



United Homeless Healthcare Partners

February 11, 2010

Shaun Donovan
Secretary
U.S. Department of Housing and Urban Development
451 7th Street, S.W.
Washington, DC 20410

Re: Recommendations for Regulations Enacting the “Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009”

Dear Secretary Donovan:

On behalf of United Homeless Healthcare Partners (UHHP), we are writing to offer suggestions for regulatory provisions enacting the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act, which reauthorized the McKinney-Vento Homeless Assistance Grants Program.

UHHP is a Los Angeles County-based network of homeless healthcare service providers, social service organizations, developers of affordable housing, private health providers, professional associations, city, county, and federal officials, and other key stakeholders. The network is focused on issues and practices surrounding the delivery of healthcare services and the development of permanent supportive housing for homeless residents of Los Angeles County. Member organizations are involved in the policies, funding, planning, and delivery of healthcare services to homeless residents. While we are recommending specific regulatory provisions of benefit to homeless residents of Los Angeles County, we believe the recommendations will improve the ability of Continua of Care/Collaborative Applicants to serve homeless people throughout the country.

We would first like to thank you and your staff for HUD’s critical role in shaping the HEARTH Act. The Act contains multiple provisions that will significantly improve Los Angeles County’s ability to serve homeless people, including the focus on rapid re-housing and prevention activities as part of the Emergency Solutions Grant, the consolidation of programs with an overall 25 percent match across communities, and the addition of families to the definition of people experiencing chronic homelessness.

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In drafting the regulations to implement the HEARTH Act, we respectfully submit recommendations on the following provisions:

- Definition of homelessness (Amended Section 103 of McKinney-Vento Act), including clarification for “temporarily residing in an institutional setting” (Paragraph 103(a)(4)) and “persistent housing instability”(Section 103(a)(6));
- Other definitions, including at risk of homelessness (Amended Section 401(1)), coordination of services (Amended Section 401(13)(C) of the McKinney Act), and outpatient health services (Amended Section 401(14));
- Preventing involuntary family separation (New Section 404(b) of McKinney-Vento Act);
- Reimbursement for leasing of property or portions of property (Amended Section 423(a)(3) of the McKinney-Vento Act);
- Eligibility for permanent housing (New Section 423(f) of McKinney-Vento Act);
- Program requirements (Amended Section 426(b) of McKinney-Vento Act); and
- Funding formula (New Section 427(b)(2)(B)(i) of McKinney-Vento Act)

We also offer general comments for the direction of the McKinney-Vento Homeless Assistance Grants Program in future years.

Definition of Homelessness (Amended Section 103 of McKinney-Vento Act)

“Temporarily Residing in an Institutional Setting” (Paragraph 103(a)(4))

In defining an individual or family who is homeless, the HEARTH Act provides that anyone “temporarily residing in an institutional setting” is considered homeless if homeless when admitted to that institution. We support extending the number of days that constitute “temporary residence in an institutional setting” to 180 days.

Given that 24 percent of homeless people met the definition of chronic homelessness in the last point-in-time Los Angeles Homeless Services Authority count, extension of the number of days constituting “temporary residence” is appropriate. As you know, homeless people, particularly chronically homeless people, are frequently institutionalized. An Economic Roundtable report for people on General Relief¹ who are homeless in Los Angeles County indicates that 59 percent of this population has served time in jail over the last five years. For high-risk homeless populations (i.e., people aged 46-65 with disabilities, mental illnesses, and substance abuse histories), 21 percent were hospitalized in the month the study was performed. The typical costs of County services (hospital, ambulance, mental health facility, jail, Institutes for Mental Disease, etc.) for people experiencing homelessness was \$2,897 per person, per month, five times greater than counterparts who were housed. Older single adults with mental illness and substance abuse disorders without recent employment history cost Los Angeles County \$5,038 per person, per month in services.²

¹ General Relief (GR) is an LA County-funded program providing temporary cash assistance to indigent adults who are ineligible for state or federal programs.

² Fleming, Daniel, Burns, Patrick, Matsunaga, Michael. “Where We Sleep: Costs When Homeless and Housed in Los Angeles County.” *Economic Roundtable*. 2009. p. 1-2 (Executive Summary).

Extending the period by which an individual is considered “temporarily residing in an institutional setting” would expand that person’s access to services, particularly for the large number of people who, by virtue of their homelessness, are frequently incarcerated or hospitalized. Expanding access to services would not only benefit these vulnerable individuals, but would reduce costs to the County. We are also hopeful that extending this period would increase collaboration among public service systems, since maintaining eligibility for these individuals will motivate coordination among homeless, corrections, and health systems. The point at which people are leaving a correctional or health setting, in fact, provides the most opportune time to plan for permanent housing placement. Shorter periods under this definition blunt this opportunity.

Precedence for a 180-day definition exists in HUD Guidance for the Homelessness Prevention and Rapid Re-Housing Program (Fed. Reg. 5307-N-01). In this Guidance, HUD stated that people would be eligible for HPRP if exiting an institutional setting where the person lived for fewer than 180 days, and if the person was homeless when entering the institution. Indeed, changing the definition of “temporarily residing in an institutional setting” from 30 to 180 days would capture most homeless individuals who are incarcerated or living in nursing homes.

Persistent Housing Instability (Section 103(a)(6))

In defining “persistent housing instability” for persons and families meeting the definition of homelessness, we support including only those who (a) live in a residence owned or leased by another person because the individual or family lacks the resources necessary to rent a decent and safe housing unit, (b) have been notified by the owner or renter of the residence that the individual or family may only stay a short period, (c) have changed primary residences three or more times in the past year or two or more times in the past 21 days, and (d) are unable to make a significant financial contribution to the owner or renter for the housing. Without increased availability of housing affordable to people who are homeless and complementary increases in resources for homeless services, significantly expanding the definition of “persistent housing instability” will not serve the purposes of the Act and risks failing to target those with the most need. We therefore do not believe expanding the definition of persistent housing instability serves the purposes of the HEARTH Act, and could result in negative consequences for people facing the most serious risks associated with homelessness.

Other Definitions (Amended Section 401 of the McKinney-Vento Act)

At Risk of Homelessness (Amended Section 401(1))

We believe regulations should include in the definition of “at risk families” an adult with a dependent up to age 24 if the dependent is enrolled in any full-time educational program, including trade school. Many families falling into homelessness include older teenage students or young adults who may still be enrolled in high-school or about to enter vocational or higher educational programs. These families should be considered families at risk of homelessness. We would also hope the regulations include adults taking care of dependent seniors.

Finally, we believe indigent individuals exiting an institution should be included in the definition of “at risk of homelessness.” People who are institutionalized are at significantly greater likelihood of falling into homelessness. Homeless people with serious mental illness are 10 times more likely to use crisis residential treatment and four times more likely to use inpatient psychiatric hospitals than people with serious mental illness who are housed. Eighty-two percent of sheltered homeless men and 52 percent of sheltered homeless women have a history of incarceration. People with histories of homelessness, mental illness, and substance abuse also experience longer durations of incarceration. Further, homelessness increases an individual’s risk of returning to an institution.³ We further urge inclusion of youth emancipating or aging out of the foster care system. Data show that, nationally, 25 percent of young adults exiting the foster care system will become homeless.⁴ One in seven will experience homelessness within two years of exiting foster care.⁵ And county welfare directors estimated that 65% of youth aging out of foster care in California face imminent need for stable housing.⁶ Since evidence indicates people exiting an institution and young adults leaving foster care are at significant risk of homelessness, we encourage inclusion of these populations in the definition of “at risk of homelessness.”

Coordination of Services (Amended Section 401(13)(C) of the McKinney Act)

We are pleased to see the coordination of services listed as an eligible operating activity for permanent supportive housing. As you know, one of the biggest barriers to creating more supportive housing in Los Angeles County is inadequate resources to fund services that make this type of housing effective. Service providers, for example, rarely receive Medicaid reimbursement in California for these services, and many County agencies are unable to fund these services. Yet, we recognize, as does HUD, that provision of these services is essential for formerly homeless tenants to achieve housing stability. We recommend the regulations define “coordination of services” (included under definition of “operating costs”) as including staff time to perform the following services:

- (1) Linking tenants to community-based services;
- (2) Coordinating delivery of services by partners;
- (3) Establishing new relationships with partners to deliver services to tenants,
- (4) Facilitating or monitoring quality;
- (5) Mediating tenant conflicts;
- (6) Facilitating collaboration between supportive services staff and property management staff;
- (7) Providing services to prevent evictions; and
- (8) Linking tenants to public benefits to which the tenant is entitled.

We believe these services are distinct from “supportive services,” such as case management, employment, mental health, or health services, included in other parts of the Act, because the

³ Caton, Carol, Wilkins, Carol, Anderson, Jacquelyn. “Characteristics and Interventions for People Who Experience Long-Term Homelessness.” *National Symposium on Homelessness Research*. Feb. 2007.

⁴ *Id.*

⁵ Courtney, M., Dworsky, A.. “Early Outcomes for Young Adults Transitioning from Out-of-Home Care in the USA.” *Child and Family Social Work* 11. 2006. pp. 209-219.

⁶ California Department of Social Services. *Report on the Survey of the Housing Needs of Emancipated Foster/Probation Youth*. 2002.

above involve bringing services into supportive housing, rather than providing direct clinical case management services.

Outpatient Health Services (Amended Section 401(14))

We recommend the regulations define “outpatient health care services” (under the definition of “outpatient health services”) to include dental, vision, and podiatry services. People who are homeless often suffer from dental, vision, and podiatry conditions that, because untreated, significantly impede health stability and lead to other conditions, like heart disease and blindness.

Preventing Involuntary Family Separation (New Section 404(b) of McKinney-Vento Act)

We recommend that the exception to the new Section 404(a) be narrow and limited. Shelter and housing providers in Los Angeles County are often reluctant to offer housing to families with teenage children (particularly teenage boys). We believe Congress intended the exception to the HEARTH Act provision, Section 404(a) (disallowing denial of admission based on the age of household children) to be narrow and rare. As such, we recommend regulations clarifying Section 404(b)(1) indicate that an “evidence-based practice” means a practice with published research findings indicating it is widely proven to increase housing stability among a significant number of families in diverse geographic regions throughout the country. We recommend regulations clarifying Section 404(b)(2) indicate “assurances” means specific units are available for each specific family separated, or that a significant number of units, such as over 25 percent of all available units in the community, would allow families to live as a whole family. Data reports should include the number of families who fall under this exception and the outcomes for those families, as compared to families living intact.

Leasing of Property or Portions of Property (Amended Section 423(a)(3) of the McKinney-Vento Act): Reimbursement

Los Angeles County Continua of Care often master lease apartments and are required to pay landlords on a monthly basis. Because current regulations are vague, some grantees within Los Angeles County prorate reimbursement to project sponsors for each day the unit is vacant. If a client leaves a unit during the month, and the apartment requires preparation for move-in of another client, some grantees deduct reimbursement by the number of days the unit remains vacant. This practice is not consistent throughout the country, and an informal interview of providers found wide ranging disparities, with many agencies not experiencing such deductions at all, regardless of the duration of the vacancy. We believe these regulations offer an opportunity for HUD to clarify that an operator is allowed 15 to 30 days to fill a vacant unit for master leased units in which HUD pays leasing costs. Further, we would like to reaffirm the legislation’s provision for payment for any of the eligible activities occur in advance, rather than on a reimbursement basis. The current reimbursement system can create lapses in services due to cash flow delays.

Eligibility for Permanent Housing (New Section 423(f) of McKinney-Vento Act)

Section 423(f) allows permanent housing tenants who met the eligibility requirements within six months to move into different permanent housing sites. This provision will be highly beneficial for consumers who, for one reason or another, would be better served in a different permanent housing site than the tenant's current residence. It also recognizes homeless persons' right to choice. We recommend HUD allow homeless persons to maintain their eligibility if moving from transitional housing as well, and urge headquarters to instruct regional HUD offices as such.

Program Requirements (Amended Section 426(b) of McKinney-Vento Act)

We commend the HEARTH Act's mechanisms for reducing criminalization of homelessness. We recommend required agreements specified in amended Section 426(b) include commitment to obtain input and seek collaboration, such as inclusion on Collaborative Applicant boards, from corrections and any relevant city or county staff to reduce or eliminate laws criminalizing homelessness. Notwithstanding these recommendations, we hope the regulations guard against making requirements that are beyond the scope of authority of the Collaborative Applicants.

Funding Formula (New Section 427(b)(2)(B)(i) of McKinney-Vento Act)

The current formula fails to consider the number of people experiencing homelessness in relevant geographic regions and therefore neglects need as a basic element of the grant award. The formula also favors communities with an aging housing stock, even though this condition has not been linked to the incidence of homelessness. Newer housing stock does not make housing in any community more available or affordable to people who are homeless or at risk of homelessness. As a result, the formula disadvantages jurisdictions with large homeless populations and unavailable or unaffordable housing stock, even though research demonstrates (and the HEARTH Act finds) the lack of available affordable housing to be the largest contributor to homelessness in any community.

The current formula significantly disadvantages the Los Angeles Continuum of Care, the jurisdiction with the largest homeless population in the country. Though the Los Angeles Homeless Services Authority's Continuum encompassed a geographic area of over nine million people and a homeless population of over 68,000 during the period preceding the 2009 grant award, our Continuum received only \$8.09 per capita and \$1,078 per homeless person from the 2008 grant award, significantly less than other large cities such as New York (\$11.10 per capita/\$1,824 per homeless resident), San Francisco (\$27.20 per capita/\$3,649 per homeless resident), Boston (\$35.95 per capita/\$4,224 per homeless resident), and Chicago (\$18.20 per capita/\$8,637 per homeless resident).

We therefore look forward to working with you to create a new formula. We hope the new formula includes consideration of poverty rates, housing affordability, vacancy rates, local contributions leveraged, and other factors that would make the funding distribution more equitable. We also hope the new formula includes incentives for local communities to fund development of affordable housing, such as development costs.

General Recommendations

We are heartened that HUD and the Interagency Council on Homelessness are increasing collaboration and cooperation among agencies affecting homelessness, and we encourage these ongoing dialogues. Specifically, we strongly support joint Notices of Funding Availability between the agencies, since, as noted previously, lack of funding for services provided in supportive housing, particularly in the current economic climate of severe revenue shortfalls in our state and County, is one of the biggest barriers to creating more supportive housing for people with barriers to housing stability.

We hope these collaborative efforts also help relax or change regulations regarding termination of public benefits eligibility (particularly Supplemental Security Income and Medicaid) during periods of institutionalization. Termination of benefits disproportionately affects people who are homeless, particularly people who are chronically homeless or suffer from repeated episodes of homelessness. These individuals have increased rates of incarceration, hospitalization, and placement in Institutes of Mental Disease due to disabilities.

Also, because Los Angeles County has a considerable need for more funding for new supportive housing projects, we are hopeful that HUD recommends to Congressional Appropriators that Continuum of Care grant renewals be funded through the Section 8 Project-Based Rental Assistance account in years in which the President's Budget Request includes increases in the Section 8 account sufficient to pay for such renewals. Renewals funded in this way would allow for the creation of a significant number of new housing programs, while ensuring resources are being used to end homelessness.

Additionally, we recommend that renewals for a portion of the population no longer requiring supportive services become vouchers.

Finally, and perhaps most importantly, while we look forward to implementing the changes to the programs the HEARTH Act includes, the McKinney-Vento Grant Program remains inadequately funded to make significant strides toward preventing and ending homelessness in Los Angeles County. We are encouraged at the increases in funding for this program in recent years. However, considering that the McKinney-Vento Homeless Assistance Grants Program is one of the most successful federal programs, we hope to see renewed dedication toward the outcomes the program is able to achieve, and we look forward to your new leadership in this direction in the President's budget requests for 2011 and years thereafter.

Thank you for your work to make homelessness a tragedy of the past. We look forward to working with you and your staff to improve the McKinney-Vento Homelessness Assistance Grants program.

Sincerely,

Peggy Edwards
Executive Director
United Homeless Healthcare Partners