WHAT IS PERMANENT SUPPORTIVE HOUSING?

**Concept:**

The concept of permanent supportive housing (PSH) was originally developed by advocates and providers serving homeless populations and now receive significant federal funding from HUD for individuals and families experiencing or at risk of homelessness and other special needs populations. The success and cost effectiveness of the PSH model is well-documented through formal research, and as a result the types of homeless and special needs populations proven to benefit from PSH have expanded. Thus, the Working Group’s members sought to establish definitions of key terminology to make clear what the group considered PSH to be and which populations could benefit from PSH.

**Definition:**

Permanent Supportive Housing is for people who need supportive services to access and maintain affordable housing, are experiencing or at risk of homelessness, are living with disabilities, and/or are experiencing or at risk of (unnecessary) institutionalization.

**HOUSING:**

• Permanent- (not time-limited, not transitional);

• Affordable (typically rent-subsidized or otherwise targeted to the extremely-low-income who make 30% of the area’s median income or below); and

• Independent (tenant holds the lease or sub-lease with normal rights and responsibilities).

**SERVICES:**

• Flexible (responsive to tenants’ needs and desires);

• Voluntary (participation is not a condition of tenancy); and

• Sustainable (focus of services is on maintaining housing stability and good health).

**Other Types of Housing with services:**

Rapid Re-Rehousing, Other Permanent Housing, Transitional Housing, Safe Haven, Family Unification Program Vouchers, IDOC PRG program Units, Section 202

**Populations:**

The need for a disabling condition and/ or homelessness is the underlying factor for PSH. Below is a comprehensive list of populations in Illinois who can benefit from PSH, please note that senior specific housing is not consider supportive housing under this definition.

**People experiencing chronic homelessness:** current HUD definition of Chronic Homelessness is:

•An individual or family which is homeless and resides in a place not meant for human habitation, safe haven, or in an emergency shelter, and has been homeless and residing in such a place.

• For at least one year or on at least four separate occasions in the last three years for a total of one year.

• The individual or family must also have a head of household with a diagnosable substance use disorder, serious mental illness, developmental disability, post-traumatic stress disorder, cognitive impairments resulting from a brain injury, or chronic physical illness or disability.

**People experiencing homelessness:**

•Individuals and families who lack a fixed, regular, and adequate nighttime residence or an individual who resided in an emergency shelter, a place not meant for human habitation or who is exiting an institution where he or she temporarily resided;

• Individuals and families who will imminently lose their primary nighttime residence;

• Unaccompanied youth and families with children and youth who are defined as homeless under other federal statutes who do not otherwise qualify as homeless under this definition; and

• Individuals and families who are fleeing, or are attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member.”

**Persons at risk of homelessness:**

•Any individual or family that has income below 30 percent of median income for the geographic area;

• Has insufficient resources immediately available to attain housing stability; and

• (i) Has moved frequently because of economic reasons; (ii) is living in the home of another because of economic hardship; (iii) has been notified that their right to occupy their current housing or living situation will be terminated; (iv) lives in a hotel or motel; (v) lives in severely overcrowded housing; (vi) is exiting an institution; or (vii) otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness.

**Persons affected by HIV/AIDS (experiencing or at-risk-of homelessness);**

**Youth experiencing or at-risk of homelessness:**

• Individuals 18 years or younger that participate in youth aging out of the Department for Children and Family Services (DCFS) child welfare programs and

• Individuals 25 years or younger that participate in homeless youth programs.

**Veterans (experiencing or at risk of homelessness);**

**OTHER PSH POPULATIONS:**

The State of Illinois has been implementing transition responses to three American Disabilities

Act (ADA)/Olmstead-related court consent decrees, per the following:

**• Colbert consent decree class members**: “All Medicaid-eligible adults with disabilities, who are being, or may in the future be, unnecessarily confined to Nursing Facilities located in Cook

County, Illinois, and who with appropriate supports and services may be able to live in a

Community-Based Setting.

•**Williams consent decree class members:** “All Illinois residents who are eighteen (18) years

old or older and who: have a Mental Illness; are institutionalized in a privately-owned Institute for

Mental Diseases; and, with appropriate supports and services, may be able to live in an

integrated community setting,

**• Ligas consent decree class members**: “Adult individuals in Illinois with developmental

disabilities who qualify for Medicaid Waiver services, who reside in [Intermediate Care Facilities

for Developmental Disabilities] ICF/DD with nine or more residents or live in family homes, and

who affirmatively request to receive Community-Based Services or placement in a Community-

Based Setting.”

Other persons with disabilities who are inappropriately institutionalized: On June 22, 1999, the

United States Supreme Court held in Olmstead v. L.C. that unjustified segregation of persons with disabilities constitutes discrimination in violation of Title II of the Americans with Disabilities Act. The Court held that people with disabilities have a right to receive State-funded supports and services in the community rather than institutions.

Other persons with physical, mental, or developmental disabilities not a part of the three

consent decree classes described above:

**• Serious Mental Illness (SMI):** SMI includes a list of mood and schizophrenic disorders, along

with other qualifying items, in order to be treated by DHS-Division of Mental Health (DMH).

**• Disability**: a physical or mental impairment that substantially limits one or more major life

activities of such individual; a record of such an impairment; or being regarded as having such

an impairment. Major life activities include but are not limited to, caring for oneself, performing

manual tasks, seeing, hearing, eating, sleeping, walking, standing, lifting, bending, speaking,

breathing, learning, reading, concentrating, thinking, communicating, and working. Major life

activity also includes the operation of a major bodily function, including but not limited to,

functions of the immune system, normal cell growth, digestive, bowel, bladder, neurological,

brain, respiratory, circulatory, endocrine, and reproductive functions

•**Developmental disability:** “a disability which is attributable to: (a) an intellectual disability,

cerebral palsy, epilepsy or autism; or (b) any other condition which results in impairment similar

to that caused by an intellectual disability and which requires services similar to those required

http://www.dhs.state.il.us/OneNetLibrary/27897/documents/Mental%20Health/LegalDocs/EnteredWilliamsConsentDecree.pdf

**Comparing: Permanent Supportive Housing vs. Institutions or Homelessness**

The Working Group asserts that community-based PSH is more cost-effective than any institutional setting per person or unit. In reaching this conclusion, the Working Group examined the highest amount for each of the three components of PSH (operating costs, rental assistance, and supportive services). After calculating a higher amount for each of these components of PSH (per unit/person) and comparing to the average costs for many types of institutions (per person) it is evident that living in PSH in the community costs 27-49% less than any of these institutional settings.

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| **Highest PSH Cost** | **State Cost of Institutionalization and Homelessness** | **Savings Per Unit**  **Per Year** | **Percentage**  **Saved** |
| **$27,600** | $38,268 (prisons)  $39,739 (IMDs)  $52,083 (nursing homes)  $52,195 (jails)  $54,097 (ICF/DD) | $10,668  $12,139  $24,483  $24,595  $26,497 | 27%  31%  47%  47%  49% |

The cost of developing and operating PSH is based on three cost categories:

1) Development costs; usually funded by public/private partnership use of federal Tax credits

2) Annual operating costs (building operations) usually funded by rents/rental assistance vouchers

3) Supportive service costs for the residents. In IL partially funded by Department of Human Services line items in both Bureau of Homeless Services and Department of Mental Health

Supportive housing differs from traditional affordable housing because of the addition of supportive services focused on housing stability, which require dedicated, sustainable funding sources. New developments require service funding commitments early during project financing or before units are filled with tenants to demonstrate project viability to funders. In the case of leasing partnerships with no new capital development, services are needed to access the rental assistance resources and to stay stably housed.

***Service Costs***

The costs of supportive services will vary based on the type of household (level of need), clinical certification requirements, staff caseload, and funding source. For example, some Illinois service funding is based on Medicaid billing that involves rate standards for the type of staff delivering a service, and rates may or may not cover the actual cost for services. Other Illinois service funding can be grant-based and also may not fully cover the cost of the services. There are various levels of cost for different ways of delivering supportive housing services.

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| **Service Costs** | **Cost per Person** |
| Case management with low-need and high-case load  Intensive case management with high-need and low-case load  Case management with clinical services for high-need and low-case load  Clinical social services for high-need and low-case load | $2,500  $4,500    $3,500  $7,000 |