC. The total program use of families assigned to CBRR cost less than that of families assigned to UC, by about \$3,000. For families assigned to PBTH, total program use cost more than for families assigned to UC by about \$2,500.

The study found that the nearly equivalent cost of SUB as compared with UC was driven by decreased use of emergency shelter and transitional housing (both of which are relatively expensive) by families assigned to SUB. In addition, the SUB and CBRR costs of total program use were not very different because the greater use of SUB programs by SUB families was offset by the greater use of transitional housing, emergency shelter, and other programs by families assigned to CBRR.

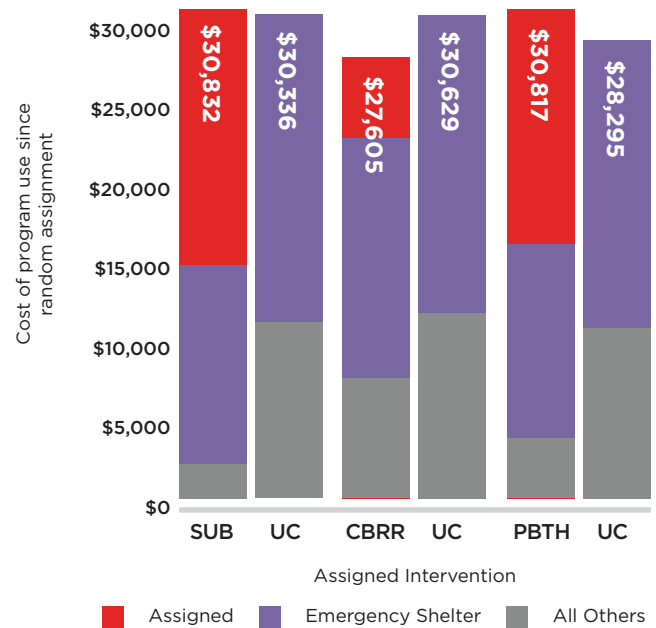
Looking Ahead

The Family Options Study provides important new information about what happens to families who experience homelessness and are given priority access to three particular interventions, SUB, PBTH, and CBRR. The experimental design of the study and the contrasts in program use during the follow-up period provide a solid foundation for estimating the impacts of enhancing access to different kinds of assistance. The study provides the first clear evidence about these effects and thus can serve as a solid basis for future policy decision-making.

The Family Options Study is continuing to follow families through 36 months after study enrollment. This additional wave of data collection will provide information on a number of important questions, including:

- How long do families retain permanent housing assistance?
- What are the benefits of permanent assistance over a longer interval?
- Does the focus of PBTH on addressing psychosocial challenges and enhancing skills lead to benefits during the longer term that are not evident after 20 months?
- Is the higher income of families that were given priority access to CBRR sustained over time? If so, does it have radiating benefits for other outcomes?
- How do the relative costs of homeless assistance in the different interventions change over time?

COSTS OF PROGRAM USE SINCE RANDOM ASSIGNMENT



OUR MISSION

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We apply our energy and creativity to helping our clients—governments, businesses, and private organizations—make better decisions and deliver better products and services by providing them with the highest quality research, technical assistance, and consulting services available in the marketplace.

The Family Options Study is being conducted by Abt Associates in partnership with Vanderbilt University for the U.S. Department of Housing and Urban Development, Office of Policy Development and Research.

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