

Economic Framework: Permanent Supportive Housing with Housing First (Housing First Programs)

The analytic framework postulates that permanent supportive housing with housing first interventions (Housing First Programs) delivered to people with disabling conditions experiencing homelessness will improve their sustained housing and health.

The framework identifies housing locator services, rent subsidies, and support for healthcare services (i.e., physical and mental health, substance abuse) as drivers of intervention cost. Other components of intervention cost may include assistance with furnishings or move-in, landlord relations, assistance with integration into the community, employment search and training, and assistance in maintaining stable housing.

The framework postulates that the economic benefits of Housing First Programs are derived from improved health and wellness of previously homeless clients and the averted costs of physical, mental, and substance use disorder healthcare, temporary housing services such as shelters, judicial and police services, welfare and disability transfers, and unemployment. The framework considers all these components of benefits to be drivers except for unemployment. It is postulated that improvements in health lead to increased quality and quantity of years lived.

The organization of services (i.e., intensive case management or assertive community treatment) and type of housing (i.e., group or scattered) may be modifiers for intervention cost and intervention benefits. The framework conceptualizes summary economic outcomes as cost-benefit or cost-effectiveness. Cost-benefit is the ratio of benefits or averted costs to the intervention cost. Cost-effectiveness is net cost per additional quality adjusted life year saved or disability adjusted life year averted.