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November 9, 2022

To: Supervisor Hilda L. Solis, Chair
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ANNUAL PERFORMANCE AND OUTCOMES EVALUATION FOR YEAR FIVE OF THE COUNTYWIDE HOMELESS INITIATIVE

This memo transmits the Countywide Homeless Initiative's (HI) Year Five performance evaluation report (Attachment), which assesses outcomes associated with both HI strategies and additional groups of services rendered through Los Angeles County's broader homeless services system in Fiscal Year 2020-2021. The Year Five evaluation was prepared by Public Sector Analytics (PSA) under a contract procured using the Chief Executive Office's delegated authority to execute research and analytics-related agreements. The PSA's report and all five HI evaluations to date are responsive to an annual evaluation mandate that was included with the Board of Supervisor's (Board) February 9, 2016, approval of the HI and its originating approach to ending the Los Angeles County's homelessness crisis.

An Examination of Year Five and of the HI's First Five Years

The PSA's evaluation examines Year Five of the HI and the first five years of the Initiative overall. Year Five was the first full year of the initiative's operation under the challenges and complexities created by the COVID-19 pandemic, as well as being the fourth year during which proceeds from Measure H funded services provided through the HI strategies.

More than 91,000 Systemwide Permanent Housing Placements Over Five Years

Over the HI's first five years, Los Angeles County's homeless services system registered 91,126 permanent housing placements, an average of more than 18,000 placements per year. The HI's permanent housing strategies, accounted for 37,593 (41 percent) of these systemwide placements. HI permanent housing strategies funded through Measure H accounted for 30,310 of the 71,605 placements (42.3 percent) made over the first four years of the sales tax. In Year Five of the HI, however, non-Measure H permanent housing

placements increased by almost 22 percent, from 11,853 to 14,435, thereby boosting the systemwide total (Measure H and non-Measure H combined) by more than 6 percent, but the 8,623 Measure H-funded placements recorded in Year Five fell short of the Year Four total of 9,857 by 12.5 percent. Despite this Year Five decrease, Measure H boosted the homeless services system's permanent housing placement capacity by 73.4 percent over four years.

The HI Funded More than Half of Systemwide Shelter Placements Over Five Years

The Los Angeles County's homeless services system registered almost 109,000 interim housing placements over the first five years of the HI, averaging just fewer than 22,000 placements per year. While the HI's two interim housing strategies more than doubled the system's overall placement capacity over this period, the COVID-19 pandemic significantly slowed HI-affiliated shelter placements in Year Five, which fell to 8,682, from 14,804 in the previous year, a decline of 41.4 percent. Nevertheless, the HI's interim housing strategies account for a total of 58,000 shelter placements overall and 53 percent of the systemwide total over five years.

An Impressive Systemwide Response to the COVID-19 Pandemic

The PSA's analysis points to encouraging evidence that the homeless services system as a whole responded quickly and adaptively to COVID-19 Pandemic. Within the interim housing domain, the decompression of shelter occupancies, implementation of Project Roomkey, and re-routing of clients from congregate shelters to Project Roomkey were accomplished with impressive efficiency. At the same time, pandemic-driven Year Four and Year Five slowdowns in permanent and interim housing placements funded through Measure H were offset by sizable increases in non-HI/Measure H placements

Persistent Homelessness Alongside Sizable Numbers of Housing Placements

Although the homeless services system housed more than 90,000 individuals and families in the first five years of the HI, Los Angeles Homeless Services Authority's 2022 Point-in-Time (PIT) homeless count for Los Angeles County, conducted nine months after the conclusion of Year Five of the HI, was roughly 48 percent higher than the 2016 PIT tally. This disconnect is a consequence of a dynamic where the number of individuals and families who become homeless within a given period of time outpaces the number that the system is able to house due to an ongoing affordable housing shortage in Los Angeles County and California more generally.

The extent to which the homeless services system can directly affect the housing supply independently of critical role players operating beyond the homelessness policy and programming domain is limited. The PSA's Year Five HI evaluation, however, includes an analysis of homeless services system client throughflow, which suggests that continuing growth in the number of persons experiencing homelessness at any point in time is most

likely to be reversed through an increasingly sustained and targeted focus on the growing segment of the system's client population that is persistently homeless (i.e., homeless for six months within a given 12-month period).

Looking Ahead to a New HI Framework

After the conclusion of its fifth year, and at the direction of the Board, the HI developed a new framework to guide the countywide approach to ending the homelessness crisis. Implementation of the framework commenced in the present fiscal year (Year Seven of the HI). The new approach places a premium on optimizing the effectiveness of services provided to persistently homeless individuals and families. Additionally, this approach looks to mainstream Los Angeles County services agencies to further facilitate homeless services system throughflow by identifying those at risk of homelessness within their respective client populations and taking preventive steps, where possible, to address the sources of this risk. The increasing involvement of mainstream services agencies is intended to proactively address the needs of those at risk and thereby divert larger numbers from the need for homeless services. The PSA's Year Six evaluation, scheduled for release before the end of Year Seven, is likely to include many of the same metrics included in the attached Year Five evaluation, but will also provide analysis to inform the development of measures appropriate to subsequent assessments of outcomes associated with the new HI framework.

Should you have any questions concerning this matter, please contact me or Peter Loo, Acting Chief Information Officer, at (213) 253-5627 or ploo@cio.lacounty.gov.

FAD:JN:JFO
PL:CP:MS:jmn

Attachment

c: Executive Office, Board of Supervisors
County Counsel
Health Services
Public Social Services
Los Angeles Homeless Services Authority

LA COUNTY'S HOMELESS INITIATIVE

Annual Performance Evaluation: Year 5 Outcomes

AUGUST 2022

Halil Toros, PhD
Dennis Culhane, PhD
Stephen Metraux, PhD

PUBLIC SECTOR ANALYTICS

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Year 5 of Los Angeles County's Homeless Initiative Performance Evaluation

In July 2022, the Office of the Homeless Initiative (HI) within Los Angeles County's Chief Executive Office (CEO) commenced its seventh year and the sixth since the County began receiving Measure H sales tax proceeds to fund services at the basis of a coordinated approach to ending the homelessness crisis. This evaluation examines Year 5, which occurred in the County's 2020-21 Fiscal Year (FY), as well as the first five years of the HI overall. Year 5 was the final year before a reassessment of the HI's originating strategies, which ultimately led to the development of a new guiding framework for addressing the Countywide homelessness problem. The Year Six evaluation is currently scheduled for completion by mid-2023.

THE ORGANIZATION OF THIS REPORT

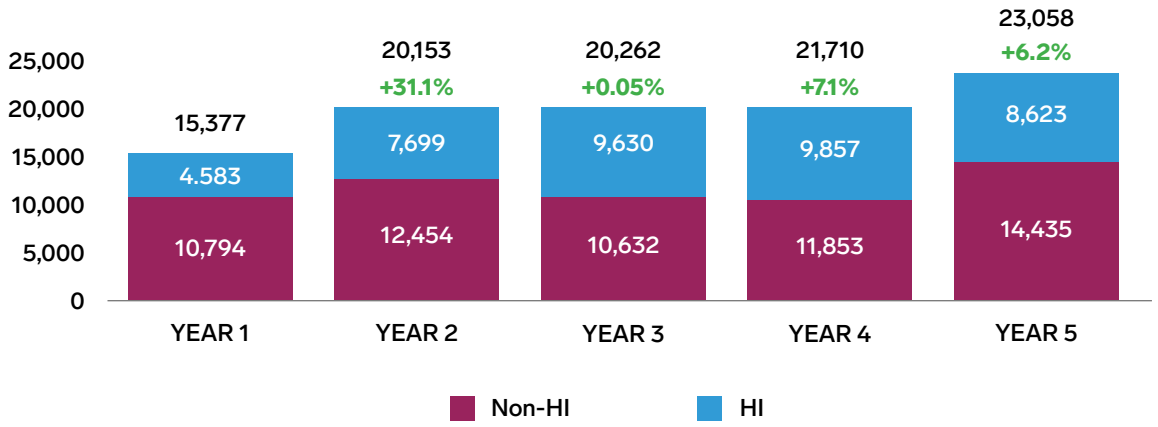
As has been the practice in all four previous HI annual performance evaluations, the main body of this report begins at a *macro level* of measurement in Section 2, where the performance of Measure H–funded HI strategies and services unaffiliated with the HI strategies are examined together to offer a systemwide perspective. The analysis then moves 'down' to the program or *meso-level* in Section 3, separately exploring HI strategy outcomes aggregated into broader categories, the three most important of which are permanent housing (PH), interim housing (IH), and prevention. This separate analysis of the HI strategies as a collective *program* enables their performance to be gauged against comparable non-HI service categories while also establishing a basis for measuring the HI's contribution to systemwide performance. Appendix A provides the performance measurements at the level of individual strategies. In addition, Section 4 provides an assessment of the homeless counts with a flow analysis and Section 5 provides a pre-post evaluation of health, mental health and jail outcomes for households placed by HI.

THE HI STRATEGY OUTCOMES AS COMPONENTS OF SYSTEMWIDE PERFORMANCE

Permanent Housing

Over the first five years of the HI, Los Angeles County's Homeless Services System as a whole made 91,126 permanent housing placements. Systemwide permanent housing placements increased in all of the first five years of the HI, as shown in Figure ES1, which parses the annual systemwide placement totals by those associated with and not associated with the HI.

Figure ES1. Systemwide Permanent Housing Placements Over the First Five Years of the HI, Overall and by HI- and Non HI-Funded Housing Providers



- In Year 3 and Year 4, the increased placement capacity Measure H lent the system compensated for non-HI placements that were down by comparison with Year 2. Similarly, a 38.7% increase in non-HI placements in Year 5 filled the gap created by a COVID-driven decrease of roughly 22% in HI/Measure H placements.

- The sharp increase in non-HI permanent housing placements in Year 5 relative to Year 4 is attributable to Los Angeles Homeless Services Authority's (LAHSA) introduction of Recovery Rehousing and Bridge to Subsidy resources for COVID-vulnerable adults, including those exiting Project Roomkey.

- Over Five Years, HI/Measure H permanent housing boosted Los Angeles County's permanent housing placement capacity by 68.5 percent.

- While Systemwide placements in permanent housing increased in each of the HI's first five years, returns to homelessness within 12 months after placement in permanent housing declined steadily over the same period. The 12% return rate in Year 5 was the fourth consecutive decline in the 12-month return rate, down from roughly 16% in Year 1.

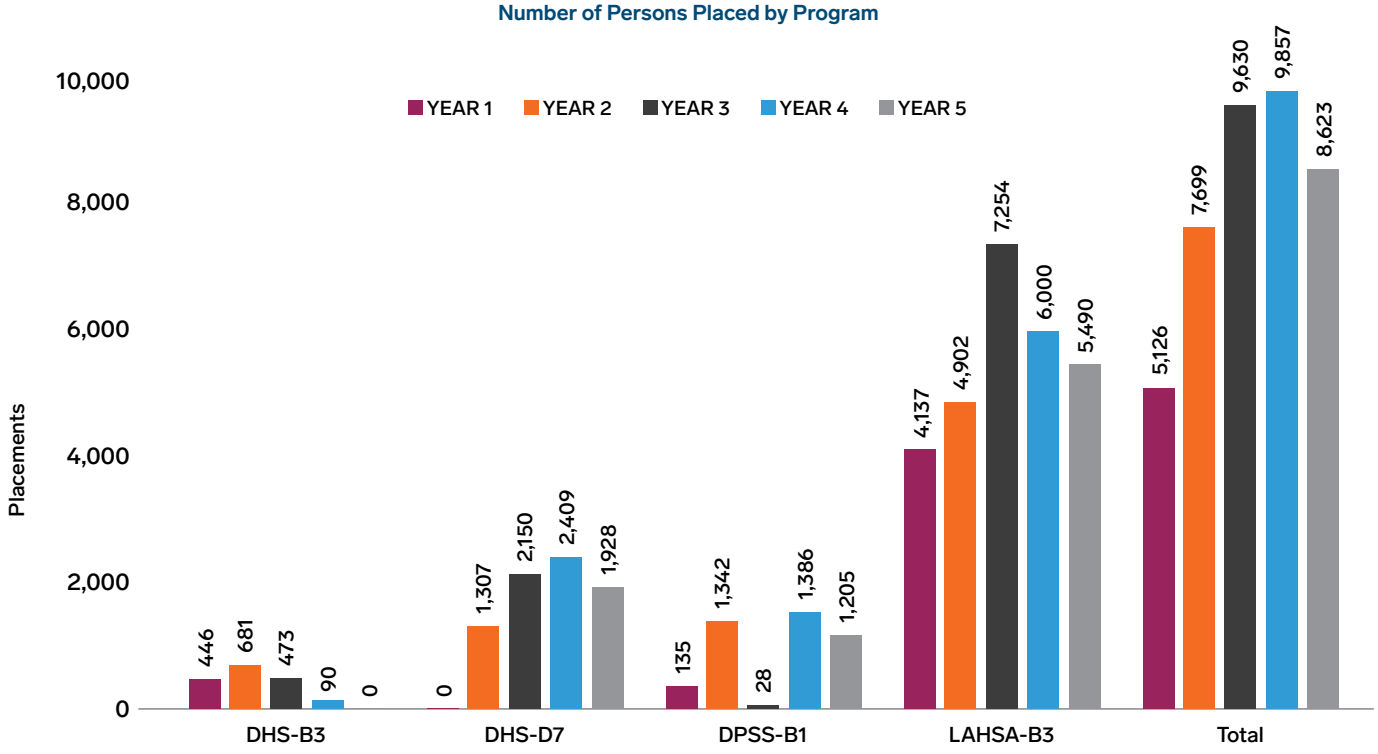
Figure ES2 shows the agency and strategy sources of HI/Measure H placements.[1]

- The three originating HI permanent housing strategies—B1, B3, and D7—registered 37,593 placements over five years, accounting for 41% of the 91,126 systemwide placements made over this period. In the first two years of Measure H (Year 2 and Year 3 of the HI), the initiative's permanent housing placements increased by 68% and 25%, respectively.[2]

[1] The sum of the agency/strategy placements exceeds the placement total because the placement total is de-duplicated across the strategies.
[2] In Year 4 of the HI, DHS gradually ended its co-leading role In Strategy B3. Strategy D7 did not begin until Year 2

Figure 3-4. Number of HI-Affiliated Permanent Housing Placements over 5 Years

Number of Persons Placed by Program

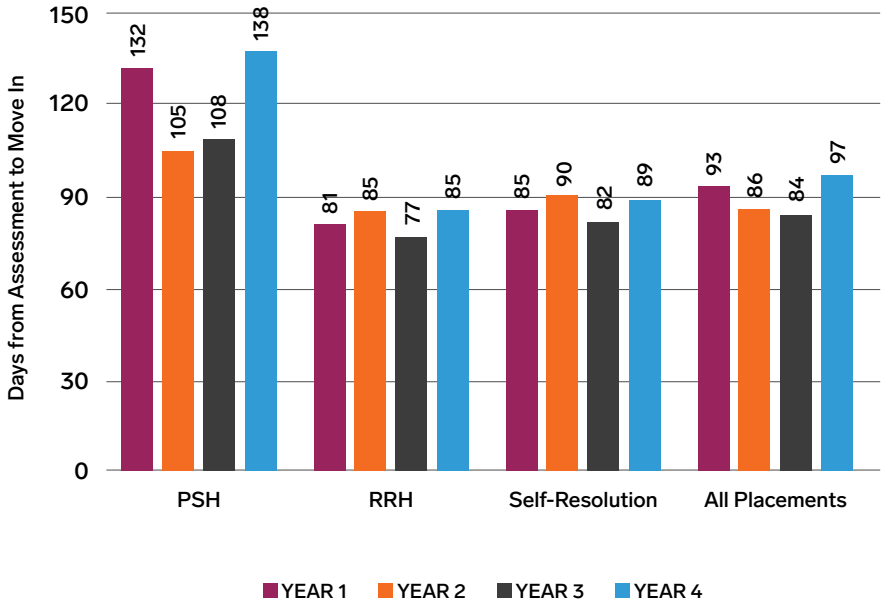


- The pandemic began in the third quarter of Year 4, and its effects can be inferred from a 90% slowdown in the rate of HI/Measure H permanent housing placement growth by comparison with Year 3. This deceleration was the first indication that an absolute decrease would occur in the following year.
- In Year 5, HI-affiliated permanent housing placements declined from the Year 4 total of 9,857 to 8,623.
- B3 and D7, the HI's Rapid Rehousing and Permanent Supportive Housing strategies, accounted for the balance of the Year 5 HI/Measure H decline, registering decreases from their Year 4 totals of 27.8% and 22.3%, respectively.

INCREASE IN TIME FROM ASSESSMENT TO HOUSING PLACEMENT

The scarcity of affordable housing in Los Angeles County directly affects homeless services system outcomes yet is not a problem the system is equipped to resolve. This may be a key reason for the increase of 13 additional days, between Year 2 (the first year Measure H revenues were available) and Year 5, in the average duration of time from the most recent homeless services assessment to permanent housing placement, as shown in Figure ES3. Across three general and systemwide permanent housing destinations—PSH, RRH, and self-resolved—Year 5 durations are longer by comparison with Year 2.

Figure ES3. Systemwide Duration in Days from Assessment to Permanent Housing Move-in Over the First Four Years of Measure H



THE HI INTERIM HOUSING STRATEGIES AND THE POINT IN TIME HOMELESS COUNT.

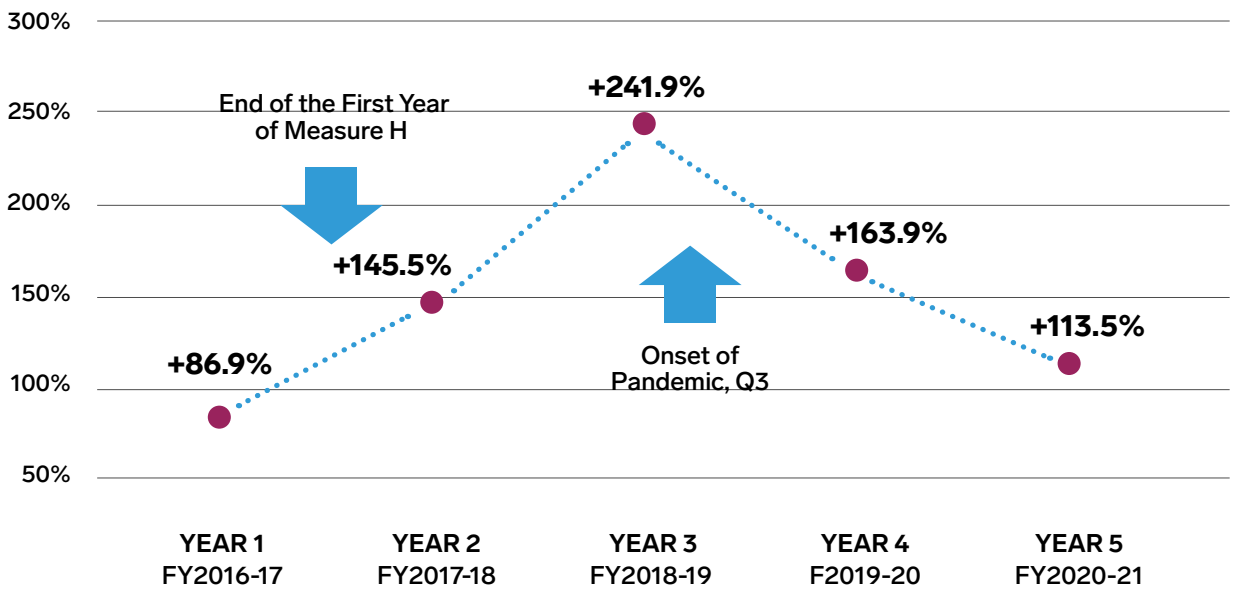
The homeless services system housed more than 90,000 individuals and families in the first five years of the HI, yet LAHSA's 2020 Point in Time homeless count for Los Angeles County, which was conducted six months before the conclusion of Year 5, was approximately 41% higher than the 2016 count and the 2022 count conducted nine months after the conclusion of Year 5 was roughly 48% higher than the 2016 tally (Figure ES4). The underlying dynamic at the heart of this problem begins with the housing supply shortage alluded to above, which creates a dynamic where the number of individuals and families who become homeless within a given period outpaces the number the system is able to house within that same period. Closer consideration of the increasing size of the unhoused population, however, underscores the importance of the capacity that HI and Measure H have added to Los Angeles County's shelter system.

- Using non-HI cumulative interim housing placement totals at the end of each year as a reference point, five-year cumulative total placements affiliated with the HI interim housing strategies increased overall shelter placement capacity in Los Angeles County by more than two times (113.5%).[3]

Capacity at the end of Year 5, however, was actually down from the highwater mark to date at the end of Year 3, at which point HI affiliated interim housing placements enhanced Los Angeles County shelter capacity overall by 241.9% (Figure ES4). The decline over the next two years was a consequence of the coronavirus pandemic, which compelled congregate shelter providers to decompress shelter occupancies in accordance with social distancing protocols. Nevertheless, gradual benefits of the HI's commitment to bolstering shelter capacity can be inferred from trends in recent PIT counts, particularly the distribution of the sheltered and unsheltered subsets of the counts.

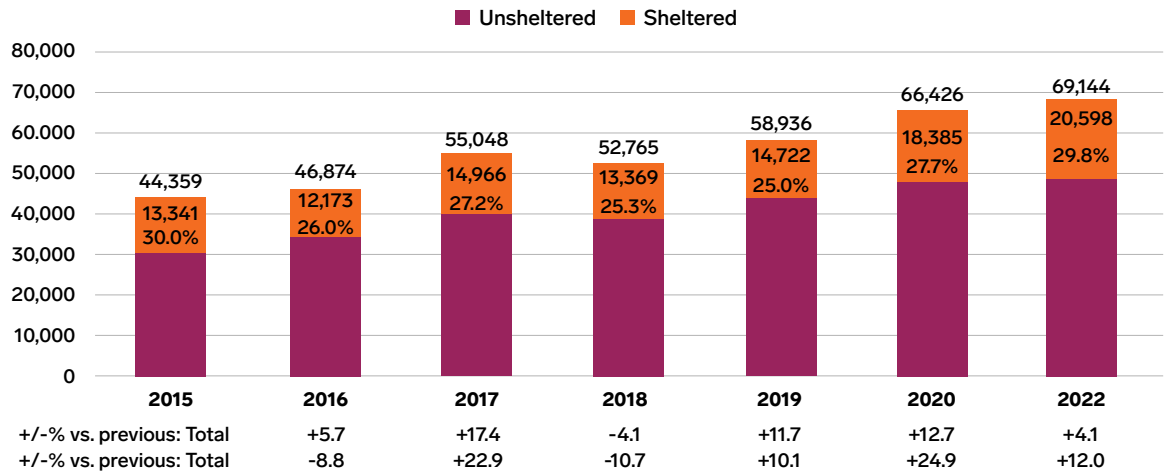
[3] This measure means that the 57,866 placements associated with the HI interim housing strategies over five years enhanced the non-HI affiliated interim housing placement total over the same period (51,000) by 113.5%

Figure ES4, Rolling Cumulative Shelter Placement Capacity Added by HI Interim Housing Strategies



As shown in Figure ES5, the 2017 count, the first conducted after the operational initiation of the HI strategies, registered an increase in the sheltered portion of the count of almost 23 percent versus a 17.4 percent increase in the overall count. In 2018, the overall count fell by a modest 4.1%, but the sheltered subset fell by roughly 10 percent in absolute terms.

Figure ES5. LAHSA PIT Homeless Counts Since 2015, Parsed by Sheltered and Unsheltered Subsets

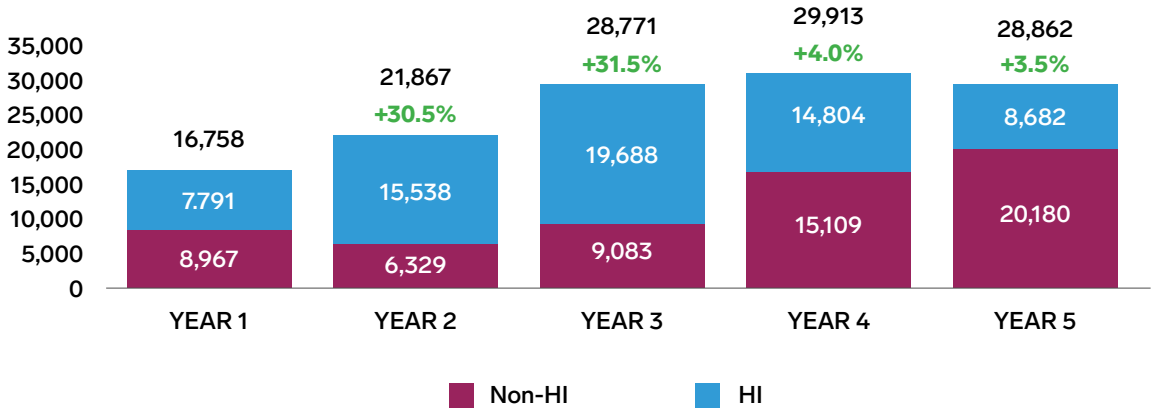


In each of the past three PIT counts the sheltered subset of the PIT count increased appreciably By comparison with 2018, the overall tally in 2022 was higher by 31%, but the sheltered portion was 54.1% higher. Consequently, shelter users have grown from roughly 25% to 30% of those tallied and they account for a share of the total not seen since 2015 when the overall count was roughly 36% lower.

- The evidence is inferential but HI's interim housing strategies have undoubtedly played a central role in slowing the proportional growth of unsheltered homelessness in Los Angeles County.

- The placement capacity the HI added to interim housing Countywide accounted for 57,866 of the homelessness services system's 108,866 placements over five years (53%). Figure ES6 parses the annual systemwide interim housing placement totals by those associated and not associated with the HI.

Figure ES6. Systemwide Interim Housing Placements Over the First Five Years of the HI, Overall and by HI- and Non HI-Funded Housing Providers



AN IMPRESSIVELY ADAPTIVE RESPONSE TO THE PANDEMIC

An examination of Year 4 and Year 5 together offers encouraging evidence that the homeless services system as a whole responded quickly and adaptively to COVID-19. Within the system's interim housing domain, the decompression of shelter occupancies, implementation of Project Roomkey, and re-routing and transitioning of clients to Project Roomkey occurred within one month of the onset of the pandemic. At the same time, the slowdown in HI/Measure H placements at the start of the pandemic in Year 4 and sharp decline in Year 5 was offset by an increase of roughly 22% in non-HI/Measure H placements, from 11,853 in Year 4 to 14,435 in Year 5.

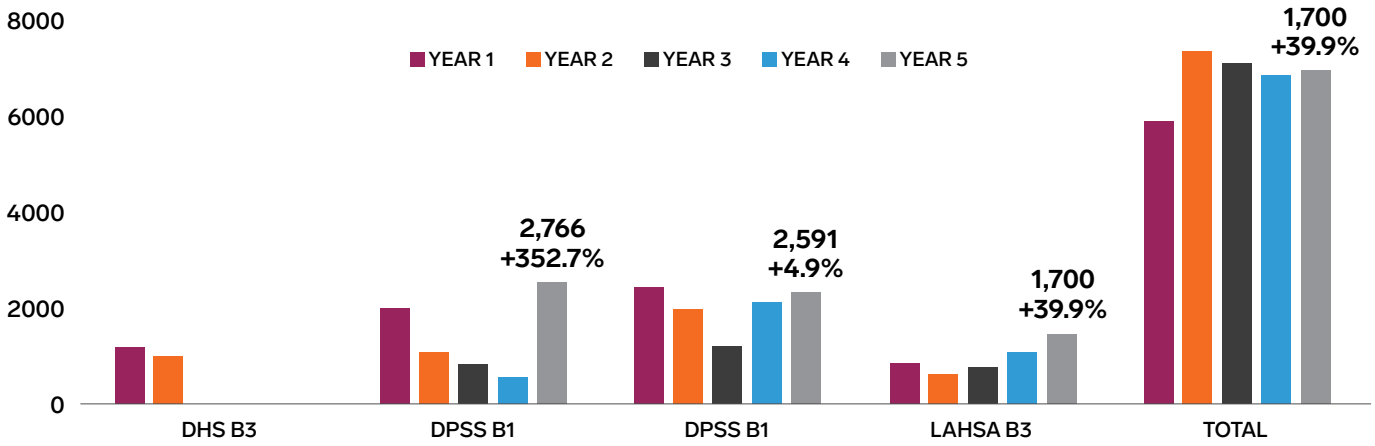
The provision of permanent housing subsidies tends to place the onus on subsidy recipients to locate housing, and clients frequently move into shared housing arrangements. These aspects of subsidized come into play for the HI's SSI housing and RRH strategies (B1 and B3, respectively), as well as for the scattered site portion of the HI's PSH strategy (D7), and they became less broadly applicable with safe distancing protocols imposed in response to the pandemic, which accounts for the sharp Year 5 decline in HI/Measure H permanent housing. In this context, however, the centrality of the Department of Health Service's Housing for Health (HFH) PSH and LAHSA RRH to the observed Year 5 growth in non-HI/Measure H permanent housing is instructive, as shown in Figure ES7.

- LAHSA's 1,700 non Measure H funded RRH placements in Year 5 represented an increase of close to two-fifths by comparison with Year 4. Most significantly, approximately 71% of these placements were exits to Recovery Rehousing or Bridge to Subsidy, the two new housing resources that were introduced in LAHSA's COVID Recovery Plan and that specifically targeted COVID-vulnerable adults.[4]

[4] Since Recovery Rehousing and Bridge to Subsidy programs were stood up quickly to respond to an emergency situation, they required an existing vehicle to carry them which, along with offering time-limited subsidies, is why these resources are categorized under the category of Rapid Re-Housing (RRH). However, the typical Recovery Rehousing and Bridge to Subsidy client trajectory, as well as the financial resources dedicated to each client differs from RRH, which has caps subsidies, whereas Recovery Rehousing is committed to paying whatever rent amount is necessary to keep the client housed during the program.

- At the same time, DHS/HFH's PSH placements not funded by Measure H, increased by a factor of more than 4.5 (352.7%)

Figure ES7. Non HI Permanent Housing Placements Over the First Five Years of the HI, Parsed by Agency and Housing Modality



Notwithstanding the beneficial effects of the HI's enhancement of shelter capacity Countywide, the impact of mandated decompression of interim housing facilities, particularly during the earliest and, from a public health standpoint, most dangerous phases of the pandemic was felt immediately. In Year 4, HI/Measure H interim housing placements fell by close to 25%, from the Year 3 peak of 19,688 to 14,804. This was followed in Year 5 by an even steeper 41% decline to 8,682, a total only 11.4% higher than the Year 1 baseline before Measure H.

However, programs outside the HI and not funded by Measure H filled a considerable portion of the gap created by the decompression of congregate shelters, adding to evidence of the homeless services system's adaptivity in response to COVID-19. A total of 6,385 clients placed in Project Roomkey and Project Homekey, for example, accounted for close to one-third of the Non-HI/Measure H interim housing placements in Year 5.

- More generally, Non-HI/Measure H interim housing placements grew by 122.2 percent over Year 4 and Year 5 (FY 2019-20 and 2020-21). Growth in Non-HI/Measure H placements in Year 5 helped limit the first annual *systemwide decrease in interim housing placements to a modest 3.5%.*

THE SEARCH FOR DECISIVE PREVENTION EVIDENCE CONTINUES

Homelessness prevention comprises a relatively small share of the services provided through the homeless services system in general and through the HI in particular because reliable evidence of the effectiveness of these services is limited. Specifically, causal evidence showing the effects of prevention services is notoriously difficult to produce, particularly when the perspective expands from a given risk cycle to a lengthier period of observation. Preventing homelessness, for example, by providing an at-risk household with funds to stave off an eviction is a successful prevention at one point in time but may do little to address the underlying sources of risk.

Results produced by the HI's prevention strategies point to additional interpretive difficulties. Any evaluative meaning given to the prevention rates summarized below, for example will be arbitrary since there is no point of comparison other than measuring one year's performance against other years, and the rates offer no view into whether the interventions they represent genuinely reduce the likelihood of future risk episodes.

- Although the average annual prevention rate for Strategy A1 (Prevention for Families) is 79.3%, prevention rates for the strategy vary by annualized or cumulative measurements. Over five years, A1 prevented homelessness among 3,075 of the 4,825 families served, a prevention rate of 63.7%.

- Strategy A5 (Prevention for Individuals), which was not implemented until Year 2 of the HI, yielded an average annual prevention rate of 82.9%, but the annual rates range from 66.1% to 98.6%.

FORMATION OF THE HOMELESSNESS PREVENTION UNIT

Prior to the pandemic, however, the HI allocated of $2 Million in Measure H revenues to a Homelessness Prevention Unit (HPU) pilot, which would be administered by DHS for the purpose of testing the extent to which the use of data-driven predictive risk models, developed in partnership with the California Policy Lab (CPL) at UCLA, would not only boost the effectiveness of the process that selects which at risk households will receive scarce homelessness prevention resources, but would also produce more rigorous and objective evidence, based on Randomized Control Trials, to properly quantify the effects of homelessness prevention interventions. Implementation and operation of the HPU commenced in Year 5. An initial round of results and analysis is expected in Year Seven.

THE HOMELESS SERVICES SYSTEM THROUGHFLOW AND POPULATION DYNAMICS

Section 4 extends the analyses included in the Year 3 and Year 4 evaluation reports looking at the flow of clients through the homeless services system. The previous analyses are deepened with 2020 and 2021 data from the Homeless Management Information System (HMIS).[5] Analyses of these data reemphasize the significance of persistent homelessness to system throughflow.

- While new system entrants declined by almost 10% between 2018 and 2021, as shown in Figure ES8, exits from homelessness increased by nearly 14%.

PERSISTENT HOMELESSNESS AND THE LIMITATIONS OF ENHANCED SHELTER CAPACITY

The count of persons who were coded as homeless in HMIS at any point during 2021 slightly increased by comparison with 2019 as a result of ongoing increases in the number of *persistently homeless persons* who enroll in the system. Persistently homeless persons face difficulties in resolving their homelessness and remain engaged with the system for six months or more within a 12-month period. By contrast, 30% of new entrants in 2018 exited the system after a single episode of one month or less, half remained in the system for less than three months, and two-thirds remained for less than six months.

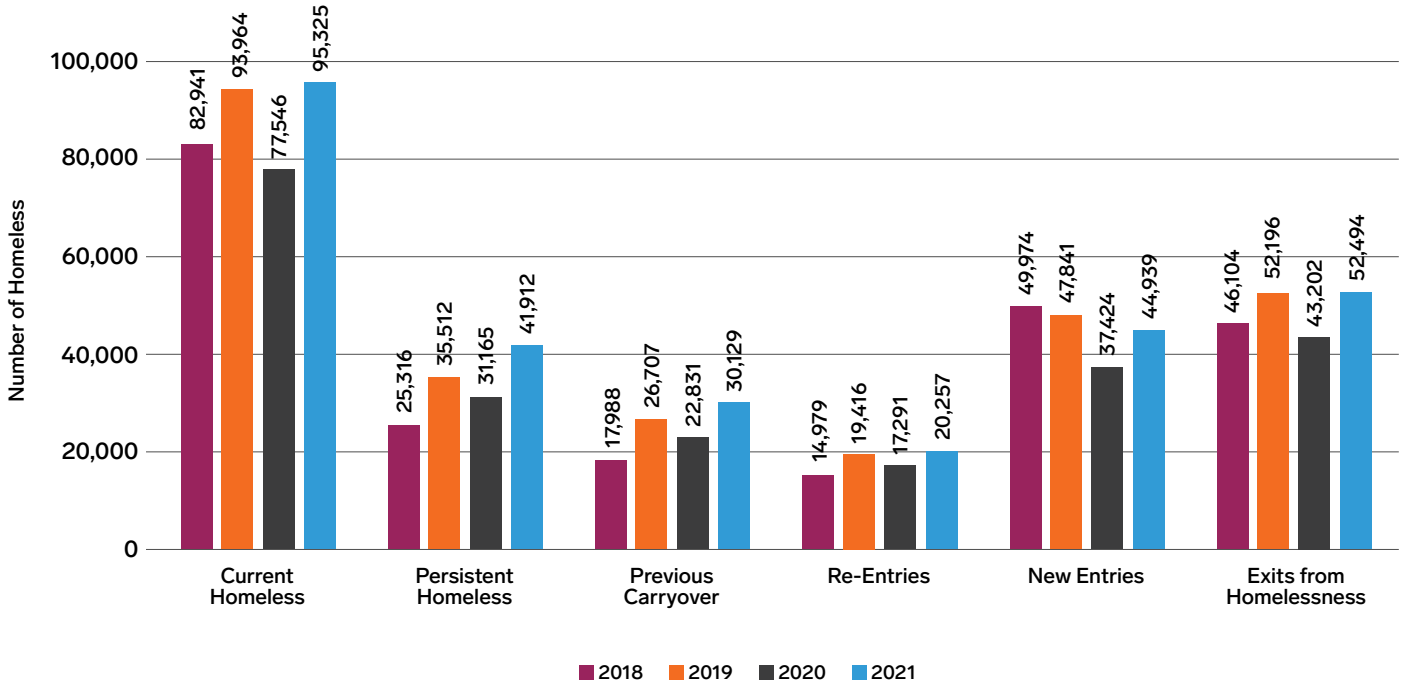
- A total of 41,912 persons with open Coordinated Entry System enrollments in 2021 were in the persistently homeless subset of the homeless services client population, a count that is higher than the 2019 total by 18% and higher than the 2018 total by 66%.

- Between 2018 and 2021, new entrants shrank from 60% to 47% of the Coordinated Entry System homeless services client population with utilization records in HMIS, while the persistently homeless subset gained in size and proportion.

The persistently homeless segment of the homeless services client population expands the ranks of those who are carried over in the homeless services system from one year to the next, as well those who return to the system after exiting. The combined effect of their persistence in the system and the housing supply shortage provides much of the explanation for the continued expansion in the population experiencing homelessness in Los Angeles County at any point in time.

[5] The structure of the HMIS data used for the throughflow analysis necessitated examining calendar years as opposed to fiscal years.

Figure ES8. Homeless Services System Throughflow, 2018-2021



LOOKING AHEAD TO THE NEW HI FRAMEWORK

The mainstream services system and a new effort to improve system throughflow

The new HI framework for ending the County's homelessness crisis went into effect in Year Seven of the HI (FY 2022 23) and places a heightened emphasis on homeless services system throughflow, improvement of which is seen as a key component in reversing a longstanding growth trend in the size of the population that experiences homelessness at any particular point in time. Speedier flow of clients through the system will necessitate upstream efforts to reduce the volume of individuals and families in need of homeless services.

One challenge is the difficulty of deflecting clients from the homeless services system amidst an ongoing affordable housing shortage. However, the framework seeks to facilitate throughflow by supporting mainstream services departments to play an increasingly impactful role in the coordinated Countywide response to the crisis. Specifically, the framework asks County departments to assume new responsibilities for detecting those in their respective client populations who are at risk of homelessness and to take proactive steps in connecting these clients with services and benefits that enable them to avoid recourse to the homeless services system.

Intervening in Persistent Homelessness More Effectively and Rationalizing the Re Housing system

Among those who must turn to the homeless services system, clients who are persistently homeless, or *persistently underserved*, are a focal point of the new framework. The rationale for this focus is not simply the growing absolute and relative size of the persistently homeless subset but more importantly that the failure to adequately serve those comprising this subset represents one of the primary barriers to improved system throughflow. More effective interventions in persistent homelessness are expected to cascade through the system and improve the quality and effectiveness of the services provided to all homeless services users.

Although Los Angeles County, like California more generally, is in the midst of an affordable housing crunch, the homeless services system permanently housed tens of thousands of individuals and families over the five years examined in this report. At the same time, however, many clients receiving housing subsidies of one kind or another fail to move in, often because they are unable to find a unit or shared housing arrangement. Since such clients, in not having their housing needs met, also constitute a significant barrier to optimal system throughflow, the new framework seeks to rationalize the provision of subsidies more effectively, and to provide clients with an added degree of housing location and navigation services that facilitate and expedite the process of finding suitable permanent housing.

THE NEW HOMELESS SERVICES ENTITY WILL TOUCH ALL COMPONENTS OF THE NEW FRAMEWORK

The formation of the new homeless services entity, the administrative form it will take, the timing of its implementation, and the implications of this implementation for the Office of the Homeless Initiative and LAHSA are all issues that are either currently being deliberated or will be the subject of deliberations amongst the relevant parities and agencies in the near to intermediate future. Although this leaves many operational questions unanswered at the present time, it is clear that the entity's authority and impact will cut across all the key components of the new revamped framework to end homelessness in Los Angeles County. Specifically, the entity will be responsible for coordinating, facilitating and overseeing mainstream County departments in the respective roles they play within the framework. Additionally the entity will also manage permanent housing placements funded by County sources, including Measure H, and will preside over acquisitions.

THE YEAR SIX HI PERFORMANCE EVALUATION

The authors of this report have commenced work on the Year Six HI performance evaluation, which is expected to be complete in early 2023 and before the end of the HI's Year Seven. The new HI framework will introduce new performance measures, some of which will replace existing metrics. Many basic metrics will remain unchanged. Where metrics are modified or added, the HI will work with LAHSA and the Chief Executive Office's Chief Information Office (CEO/CIO) to integrate these measures into a larger evaluation model and to create continuity and standardization in the linkage of new data with historical measures. Changes in the approach to evaluation will necessarily be iterative and gradual.

Introduction

In February 2016, the Los Angeles County Board of Supervisors formally approved a comprehensive set of strategies creating the County Homeless Initiative (HI) to combat the County's homelessness crisis. With the creation of the HI and passage by voters of the landmark Measure H sales tax in March 2017, funding an estimated $355 million in services annually, the County has established and/or expanded a range of client-centered services for persons who are homeless or at risk for homelessness. Development of the HI strategies occurred through a collaborative process, which was coordinated by the Chief Executive Office's HI and involved not only County but also non-County stakeholders, including cities, municipal leaders, community organizations, advocates, and concerned citizens. Structured to produce measurable outcomes, the strategies seek to (a) prevent homelessness, (b) expand subsidized housing, (c) increase income among those who are homeless or are at risk of becoming homeless, (d) enhance homeless case management and supportive services, (e) create a coordinated homelessness service system, and (f) expand affordable and homeless housing.

This is the fifth in a series of annual reports that document and assess outcomes related to the HI based upon administrative data collected through LA County and LAHSA. As such, the report continues the analyses performed in the earlier reports in this series, in which outcomes are framed within a series of macro-, meso-, and micro-measures. In adding another year of data and findings, we continue to track HI performance and assess various emerging trends. Additionally, we include sections on two additional topics, an inflow-outflow analysis, and an evaluation of the impacts of HI placements on County services use, each of which adds important dimensions to our understanding of HI.

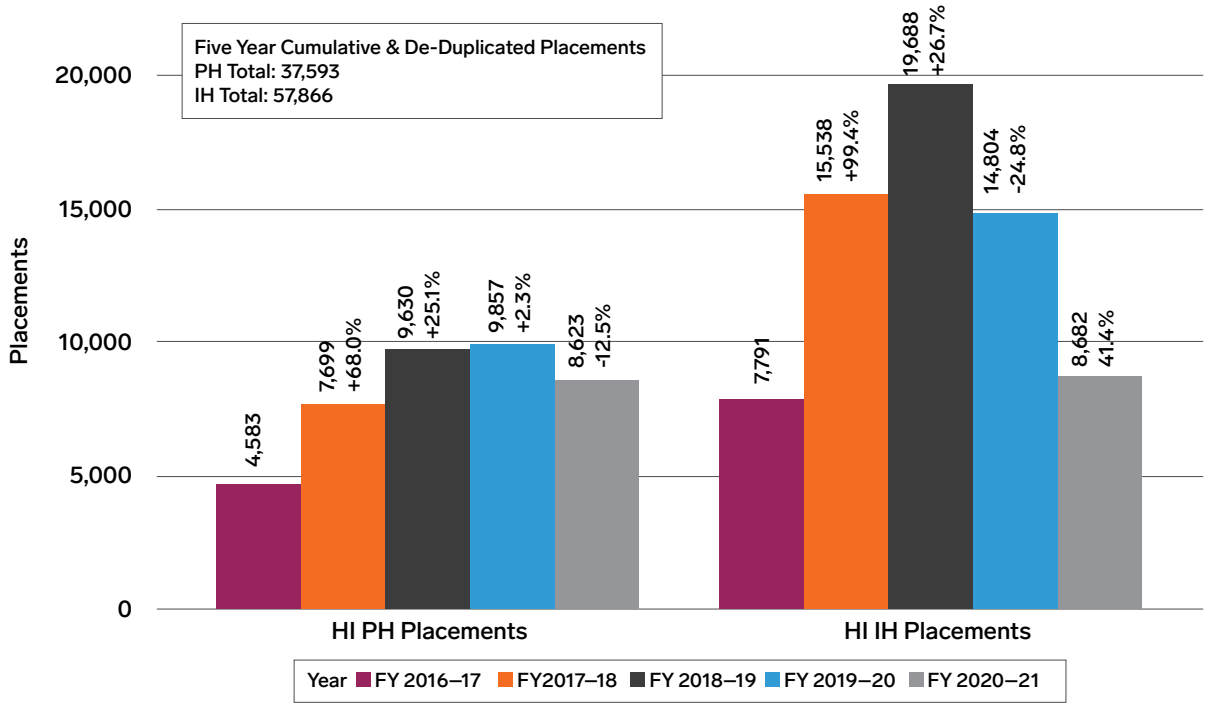
1.1 FIRST FIVE YEARS OF THE HOMELESS INITIATIVE

Impact of HI Funding on Permanent and Interim Housing Placements

- Despite the pandemic's impact, systemwide placements grew in each of the HI's first five years.
- In its first five years, there were 91,126 systemwide PH placements and 108,866 systemwide IH placements.
- The HI accounted for two of every five systemwide permanent housing placements and one of every two systemwide interim housing placements over five years.
- Particularly HI-affiliated interim placements were impacted with the pandemic significantly dropping by 41% in Year 5 due to "decompression" measures, which was compensated by Project Roomkey and Project Homekey.

Figure 1-1 shows the in-year counts of Permanent Housing (PH) and Interim Housing (IH) placements in the first five years of the HI[6]:

Figure 1-1. Annual HI PH and IH Placements and Year-over-Year Increases



Measure H funds became available in Year 2

- As noted in the inset of the figure, HI strategies account for a cumulative and unduplicated total of 37,593 PH placements and 57,866 IH placements.

- After more than doubling from 4,583 to 9,630 between Years 1 and 3, PH placements stayed at almost the same level in Year 4. As a result of the pandemic, PH placements dropped almost 12.5% to 8,623 in Year 5. While the impact of the pandemic generally explains the decline, one aspect of the broad impact of the public health emergency is particularly important but also easily overlooked: The eviction moratorium imposed during COVID 19 largely halted the natural movement of people in and out of housing. Units remained occupied, which is positive, but the upshot of this is that fewer units were available to house persons with subsidies and vouchers for permanent housing.

- HI-funded IH placements increased by approximately 150% between Years 1 and 3 but decreased by almost 25% to 14,804 in Year 4 and by another 41% in Year 5 to 8,682. The decline in IH placements in Years 4 and 5 was caused mainly by "decompression" measures in response to the COVID-19 pandemic. Decompression refers to the reduction in shelter bed density to meet recommended social distancing by the CDC. As described below, the County's Project Roomkey and Project Homekey compensated for this decrease by placing almost 4,000 individuals in hotels and motels in Year 4 and over 6,600 individuals in Year 5.

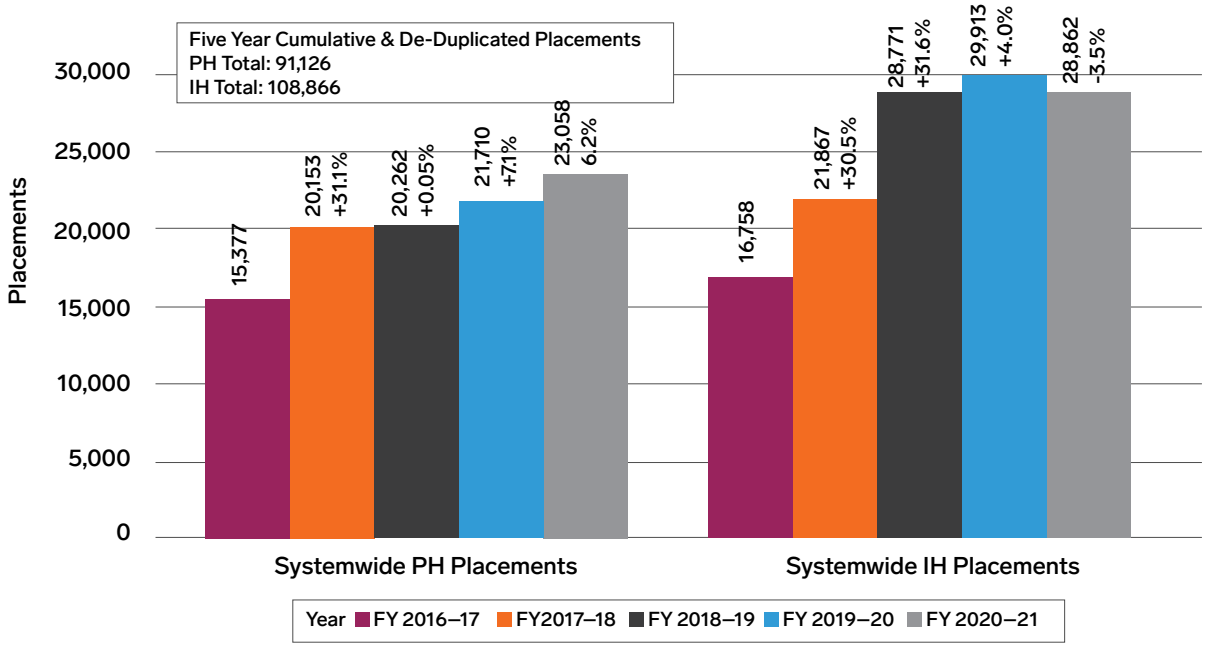
- While the Year 5 placement numbers do not show the substantial increases in PH and IH placements that were achieved in earlier years, HI strategies continued to place substantial number of homeless households in PH and IH.

[6] IH placement totals include all placements funded entirely or partially with HI resources. HI-funded PH and IH placements shown in this evaluation are higher than those reflected in Year 4 quarterly reporting, which were 7,702 and 7,649 respectively. The 8,682 Year 5 IH placements shown here include placements administered by the Department of Public Health's Substance Abuse Prevention and Control program, the data for which were not available at the time the quarterly public reports were prepared. Similarly, 8,623 Year 5 PH placements shown here include placements administered by Department of Public Social Services B1 program, the data for which were not available at the time the quarterly public reports were published.

HI resources, however, do not reflect the entirety of LA County's overall homelessness services system. The macro performance metrics discussed in this report reflect a systemwide perspective, encompassing HI-funded outcomes, including PH placements, and combining them with outcomes from the County's homelessness services system more broadly. Figure 1-2 shows systemwide PH and IH placements, i.e., inclusive of but not limited to those funded with HI resources, in each of the first three years of the HI:

- Systemwide cumulative and unduplicated totals for PH and IH placements were 91,126 and 108,866, respectively.
- Systemwide PH placements continued the previous trend, increasing 6.2% and involving over 23,058 households in Year 5.
- After reaching almost 30,000 in Year 4, IH placements dropped by 3.5% to 28,862 in Year 5. The provision of Project Roomkey placements along with other interim housing was able to nearly offset the loss of beds due to shelter decompression measures.

Figure 1-2. Annual Systemwide PH and IH Placements and Year-over-Year Increases



Taken together, Figures 1-1 and 1-2 demonstrate the impact that the HI has had on the quantity of services available to those who are homeless or at risk of becoming homeless.

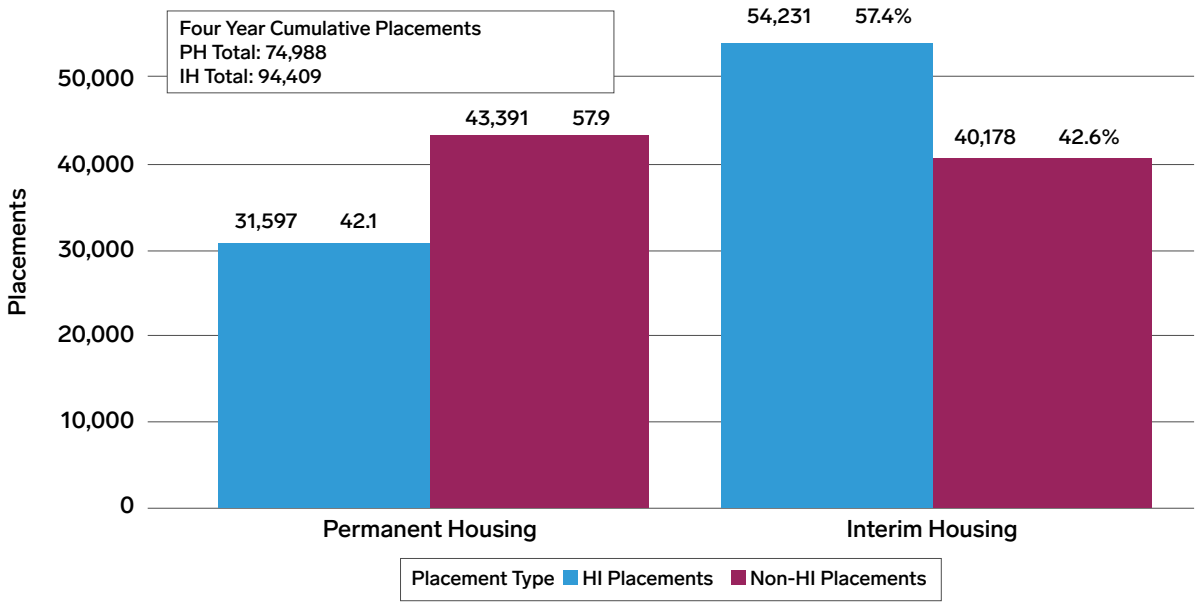
1.2 MEASURE H

In this report on HI outcomes, the distinction referenced between HI-funded outcomes and systemwide outcomes is also, at some key levels of measurement, a distinction between outcomes funded by Measure H revenues and outcomes inclusive of but not limited to those funded by Measure H.

In March 2017, voters resoundingly approved Measure H, the landmark quarter-cent County sales tax increase meant to create an ongoing revenue stream—an estimated $355 million per year for 10 years—to fund homeless services, rental subsidies, and housing. The tax increase would provide funding for a comprehensive regional approach encompassing 21 interconnected strategies. These Measure H funds became fully available in Year 2 of the HI. In Year 1, the County had allocated $100 million to launch these strategies, and then continued to approve annual budgets thereafter, which by FY 2019-20 consisted of a $460 million spending plan that widened and intensified the County's fight against homelessness.

Figure 1-3. Measure H and non-Measure H Shares of Systemwide PH and IH Placements

Cumulative and De-Duplicated Counts in Years 2, 3, 4 and 5 of HI



- There were 4,583 HI placements to PH in Year 1 (pre–Measure H; see Figure 1-1), and a cumulative total of 31,597 Measure H–funded PH placements in Years 2 through 5. This cumulative total represents an almost sevenfold increase over the Year 1 total.
- Cumulative HI-funded IH placements over three years of Measure H funding (Years 2 through 5) total 54,231. This also reflects almost a sevenfold increase relative to the baseline Year 1 total (7,791 placements; see Figure 1-1).
- As of the end of Year 5, Measure H funds have accounted for over 42% of cumulative PH placements and 57.5% of cumulative IH placements over the four years during which these revenues have been available.

1.3 CONTINUING CHALLENGES

This report shows the continued benefits of the HI on permanent and interim housing placements, but it also reveals some continuing challenges. Most notably, declines in PH and IH placements were observed in Year 5, as the COVID-19 pandemic continued to impact service delivery. While systemwide placements were able to offset the 22% decline in HI-funded PH placements, the systemwide IH placements were down by 3.5%. Project Roomkey and other new IH inventory were able to offset much of the loss of HI-funded interim housing placements systemwide but could not fully overcome the effects of shelter decompression.

Unlike in previous reports, we are unable to assess the impact of these systemwide trends on overall levels of homelessness in LA County. As a result of the pandemic, the 2021 PIT count was canceled. The PIT counts have provided a regular benchmark for sheltered and unsheltered homelessness trends, and the gap for 2021 impacts our ability to observe any impacts of HI or even impacts of COVID-19 on overall homelessness trends, especially unsheltered homelessness. An inflow and outflow analysis is provided in Section 4 based on services tracked in the homeless management information system, but the lack of an unsheltered count for 2021 is a limitation. The count for 2022 should provide an opportunity to learn more about the impact of the pandemic. However, any interpretation of homelessness trends will be made difficult by the infusion of federal funds both to individuals through expanded unemployment assistance, stimulus checks, and refundable child tax credits and to communities through the American Recovery Plan. Several of that plan's programs specifically for people who experience homelessness may also be impacting overall homelessness levels, by increasing housing placements and program enrollments. The eviction

moratorium also likely reduced some entries into homelessness in 2021, but the end of the moratorium and the lagged effect it may have on requests for emergency assistance are also yet to fully play out.

In our previous report (Year 4), we highlighted the challenges to progress posed by several critical external factors, including systemic racism, tight housing supply, high rental costs, and limited incomes—factors beyond the control or influence of the homelessness assistance programs. The 2021 LA County Annual Affordable Housing Outcomes Report highlights some of the growth in subsidized units from the initiative partnering LA County and local jurisdictions (120,000-unit growth in 2020, a 4.0% increase over 2019).[7] But the need still far outstrips supply, by nearly a half million units, according to the report.

Incomes also continue to fall well short of what is needed to afford market rents. In our last report, we cited that a worker needs nearly $42 per hour to afford the average monthly rent of $2,182, which is 2.8 times the minimum wage in the City of Los Angeles. The high rate of inflation, especially the impact on energy costs, is certain to be affecting people's ability to afford housing and may well increase rates of housing instability and homelessness. People who rely on safety net incomes, especially the Supplemental Security Income program, but also CalFresh, General Relief (GR), and CalWORKs, face especially difficult challenges in meeting basic expenses, as even federal cost of living increases do not reflect the differential impact of inflation on rents, food, and energy, or the regional variation in housing price inflation.

Project Roomkey and Project Homekey

- Project Roomkey, by placing people in the homeless population who are particularly vulnerable to COVID-19 into hotel and motel rooms to facilitate isolating and practicing social distancing, seeks to reduce their likelihood of contracting COVID-19. As Project Roomkey winds down, the County started Project Homekey, purchasing 10 hotels and motels for interim housing.
- Project Roomkey and Project Homekey have brought over 10,000 people experiencing homelessness into hotel and motel sites by the end of FY 2020-21.

Year 5 was an unusual year for many reasons, and interpretation of overall trends will be a challenge. But this report will enable us to see how overall placements changed, some impacts on flow within the interim housing system, and impacts of housing placements on services use. Future reports will have to consider the longer-term impact on unsheltered homelessness (as 2022 PIT figures become available) and of the variety of potential impacts related to COVID-19, and the state and federal response.

1.4 PROJECT ROOMKEY AND PROJECT HOMEKEY

In response to the pandemic, a major initiative of the County was Project Roomkey, which was a partnership with LAHSA, the State, and 30 private hotel and motel operators to secure beds for people experiencing homelessness who are highly vulnerable to complications if they become infected with COVID-19—those who are over 65 and/or have chronic health conditions. As of August 4, 2021, 8,723 people were placed by Project Roomkey in hotels or motels. County agencies and LAHSA attempted to find permanent housing for people exiting Project Roomkey, and according to the final quarterly report for FY 2021, 456 people were placed in permanent housing with supportive services. As sites close, participants are continuing to be matched to housing, either permanent or temporary. An estimate 4.0% have returned to living on the streets, according to LAHSA.

[7] Los Angeles County 2021 Affordable Housing Needs Report, California Housing Partnership, 2021, available at Los-Angeles_Housing_Report_2021-HNR-1.pdf.

In addition to the launching of Project Roomkey, on May 12, 2020, the Board of Supervisors approved a motion directing LAHSA to work with partner agencies to develop a recovery plan for homelessness. The Recovery Plan includes strategies to facilitate permanent housing solutions over a three-year period and to increase homeless prevention efforts, including advocacy to strengthen tenant protections to keep people in their homes. These are the plan's major targets:

- Prevent anyone sheltered through Project Roomkey or any of other COVID-19-response interim housing from returning to unsheltered homelessness;
- Move 15,000 of Los Angeles County's most vulnerable people experiencing homelessness into housing as rapidly as possible, in addition to the thousands that the Los Angeles homeless system already expects to house;
- Reduce inflow into homelessness by ensuring that upstream systems take measures to keep people in their homes and intensify prevention efforts; and
- Address racial equity, given that homelessness disproportionately impacts the Black population in Los Angeles and is expected to increase with COVID-19.

Meeting the goals of the Recovery plan is dependent on additional funding, with LAHSA estimating an $800 million cost over three years. With the American Recovery Plan funding, as well new state funding for homelessness assistance, it is unclear as yet how many of the needed funds have been compiled for these purposes. But this report, and future reports, should enable assessments of how levels of housing placement by program type are progressing, beyond those funded through HI.

Another consideration that will affect placement rates, especially to permanent housing, is Project Homekey. The County has been able to purchase 10 hotels and motels with 847 units of housing. Most operate as temporary housing until renovations enable them to convert to permanent; only one of the hotels was able to operate as permanent immediately. The final recent quarterly report for FY 2020-21 stated that about 900 people were currently staying at Project Homekey sites. Project Homekey is a part of LAHSA's recovery plan for transitioning clients from Project Roomkey into sustainable housing solutions. We intend to analyze the Project Roomkey population and their transitioning to housing in our next report.

1.5 DATA SOURCES

Our analysis of HI performance and outcomes in Year 5 is informed by administrative records collected by two of the largest agencies serving the County's homeless population.

- The LA County DHS administers the County's publicly run network of hospitals and other medical facilities and services. In addition to health and medical services, DHS provides homelessness care and support through several programs. The DHS homelessness services included in this report's measures are recorded in the department's Comprehensive Health Accompaniment and Management Platform (CHAMP) system.
- The LAHSA is the coordinating agency over the Greater Los Angeles Continuum of Care(CoC), which is a HUD jurisdiction that encompasses most of LA County. Services administered through LAHSA are recorded in the homeless management information system (HMIS) for the Greater Los Angeles CoC.[8]
- In addition, for the pre-post analysis presented in Section 5, we used de-identified service data from DHS, Department of Mental Health (DMH) and jail incarceration data from the Sheriff's Department, which were linked to HMIS data using the County's Enterprise ID.

Since HMIS include clients with multiple IDs over the five years of HI implementation, a robust entity-resolution process was completed to assign unique IDs to all homeless persons studied. The same process was used to match HMIS clients to DHS clients over time.

8 The cities of Long Beach, Pasadena, and Glendale are outside the Greater Los Angeles CoC. LAHSA made outcomes data on HUD-funded services for these cities available to us for this evaluation.

1.6 ORGANIZATION OF THIS REPORT

In keeping with the approach taken in the performance evaluations for HI's first four years, our analysis of Year 5 moves from the homelessness service system overall, to the HI at an aggregated program level, to individual HI strategies:

- **Section 2** of this report focuses on the macro-level systemwide performance measures that aggregate outcomes associated with strategies and services funded through Measure H and the HI, as well as outcomes tied to activity not funded through Measure H/HI but nevertheless provided through the County's homelessness service system more generally.
- **Section 3** examines outcomes at the meso or program level, where HI strategies in common programmatic areas (inclusive of H- and non-H-funded activity) are aggregated in headline metrics.
- **Section 4** provides an assessment of homeless counts with a flow analysis, which analyzes monthly entries into and exits from homeless services using the HMIS data.
- **Section 5** provides a case-control pre-post evaluation of health, mental health, and jail outcomes for households placed by HI using HMIS and other County data.
- **Section 6** concludes with thoughts on outcomes examined in this report and provides policy recommendations.
- **Appendix A** provides a summary of the performance of selected individual HI strategies.
- **Appendix B** is the Technical Appendix, providing additional technical details on Sections 4 and 5.

Macro-Level System Performance Measures

The macro-level metrics covered in this section represent three key performance indicators for LA County's overall homelessness service system. This means that outcomes shown here transcend HI-related services to include all services and benefits provided by other supports and care available to the County's homeless population. As a result, they are a bellwether for the overall performance of the countywide homeless services delivery system.

The outcomes reported in this section include those from the four previous years of results (reported in previous HI reports) as well as those outcomes from Year 5 (FY 2020-21). As with past reports, there are three macro-level performance measures:

- The duration between entering the homeless services system and exit to housing;
- The number of homeless households (both families and individuals) placed into housing; and
- Returns to homelessness following placement into housing.

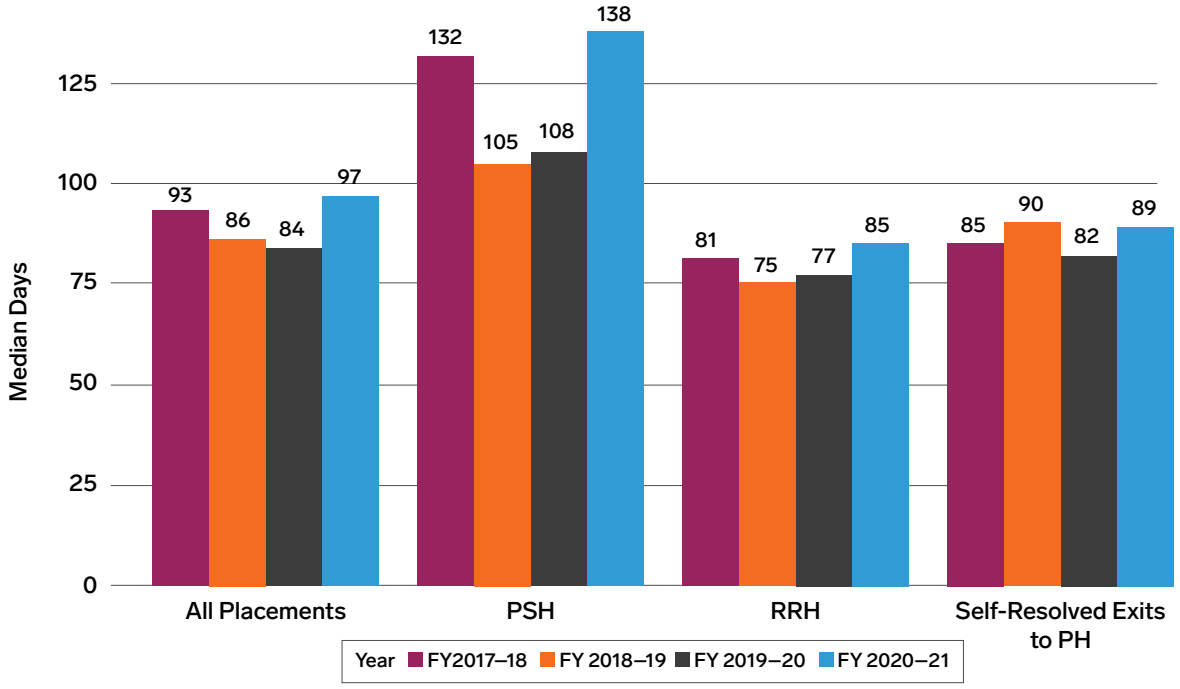
Macro-Level System Performance Measures Highlights

- Overall, results for Year 5 slightly reversed the trend of modest reductions in length of time homeless, driven by substantial reductions in length of time homeless for those placed in PSH. In all placements, length of time homeless increased, particularly for those placed in PSH.
- Data for Year 5 extended a trend in which the total numbers of persons placed in PH. increased modestly from the previous year. In Year 5, the overall increase was attributed to the growth in PH placements of adult households, driven by the increase in DHS PSH placements.
- In Year 5, rates of return did not show significant differences by placement type, and overall, the 6-month return rate stayed at the same level as Year 4 at 8%.

2.1 MACRO-MEASURE 1: LENGTH OF TIME HOMELESS FROM INITIAL CONTACT WITH THE HOMELESSNESS SERVICE SYSTEM

Length of time homeless is operationalized as the time from the most recent assessment to a placement in permanent housing (PH). Here, three different types of placements are assessed: placements in permanent supportive housing (PSH); residential move-ins with rapid rehousing (RRH) assistance (people who moved into RRH with or without a PH subsidy); and other exits to PH through self-resolution and other means (private market rental, stable arrangements with family or friends, etc.). The data for this measure came from homeless services provided through providers who contributed services use data to the HMIS maintained by LAHSA. Services provided through the Department of Public Social Services (DPSS), and DHS were not included because assessment dates for the housing placements were not available.

Figure 2-1. Median Days Between Assessments and PH Placements by Placement Type



Assessments and placements measured at the household level

Figure 2-1 shows the median times between assessment and placement measured at the household level. Only data from placements where an assessment date could be aligned with the placement were used for the length of homeless measures (assessment data were not available for all placement episodes):

- The combined median duration to placement was 97 days in Year 5, 13 days higher than the 84-day median in Year 4.
- The longest time between assessment and placement was for PSH placements, at 138 days, which increased by 30 days from Year 4. The number of average days from assessment to RRH placements and self-resolved exits to PH also showed increases—from 77 to 85 and from 82 to 89 days, respectively.

Overall, results for Year 5 reversed a trend of ongoing, modest reductions in this macro-measure, driven by annual reductions in length of time homeless for those placed in PSH. This reversal may be attributed to the effect of the COVID-19 pandemic, which led to the substantial decrease in the number of total assessments. Total number of assessments for unique homeless individuals by fiscal year dropped over 30,000 in FY 2018-19 to below 20,000 in FY 2020-21. Moreover, in Year 5, almost half of LAHSA placements did not match to an assessment record, leaving a smaller pool of households to be included for the estimation of this measure.

2.2 MACRO-MEASURE 2: PLACEMENTS IN PERMANENT HOUSING

One of the central performance measures for a homeless services system is the number of exits to PH over a given year. This macro-measure tallies the number of exits to PH in Year 5 and compares this to the same measure for prior years.

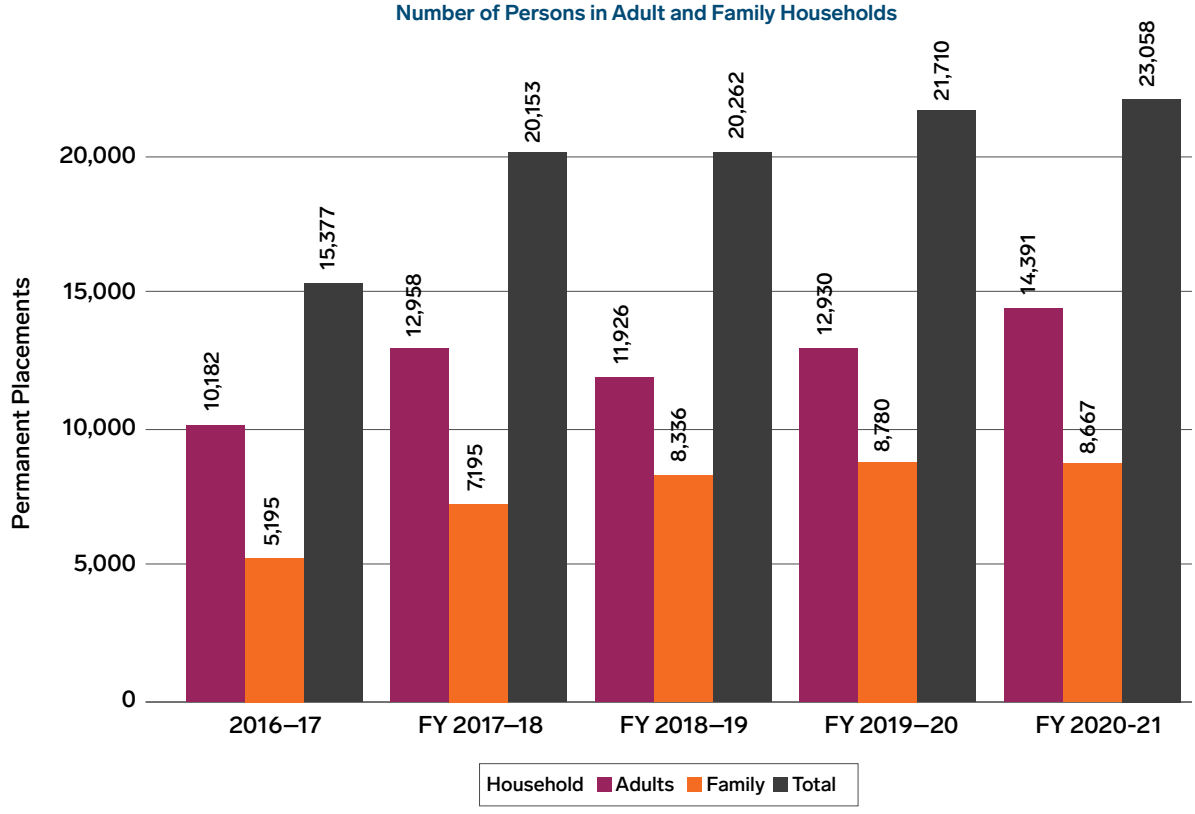
The data for this measure came from three sources. HMIS tracks PH placements that occur in conjunction with individuals and families using homeless services, including placements in PSH, residential move-ins following RRH assistance, and other self-resolved PH placements (private market rental, stable arrangements with family or friends, etc.). Additional data from DHS record PSH and RRH placements. Finally, data from DPSS record the number of PH subsidies provided to homeless individuals pursuing Supplemental Security Income (SSI) through DPSS's General Relief Housing Subsidy and Case Management Program.

Figures 2-2 and 2-3 show the findings of placements in PH. All numbers reflect unduplicated counts of placements in PH. If an exit from DHS was also recorded in HMIS, that placement is only shown under a DHS placement.

In some instances, a person may have multiple placement types in a fiscal year in HMIS, e.g., a RRH move-in followed by a self-resolved exit. To avoid duplication, other placements are ignored if a PSH placement is observed along with placements into other service types. If a RRH move-in is observed with a self-resolved exit in the same fiscal year, the latter is ignored. DPSS placements may include duplication due to disengagement and back-fill of the same slot. DPSS data could not be matched against LAHSA and DHS placements to check duplicates since person level data was not available.

Figure 2-2. Number of Permanent Placements over 5 Years

Number of Persons in Adult and Family Households



Family members are recorded only in HMIS data

Figure 2-2 demonstrates permanent placements for persons in adult households (i.e., no children present in households) and for family households (i.e., with children) separately as well as for all households:

- The number of people in all households exiting to PH placements increased from 21,710 to 23,058 between Years 4 and 5, or by 6.2%.

- In Year 5, there were 14,391 unduplicated people in adult households and 8,667 people in family households who exited homelessness to PH destinations.[9]
- The number of people in adult households exiting to PH placements increased by almost 1,500 in Year 5, while the number of people in families exiting to PH stayed almost at the same level.
- The proportion of family members among all persons exiting to PH (37.6%) decreased in Year 5 after increasing from 33.8% to 41.1% between Years 1 and 3.

Figure 2-3. Number of Permanent Placements over 5 Years

Number of Persons by Placement Type

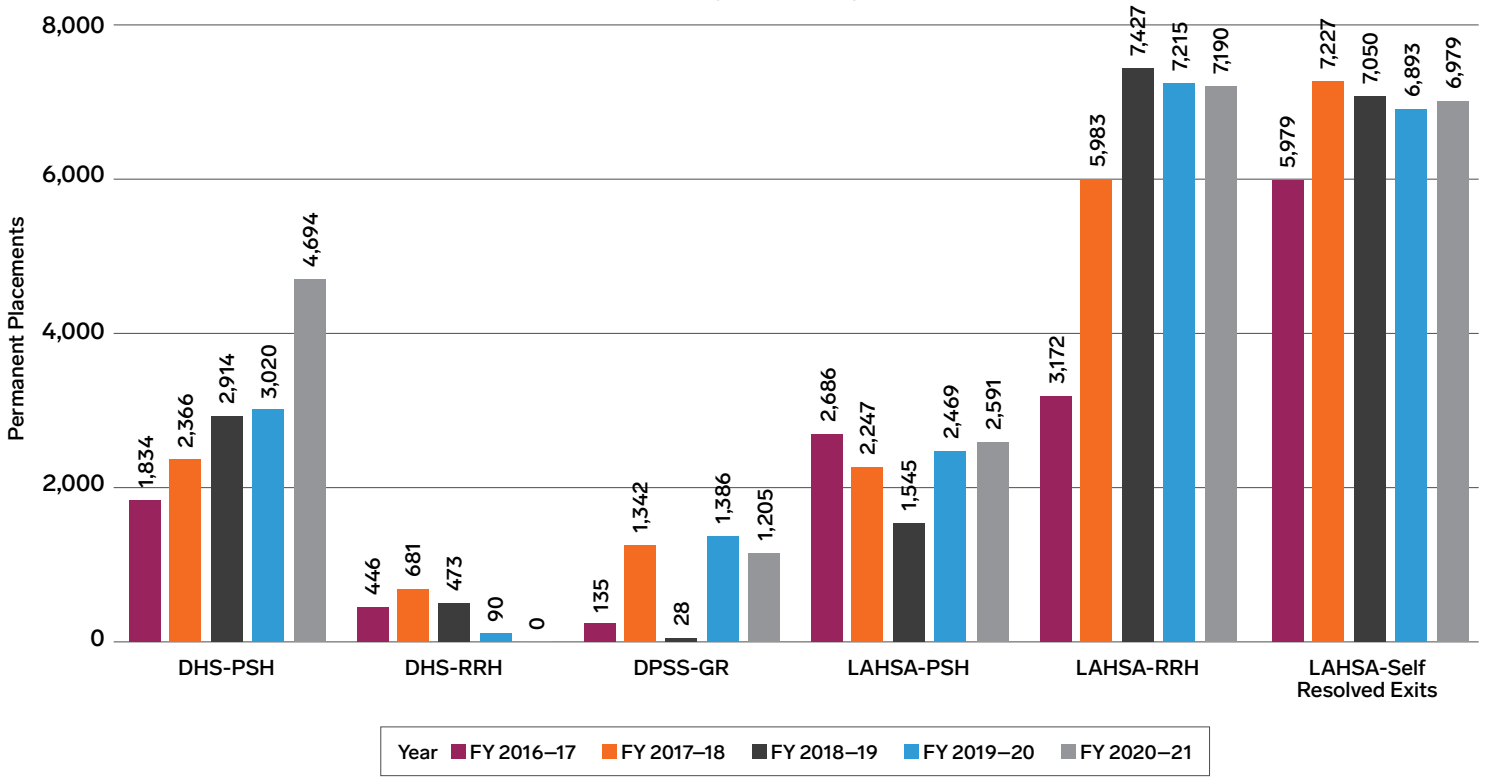


Figure 2-3 demonstrates the number of permanent placements for all persons, regardless of household type, broken down by placement type:

- Residential move-ins to the RRH program and self-resolved exits (both tracked by LAHSA HMIS) were the program types with the highest number of PH exits, as in the earlier years. Each type of exit represented approximately one-third of all people exiting to some form of PH. Neither type of exit had significant changes from Year 4 to Year 5 in numbers of people placed.
- The largest increases were observed for DHS PSH placements, which 4,694 people received in Year 5 (an increase of 55.3%). Over 7,200 PSH placements were recorded by LAHSA and DHS combined in Year 5, rising to roughly one-third of all exit types.
- DPSS suspended new B1 subsidy referrals/enrollments and placements for GR participants from March 2018 to February 2019 due to funding uncertainties. After the suspension was lifted, DPSS added 1,386 new placements in Year 4 and 1,205 new placements in Year 5.

[9] Family members are only recorded in HMIS data. In DHS data, all persons are assumed to belong to adult households even though some may be in family households.

- Figure 2-3 does not show the Other/Veterans category that reflects the placements of homeless veterans in PH provided by the US Department of Veteran Affairs and other placements not recorded in HMIS such as those provided from the Los Angeles County Development Authority Housing Choice Voucher program. The total of these placements was 399 in Year 5.

Taken together, data for Year 5 extended a trend in which the total numbers of homeless persons placed in PH increased modestly from the previous year. This overall net increase belies a more uneven set of increases and decreases among people placed in specific categories of PH.

2.3 MACRO-MEASURE 3: RETURNS TO HOMELESSNESS FOLLOWING A PERMANENT HOUSING PLACEMENT

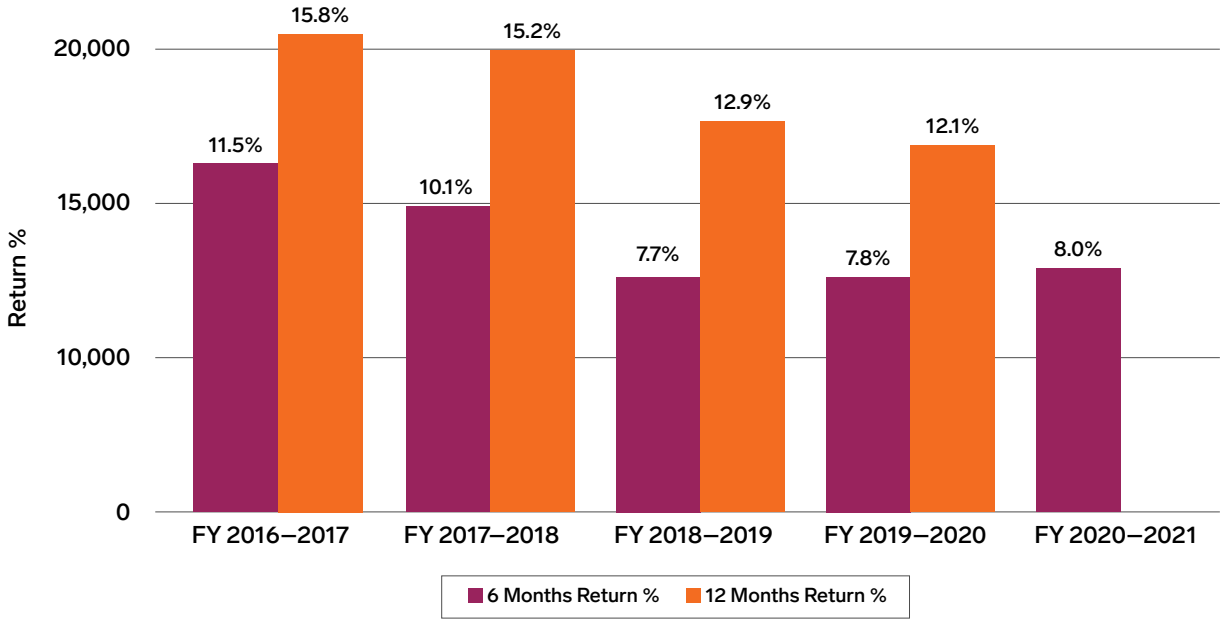
The third and final macro performance measure is the proportion of individuals and families tallied in the system-level metric as exiting to PH who subsequently returned to homelessness. This measure of returns to homelessness indicates the degree to which exits to PH reflect successful and sustained exits. More specifically, we measured the proportion of exits to PH for homeless households (adult and family) in which they subsequently re-entered the homeless services system within 6 and 12 months after exiting. The data sources for this analysis were the same as those used to assess the numbers of people exiting to PH in Section 2.3.

Return to homelessness is operationalized as individuals and families leaving homelessness for a PH placement only to use homeless services again within 6 and 12 months of the placement, as recorded in HMIS. Household records included here are for those who exited in the first two quarters of the respective fiscal years, providing an opportunity to follow them for 6 and 12 months.

Figure 2-4 shows the rates of return to homelessness assistance. For each of the HI years, the PH placements examined were from those who exited in the first half of each year:

Figure 2-4. Rates of Return to Homelessness over 5 Years

Returns within 6 and 12 Months of Permanent Placements



Total Permanent Placements— Denominators

FY 2016–2017=9,263
FY 2017–2018=9,831
FY 2018–2019=9,986
FY 2019–2020=10,243
FY 2020–2021=9,946

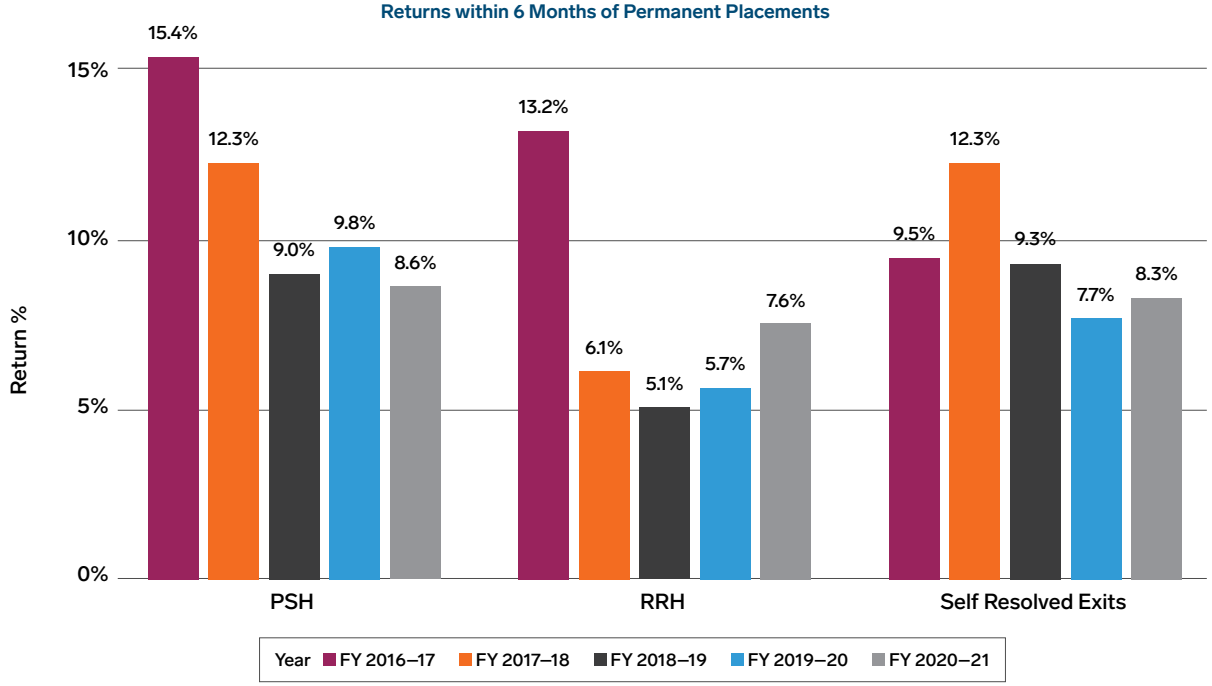
- After decreasing from 11.5% to 7.7% between Years 1 and 3, the 6-month return rate increased slightly to 8.0% in Year 5.
- Return rates over 12 months, which are only available for the first four years, continued to decrease, dropping from 15.8% in Year 1 to 12.1% by Year 4.

Figure 2-5 illustrates the rates of return within 6 months by placement type:

- In Year 5, rates decreased from 9.8% to 8.6% for PSH placements while increasing slightly from 7.7% to 8.3% for self-resolved exits.
- The largest change was observed for RRH placements at 7.6%, almost 2.0% higher than Year 4.

Figure 2-5. Rates of Return to Homelessness over 5 Years by Placement Type

Returns within 6 Months of Permanent Placements



2.4 SECTION CONCLUSION

These results from Year 5 were presented along with results from the first four years for the three macro-level performance measures:

- An increase (84 days to 97 days) in the median number of days between initial assessment and exit to permanent housing, which had been decreasing in the earlier years (macro-measure 1).
- A notable increase in the number of people in adult households (4%) but no change in family households exiting to PH placements (macro-measure 2).
- A slightly higher 6-month rate of return to homelessness (7.8% to 8.0%) (macro-measure 3).

Meso-Level Program Performance Measures

Meso-level measures serve as the "headlines" of the HI. They bridge the overarching macro-measures presented in Section 2 and the strategy-specific micro-measures that are the basis of LA County's HI, which are summarized in the next section. While the macro-measures include outcomes associated with homeless-related services provided outside of the HI, the meso-level headline metrics are aggregations of strategy-specific outcomes (discussed in the next section) and are focused on HI activities and services.

This section presents outcomes for four meso-level measures for which outcomes were available in Year 5. As with the macro-level measures, having outcomes from earlier years provides a benchmark and comparison point for Year 5 outcomes presented here. Four meso-level measures are covered in this section:

- Number of persons/households prevented from becoming homeless or being discharged into homelessness;
- Number of persons/households placed in IH (e.g., shelter and bridge housing, transitional arrangements, housing for those in recuperative care, and residential services provided to persons receiving treatment for substance use disorders);
- Number of persons/households placed in PH, inclusive of subsidized and unsubsidized PH, RRH, and PSH; and
- Number of people/households who retained PH from date of placement.

Meso-Level Program Performance Measures Highlights

- In Year 5, the number of families assisted by the A1 strategy declined by approximately 40%, from 1,498 in Year 4 to 919, while the number of individuals assisted by the A5 strategy expanded by over 33%, from 2,189 in Year 4 to 2,917.
- The decline in IH placements continued in Year 5 as a result of the decompression dictated by COVID-19. The number decreased from 14,804 in Year 4 to 8,682 in Year 5.
- The County's Project Roomkey and Project Homekey compensated for this decrease by placing over 6,600 individuals in hotels and motels, and some of these homeless individuals would have been placed in interim housing.
- B3 placements, which represent the large majority of all HI-affiliated permanent placements, also continued to decrease, causing total HI-affiliated PH placements to go down from 9,857 in Year 4 to 8,623 in Year 5.
- Returns to homelessness assistance within 6 months of placement to PH continued to decline overall for the fourth straight year. The rate declined from 6.6% to 5% between Years 4 and 5.

SECTION 3

3.1 MESO-MEASURE 1: NUMBER PREVENTED FROM BECOMING HOMELESS OR BEING DISCHARGED INTO HOMELESSNESS

This headline measure counts households receiving prevention assistance in the wake of experiencing a housing emergency that met stated criteria for imminent risk of homelessness. Two of the five individual strategies, A1 (which directly addresses prevention of family homelessness) and A5 (which directly addresses prevention of individual homelessness), are summarized below based on LAHSA data.

Figure 3-1. Number of Households and Individuals Prevented from Becoming Homeless

A1 - Households and A5 - Individuals

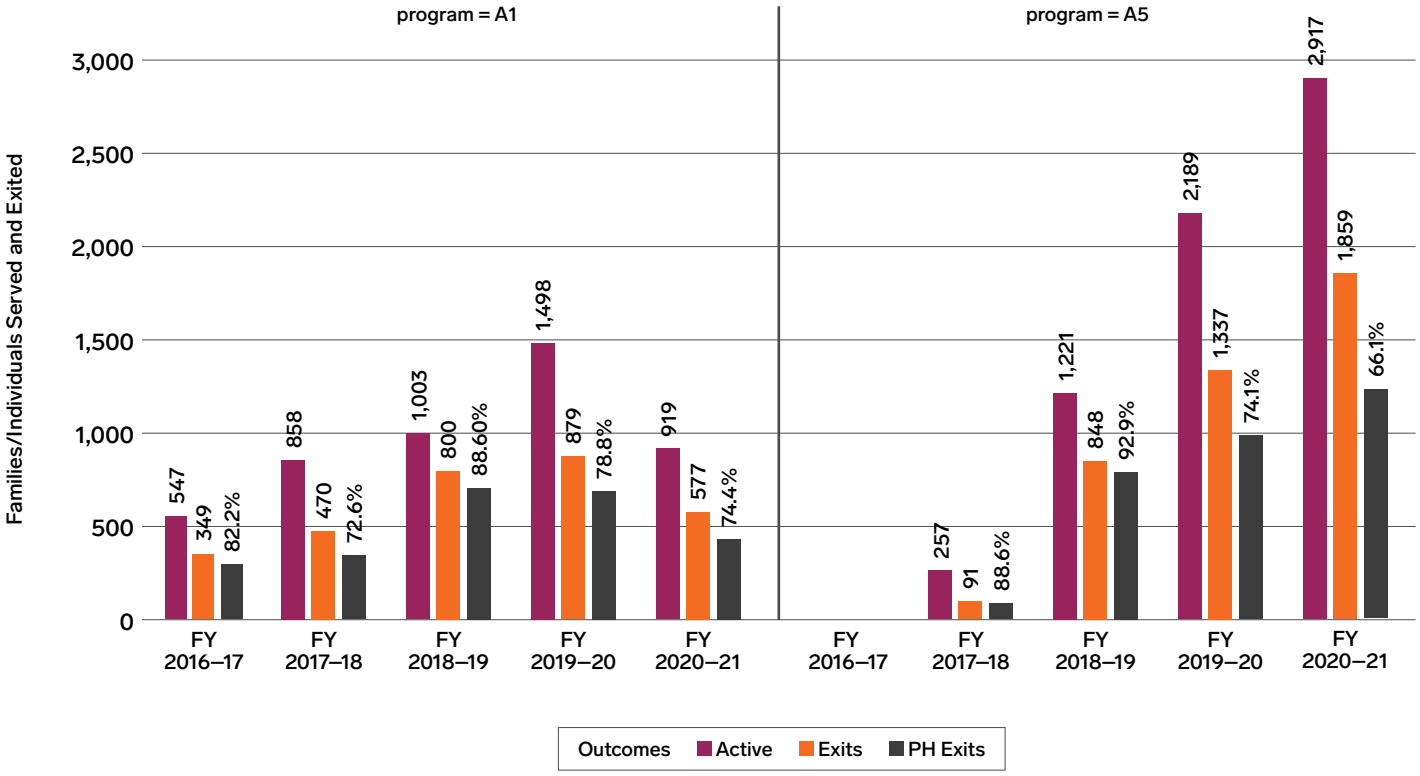


Figure 3-1 shows the number of households and individuals prevented from becoming homeless over the five years of HI. A5 results were not available for Year 1 because A5 was not implemented until February 2018. For each year, the figure shows three bars: the number of active participants, the number exiting the program, and the number (with percent of overall exits) of those exiting to PH destinations (the red bar height shows the PH exits and the label shows the percentage).

- The number of families assisted by the LAHSA A1 strategy, after increasing almost threefold during the first four years, decreased from 1,498 in Year 4 to 919 in Year 5.
- Similarly, the number of A1 families exiting the program decreased from 879 to 577 in Year 5. Among the exiting families, the number that exited to permanent housing also decreased, from 693 in Year 4 to 429, reflecting a decreased proportion of exiting A1 families who went into PH (from 79% to 74%) in Year 5.

- In Year 5, unlike the A1 program, A5 continued to expand. 2,917 individuals were assisted by the LAHSA A5 strategy, reflecting an increase of almost 33% relative to Year 4. The number of individuals who exited the program also increased substantially, from 1,337 to 1,859.

- Similarly, the number of individuals exiting the program increased from 992 in Year 4 to 1,229 in Year 5. However, since the rate of this increase is less than the rate of increase of all exits, the proportion of individuals who exited the A5 program that retained (or made the transition into other) PH dropped from approximately 74% to 66%.

3.2 MESO-MEASURE 2: NUMBER WHO ARE PLACED IN INTERIM HOUSING

HI strategies providing IH services address the need for increasing the supply of safe temporary accommodations for those who otherwise have nowhere to spend the night. Ideally, the temporary orientation of these facilities means short stays and placements into longer-term housing arrangements.

The measures of two of the IH strategies, B7 (Interim/Bridge Housing for Those Exiting Institutions) and E8 (Enhance the Emergency Shelter System), are consolidated in this meso-level measure. Analysis of Strategies B7 and E8 draws on data from LAHSA/HMIS and DHS/CHAMP. The DPH placement number was provided by DPH and may include some of the persons served by LAHSA or DHS programs.

We present below the use of IH both systemwide and for only those households (single adults and families) that received IH through HI strategies.

Figure 3-2. Number of Interim Placements over 5 Years

Number of Persons by Agency

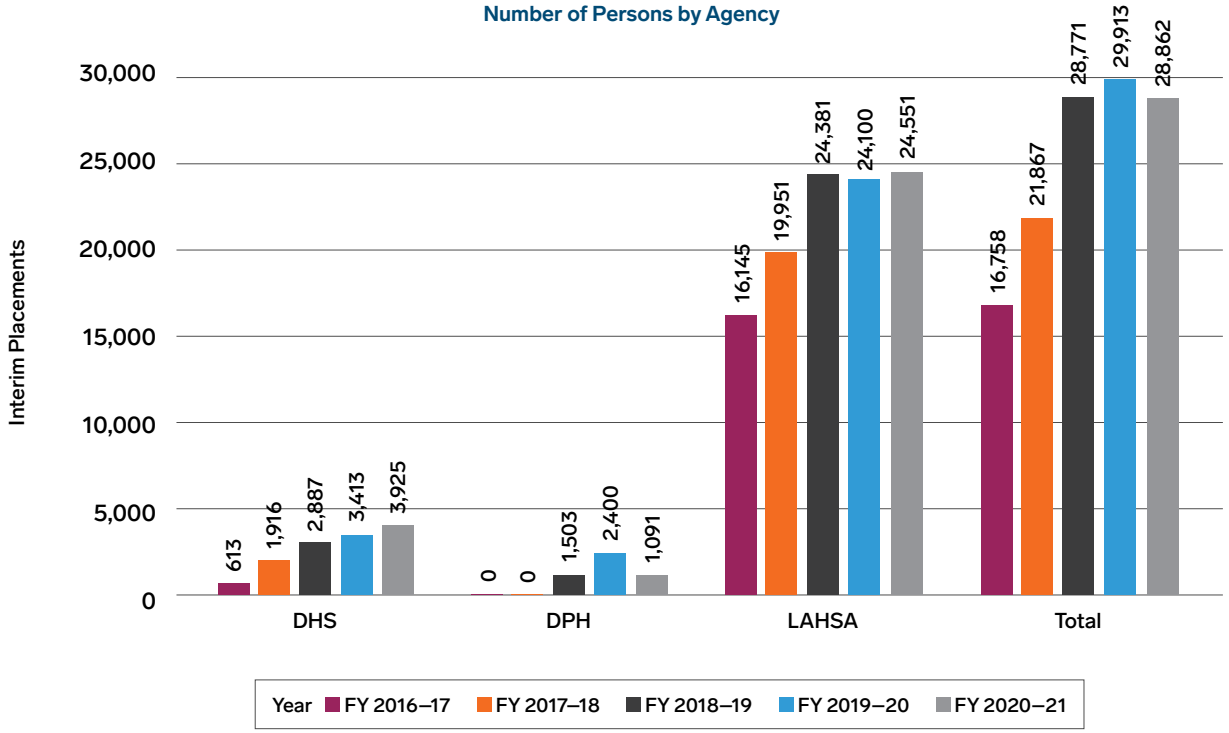


Figure 3-2 shows all IH placement numbers in LA County. The table shows counts of unique individuals. If a person was served by both LAHSA and DHS, only the placement for DHS was included in the tallies.

- The total number of unduplicated systemwide IH placements decreased for the first time over 5 years, from 29,193 in Year 4 to 28,862 in Year 5, a decline of 4.0%. This decrease is solely attributable to the decrease in DPH placements, from 2,400 in Year 4 to 1,091 in Year 5.
- While LAHSA-tracked placements increased slightly, by 2.0%, DHS placements increased by 15%.

Figure 3-3. HI-Affiliated Interim Housing Placements over 5 Years

Number of Persons by Program

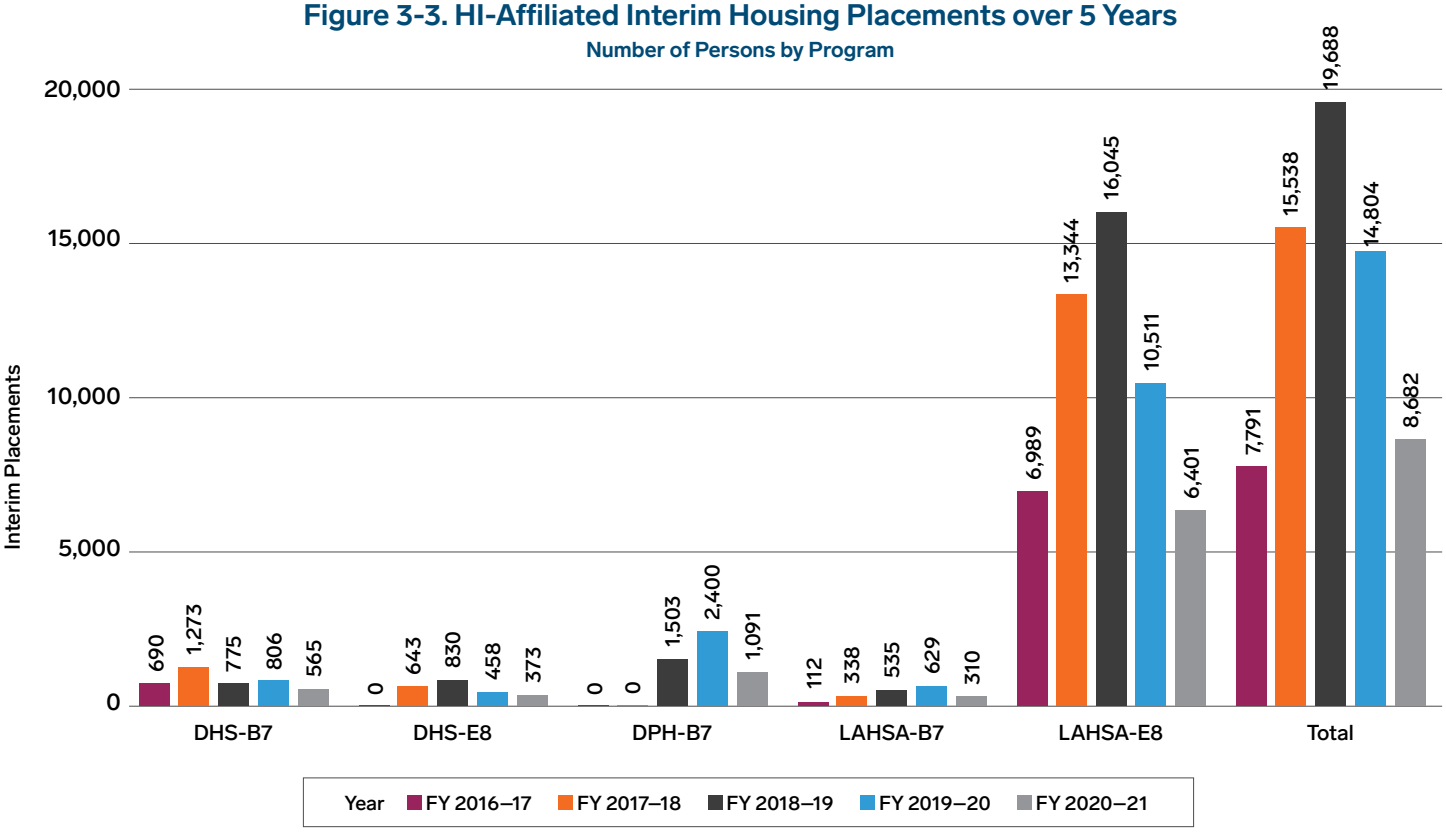


Figure 3-3 shows the number of persons who were served in IH facilities funded in whole or in part by Measure H. These persons were a subset of the unduplicated persons using IH in Figure 3-2.

- The number of individuals who were placed in IH facilities funded in whole or part by Measure H decreased by over 41%, from 14,804 in Year 4 to 8,682 in Year 5.
- The substantial decrease in HI-affiliated interim housing placements is mainly a result of a big drop in LAHSA E8 placements, by almost 4,000.
- Similar to Year 4, the decline in IH placements in Year 5 was caused mainly by the COVID-19 crisis. The County's Project Roomkey and Project Homekey compensated for this decrease by placing over 6,600 individuals in hotels and motels; many of these individuals would have been placed in interim housing. It is worth noting that Project Homekey, in particular, created meaningful alternatives to more traditional interim housing that otherwise would not have been feasible given the decompression of shelter occupancies.
- The decline in IH placements due to impact of COVID-19 was observed in all programs in Year 5, as shown in Figure 3-3.

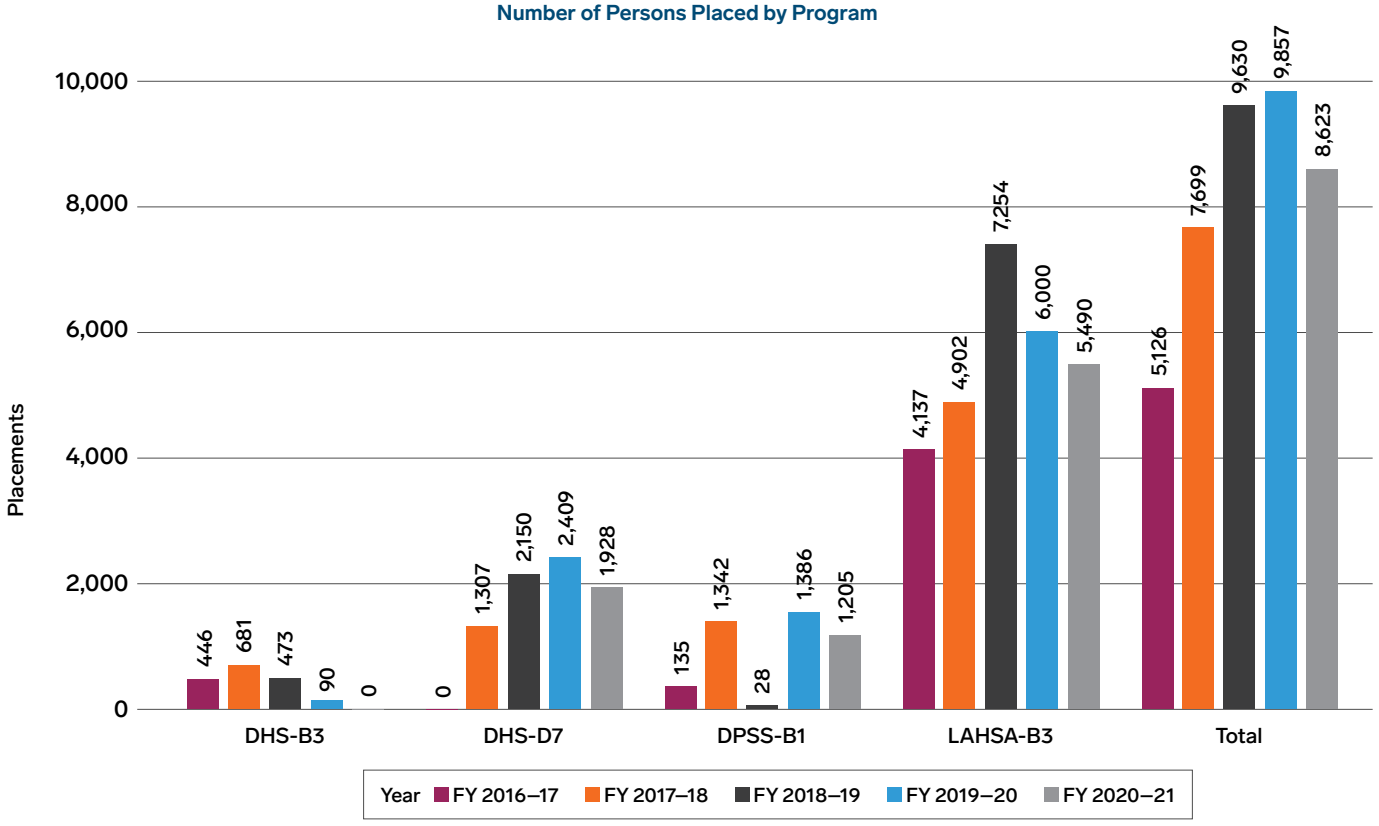
3.3 MESO-MEASURE 3: NUMBER WHO ARE PLACED IN PERMANENT HOUSING

This headline measure aggregates individuals and family members placed in PH across the PH HI strategies. The measure enables assessment of the extent to which HI-related efforts end homelessness for individuals and families through placements in RRH, PSH, and other subsidized and unsubsidized PH.

Two HI strategies focusing directly on PH—B3 (Partner with Cities to Expand RRH) and D7 (Provide Services and Rental Subsidies for PSH)—are consolidated below. In addition, the total number of placements of Strategy B1 (Provide Subsidized Housing to Homeless Disabled Individuals Pursuing SSI) is included, with data available from the quarterly HI report Number 20.[10] Analysis of Strategy B3 draws on data from LAHSA/HMIS and of Strategy D7 on data in CHAMP.

Figure 3-4. Number of HI-Affiliated Permanent Housing Placements over 5 Years

Number of Persons Placed by Program



The sum of the agency/strategy placements exceeds the placement total because the placement total is de-duplicated across the strategies.

Figure 3-4 shows the number of persons placed in HI PH over five years.

- A total of 8,623 unduplicated family members and individuals were placed in HI PH in FY 2020-21, which reflects an almost 12.5% decrease from Year 4.
- DPSS suspended new B1 subsidy referrals/enrollments and placements for GR participants from March 2018 to February 2019 due to funding uncertainties. After the suspension was lifted, DPSS added 1,386 new placements in Year 4 and 1,205 new placements in Year 5.

[10] Los Angeles County HI Quarterly HI Report 20, 2021, available at Quarterly-Report-No.-20-Item-47-A-Agenda-of-2-9-16.pdf.

- DHS D7 placements also decreased, by almost 20% to 1,928 from 2,409. To create better system alignment and support the need for increased targeting of families in the provision of RRH services, DHS tapered enrollments in Strategy B3 starting in Year 3 and made no new enrollments in B3 in Year 5.

- LAHSA B3 placements, which represent the large majority of all HI-affiliated permanent placements, also dropped by 8.5% in Year 5, from 6,000 to 5,490.

3.4 MESO-MEASURE 4: RETURNS TO HOMELESSNESS FOLLOWING A PERMANENT PLACEMENT

The fourth and final meso performance measure is the degree to which individuals and family members returned to homelessness following an HI-funded permanent placement. This is a measure of successful and sustained exits. More specifically, we measured the proportion of exits to PH using HI-affiliated programs for homeless households (persons and family members) in which they subsequently re-entered the homelessness service system. *Return to homelessness* is operationalized as individuals and family members leaving homelessness for a PH placement only to use homeless services again within 6 months of the placement, as recorded in HMIS. Household records included here are for those who exited in the first two quarters of the respective fiscal years, providing an opportunity to follow them for 6 months.

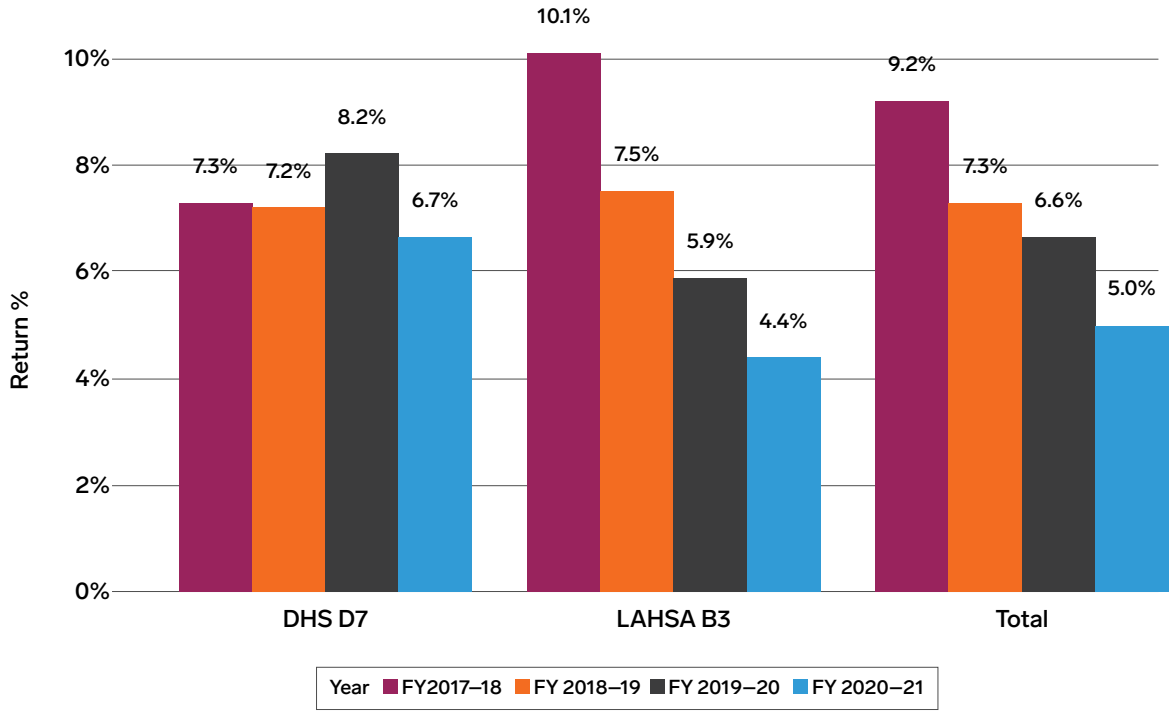
Figure 3-5 shows the number of persons who retained their HI-affiliated permanent housing placement for 6 months.

- The overall return rates continued to decrease, from a high of 9.2% in Year 2 to 5.0% in Year 5, which means that approximately 1 out of 20 placed persons returned to homelessness assistance within 6 months.

- The return rate was higher for the DHS D7 program (6.7%) than the LAHSA B3 program (4.4%), which dropped from 5.9% in Year 4. The latter program is substantially larger, however (see Figure 3-4), so the overall return rate is only modestly impacted by the higher DHS D7 program rate.

Figure 3-5. Rates of Return to Homelessness over 5 Years by Program

Returns within 6 Months of Permanent Placements



3.5 SECTION CONCLUSION

Here are the overall trends among the four meso-measures:

- While the numbers of adult households served under HI-funded prevention programs expanded substantially in Year 5, the number of active family households dropped significantly. Moreover, the proportion of individuals who exited the A5 program as well as families that exited the A1 program that retained PH dropped in Year 5 (meso-measure 1).

- The number of interim placements decreased slightly in Year 5, with the continuing impact of COVID-19-related policies that led to the "decompression" of IH facilities. However, corresponding increases in hotel/motel placements, including those through Project Roomkey, and Project Homekey offset the effect of decompression (meso-measure 2).

- The number of HI-affiliated permanent placements also decreased significantly in Year 5. This decline was attributable to lower number of placements by DPSS-B1 and LAHSA-B3 programs (meso-measure 3).

- Returns to homelessness assistance within six months of placement to PH declined overall for the fourth straight year. The rate of return in six months decreased from 6.6% in Year 4 to 5.0% in Year 5 (meso-measure 4).

Dynamics of Homelessness

The number of people experiencing homelessness at any point in time in Los Angeles County is counted annually every January. LAHSA's PIT count increased from 52,765 in 2018 to 58,936 in 2019, by almost 12%, and reached 66,436 in 2020, showing an additional increase of almost 13%. Not only is the magnitude of the County's homeless population unacceptably high, but it had been increasing at a significant rate during the three years prior to the COVID-19 pandemic. In 2020, in response to the pandemic, HUD encouraged communities to determine whether conducting an unsheltered PIT count posed a high risk of exacerbating COVID-19 transmissions. Like many other CoCs, Los Angeles chose to not conduct an unsheltered PIT count in January 2021. The results of the point-in-time count, conducted in February 2022, estimated that 69,144 people were experiencing homelessness in LA County at that time, a 4.1% rise from 2020. This year's Homeless Count results offered a stark contrast to the earlier counts between 2018 and 2020.

Several factors behind the scale of the homeless population are mentioned in the first section of this report, particularly the housing affordability crisis, which has generated over a half million severely rent-burdened households in Los Angeles. Despite an ongoing effort of the County's homelessness service system (Measure H and non—Measure H combined), which recorded over 20,000 PH placements in each of the last four fiscal years, factors outside the purview of that system are too strong to slow the increase in the homeless population.

In this section, we assess the dynamics of the homeless population over four years (2018—2021) within the homelessness service system to provide more insight into recent counts as well as the trend after COVID-19. The key policy question is whether additional action can be taken from within the system to mitigate the problem. Even if the broadened array of available services may not be able to offset the flow of individuals and families fully into homelessness to yield year-over-year PIT count decreases, understanding these dynamics can be helpful in planning more effective homeless interventions and programs. This section is developed on the format presented in the Year 4 report, adding two new subsections on the dynamics of enrollments in projects administered by LAHSA and emergency shelter stays and clients.

4.1 ANNUAL NUMBERS OF PEOPLE WHO EXPERIENCE HOMELESSNESS

We used the HMIS data for four years between 2018 and 2021. As in the Year 4 report, calendar years were used instead of fiscal years to align our figures with LAHSA and PIT counts. However, our flow analysis is different from LAHSA's 2019 and 2020 homeless count presentations, for two main reasons.[11] First, our estimations are based on HMIS records and only include homeless persons enrolled in any HMIS projects other than prevention programs. Hence, homeless households not enrolled in HMIS and captured in PIT counts (mostly unsheltered persons)are excluded in our analysis. Second, LAHSA's inflow estimates are projections based on annualized estimates derived from January PIT counts and surveys.[12]

Our estimations are not projections. They are based on micro data retrieved from HMIS by the end of the year. Hence, our estimates are not reconciled with LAHSA's flow numbers and intend to offer an alternative window to observe the changing dynamics of homelessness in Los Angeles.

[11] See Greater Los Angeles Homeless Count, 2019 results, available at: https://www.lahsa.org/documents?id=3437-2019-greater-los-angeles-homeless-count-presentation.pdf, and Greater Los Angeles Homeless Count, 2020 results, available at: https://www.lahsa.org/documents?id=4558-2020-greater-los-angeles-homeless-count-presentation.

[12] For example, inflow number in 2019 is the difference between 2019 annualized estimate and 2019 PIT count, and 2019 other exits to housing are residuals to align 2019 and 2020 PIT counts. See 2019 Los Angeles Continuum of Care Homeless Count, Methodology Report, July 2019, USC, pp. 16-17, available at: https://www.lahsa.org/documents?id=4016-hc2019-methodology-report.

The description of the methodology is presented in Appendix B, which shows the definitions and assumptions on calculating different homelessness measures. The data were processed extensively to produce an accurate depiction of homelessness durations based on their episodes recorded in HMIS.

In any year, the homeless population in HMIS is composed of three groups:

- Homeless individuals who were already served in HMIS in the previous year and stayed homeless in HMIS this year, labeled as *previous carryover.*
- Homeless individuals who received HMIS services in the previous years and returned to HMIS this year, labeled as *re-entries.*
- Homeless individuals who received HMIS services for the first time this year, labeled as *new entries.*

Some of these homeless individuals exit HMIS during the year, and the remaining stay homeless and become the carryover for the next year.

Figure 4-1. Number of Homeless, Entries into and Exits from Homelessness

Number of Persons in HMIS 2018–2021

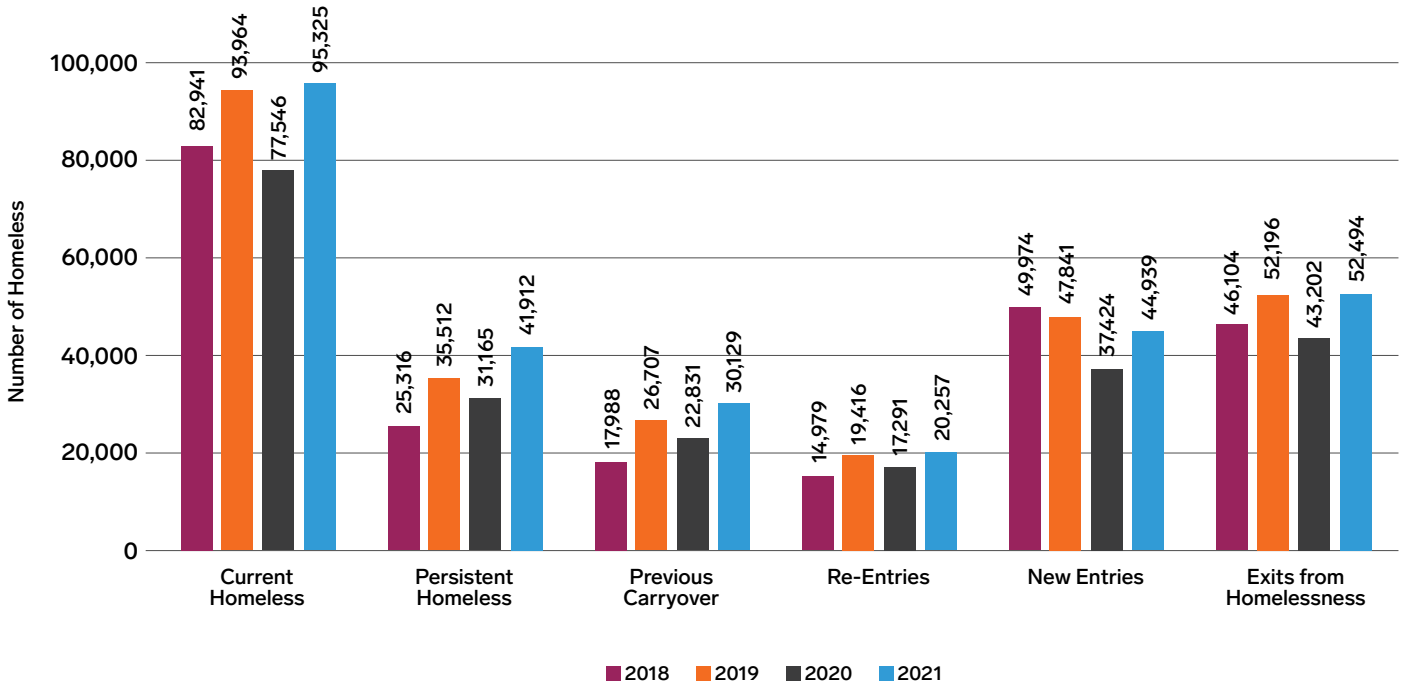


Figure 4-1 shows the annual number of homeless persons, entries into, and exits from homelessness over four years following definitions described above and in Section B.1 of Appendix B. Overall, the trend is the same in all metrics—the pre-COVID-19 increase was reversed in the first year of the pandemic but jumped back in 2021 at levels exceeding what were observed in 2019. Here are the main findings:

- The number of persons who receive HMIS services at any point in a year increased by almost 13% annually, to 83,000 in 2018 and 94,000 in 2019. As expected, HMIS counts are lower than annualized PIT counts, because many unsheltered homeless individuals are not enrolled in HMIS. However, the rate of change between 2018 and 2019 is comparable to the PIT rate of change.

- During 2020, which is the first year of COVID-19, the number of homeless persons receiving HMIS services dropped by over 13%, from almost 94,000 to below 82,000, because of the impact of the pandemic and measures taken by LAHSA, such as the decompression of the shelter system's bed capacity.

- In the second year of COVID-19, the number of homeless persons receiving HMIS services jumped back, exceeding 95,000 in 2021—a level higher than 2019's by almost 1.5%. This estimate is also comparable to the PIT rate of change between 2020 and 2022, which was almost 4%.

- The number of persistently homeless persons increased by 40% before the pandemic, reaching 35,500. After a decline in 2020, this number continued to rise, reaching almost 42,000, which is 18% higher than the pre-pandemic level.
    - Persistent homelessness is defined as receiving HMIS services six or more months during the previous 12 months.

- The previous carryover group increased by almost 50% between 2018 and 2019 and by another 13% during 2021 relative to 2019, exceeding 30,000.

- Re-entries into HMIS also increased significantly, from over 15,000 in 2018 to over 20,000 in 2021, or by almost 34% over four years.

- New entries decreased from almost 50,000 in 2018 to below 48,000 in 2019 and to almost 45,000 in 2021, by 10% over 4 years. The number of new entries was impacted significantly by the pandemic, going down to below 37,000 in 2020.

- Exits rose from almost 46,000 in 2018 to over 52,000 in 2019, or by over 13%, and stayed at that level in 2021. The number of exits from homelessness was also impacted significantly by the pandemic, decreasing to below 44,000 in 2020.
    - Exits from homelessness include permanent placements and unknown exits with no return to HMIS within the next six months.

If we classify homelessness by duration, we observe two main groups of homeless individuals. One group is composed of those who enter and exit homelessness very quickly in their first episodes, likely with temporary but resolvable issues that contributed to their homelessness. The other group includes those individuals who are exposed to homelessness with longer and multiple episodes because of their multiple barriers to escape homelessness. In our analysis, we labeled as *persistently homeless* those who stayed homeless six months or more within the last 12 months. This is a larger group than the chronically homeless, which includes disabled individuals with even longer stays in homelessness.

The data show that for new entries into HMIS in 2018:

- About 30% exit HMIS after one short episode of less than one month's duration.

- Half stayed less than three months, and only one-third of new entries stayed longer than six months in HMIS.

- Only 14% experienced a second episode of homelessness in HMIS by the end of 2019.

- Approximately 30% became persistently homeless within the next two years.

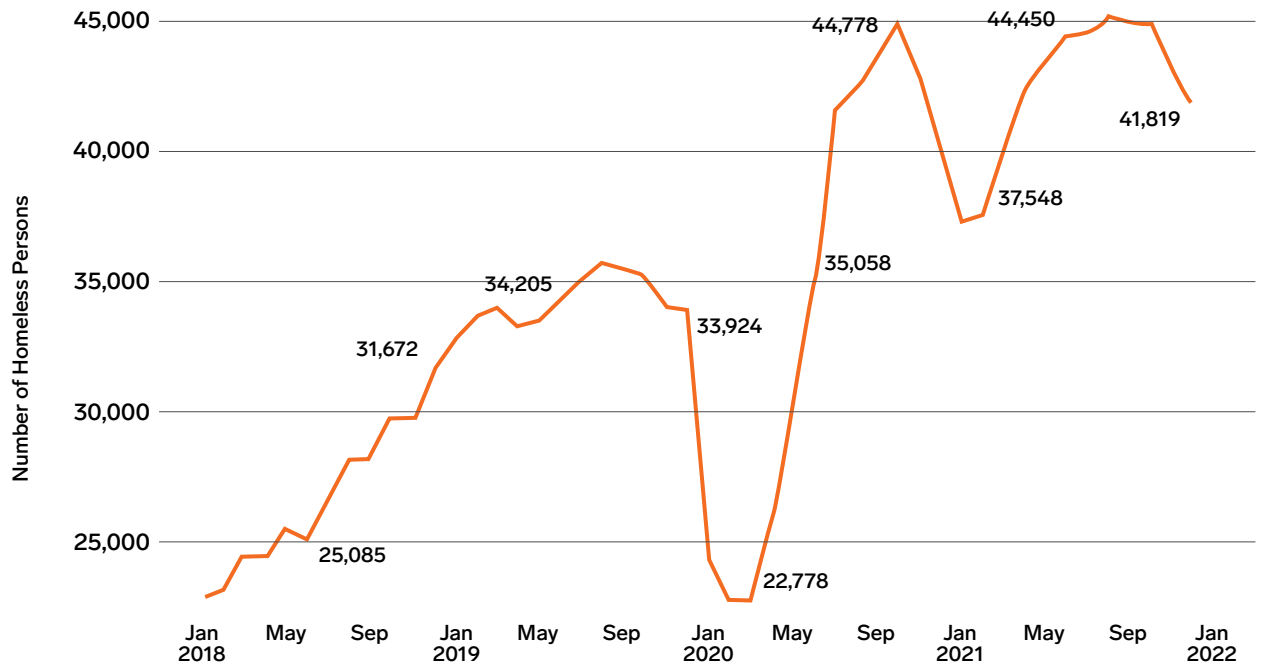
We did not replicate this analysis for 2019 or 2020 because of the impact of COVID-19 but expect that in general these finding will be observed in future years. Over the four years, we observe that:

- New entries into HMIS services stayed relatively stable, showing a 10% decline by the end of 2021. However, their share in the HMIS homeless population decreased from 60% to 47%.
- In the meantime, the share of persistently homeless increased from 30% to 40%.

4.2 MONTHLY NUMBERS OF HOMELESS PERSONS

Figure 4-2 shows the monthly number of homeless persons receiving HMIS services between 2018 and 2021:

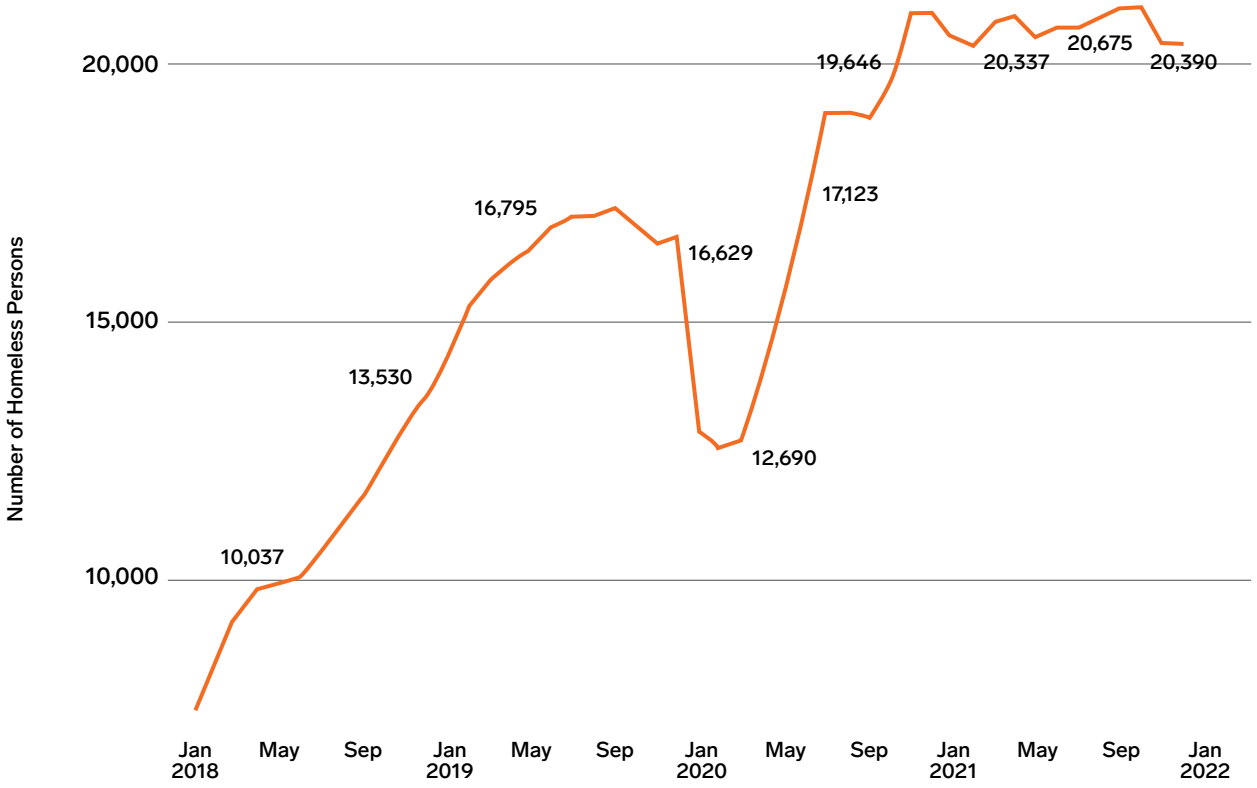
Figure 4-2. Monthly Number of Current Homeless Persons 2018–2021



- The number of homeless individuals receiving services in HMIS at least one day in a given month showed four distinct phases with different trends between 2018 and 2021, as follows:
  - It increased from approximately 23,000 in January 2018 to almost 34,000 in December 2019, by almost 48%.
  - The monthly number took a big dip in the spring of 2020 because of the impact of COVID-19, dropping below 23,000.
  - Then it increased continuously until October 2020, reaching almost 45,000.
  - Finally, in 2021, the monthly number cycled, and in December 2021, it was almost 42,000, which was approximately 25% higher than December 2019.

Figure 4-3 shows the monthly number of persistently homeless persons between 2018 and 2021:

Figure 4-3. Monthly Number of Persistent Homeless Persons 2018–2021

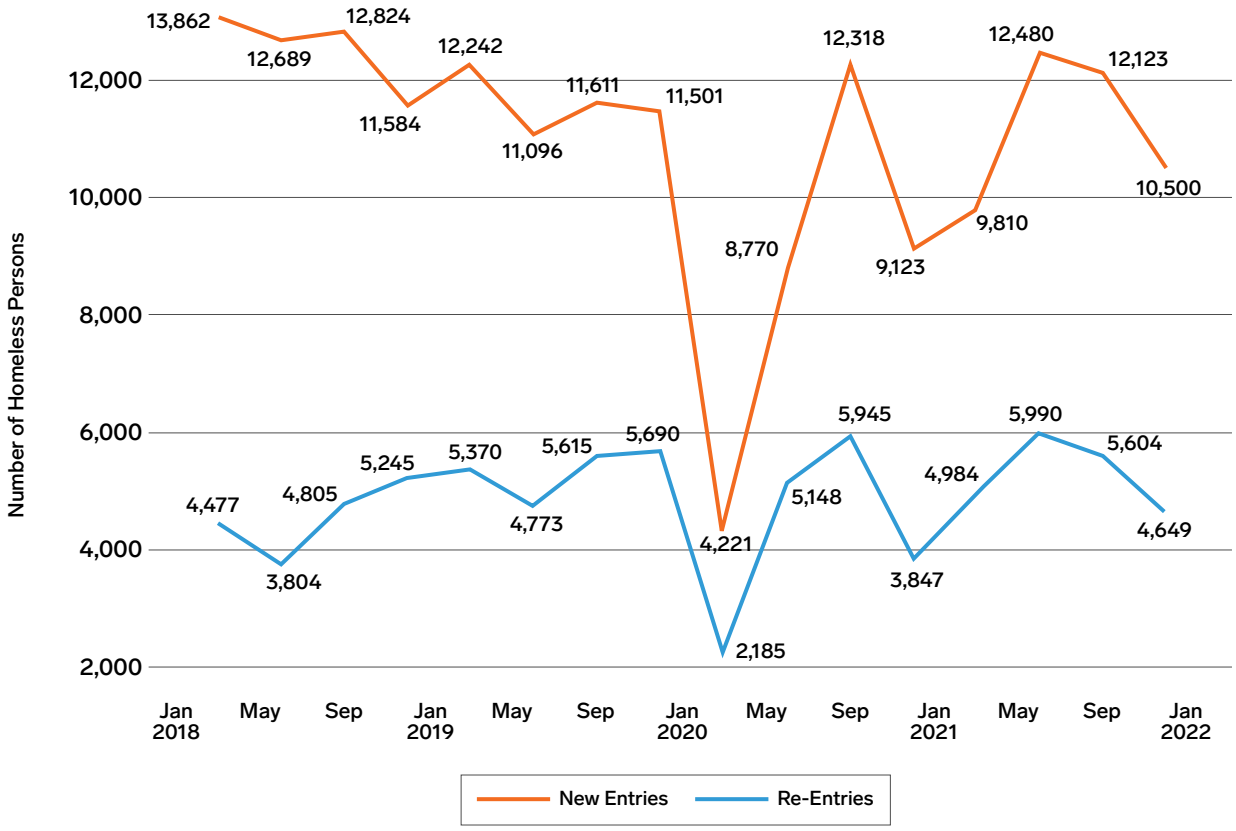


- The monthly number of persistently homeless followed a pattern similar to that seen for the monthly homeless numbers in Figure 4-2.
  - The monthly number of persistently homeless more than doubled, from approximately 7,500 in January 2018 to over 17,000 in the summer of 2019.
  - During the cycle of 2020, the number declined below 13,000 and then rose to almost 21,000 by the summer of 2020.
  - Since then, the monthly numbers of persistently homeless stayed stable at over 20,000, which is also approximately 25% higher than the level in December 2019.

4.3 QUARTERLY NUMBERS OF ENTRIES AND EXITS

Figure 4-4 shows the quarterly number of new entries and re-entries into HMIS between 2018 and 2021. As in the previous report, we continue showing quarterly numbers because monthly entries and exits reveal very sharp fluctuations.

Figure 4-4. Quarterly Number of New Entries and Re-Entries to HMIS



- Quarterly new entries into HMIS show a stable trend of between 11,000 and 13,000. with the exception of early 2020. when entries decreased to almost 4,000.
  - There was almost no change until the last quarter of 2021, when the numbers dropped to approximately 10,500.

- Quarterly re-entries into HMIS within one year of an exit from receiving HMIS services also show a steady trend of between 4,000 and 6,000 with the exception of the first year of COVID-19, when they dropped to almost 2,000.
  - After increasing by approximately 20% before the pandemic, after the spring of 2020, re-entries stabilized at around 6,000 for a year and declined in the second part of 2021, dropping below 5,000.

Figure 4-5. Quarterly Number of Entries into and Exits from Homelessness in HMIS

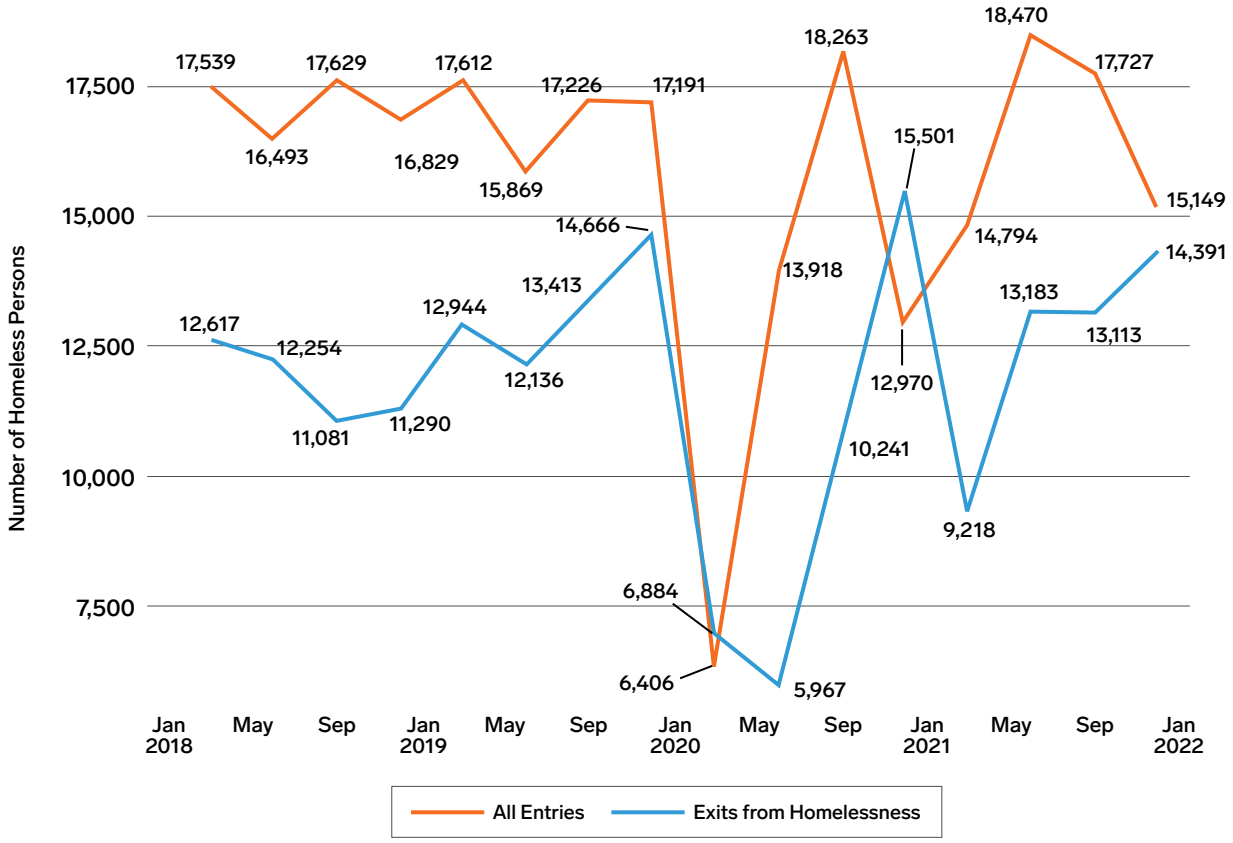


Figure 4-5 shows the quarterly number of all entries into and exits from receiving HMIS services between 2018 and 2021.

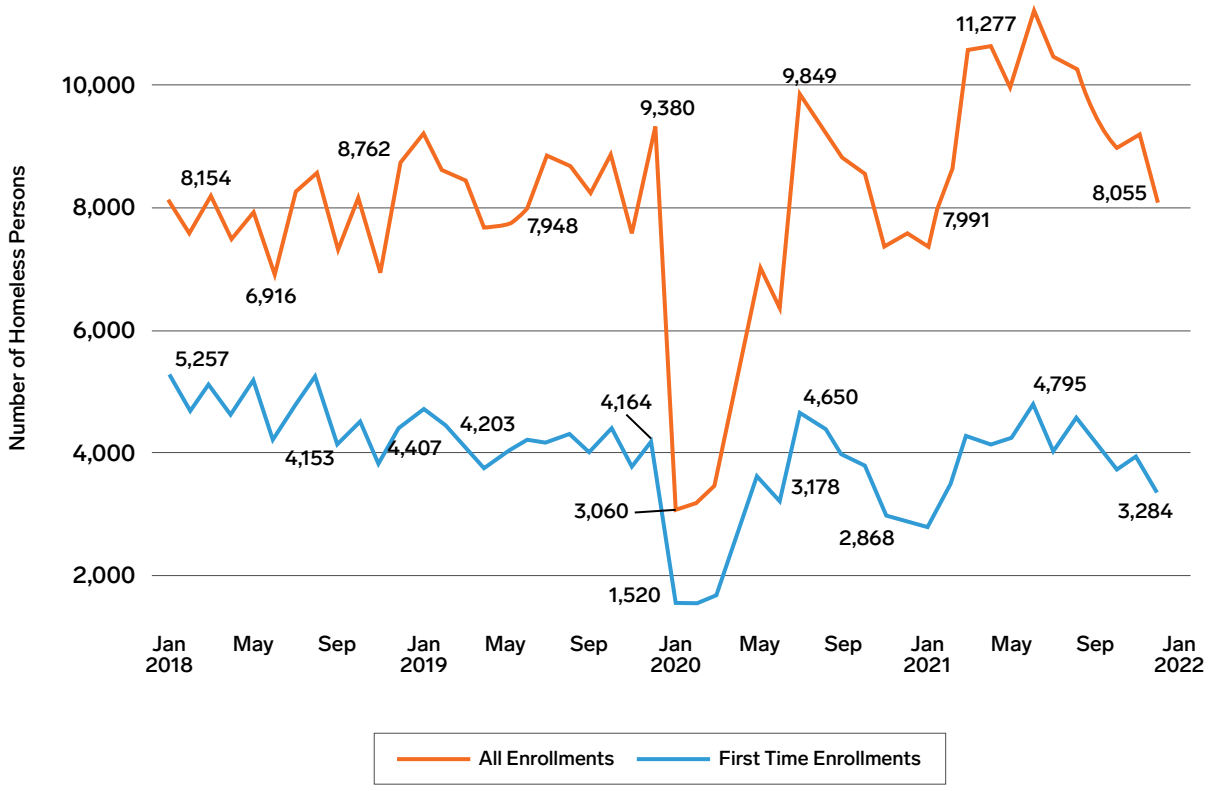
- Quarterly, all entries into HMIS stayed in the range of 16,000 to 18,000 between 2018 and 2021, with the exception of early 2020.
- Entries into HMIS exceed exits from HMIS before the pandemic, leading to the observed net growth in the homeless population receiving HMIS services. Following the volatile cycle in 2020, the gap was maintained until late 2021, when it almost vanished by December at around 15,000.
- Quarterly exits from receiving HMIS services showed some sharp fluctuations over four years. The trend was upward before COVID-19, when exits from homelessness increased from 12,617 to 14,666, by almost 17%. After the pandemic, in 2021 the number started to increase again, reaching the pre-pandemic level by December.
- The increase in exits was mostly due to exits with unknown destinations but no returns to HMIS within the next six months.

4.4 MONTHLY ENROLLMENTS AND SHELTER STAYS

In this section, we focus on three additional areas to provide additional insights on the dynamics of homelessness before and after the pandemic between 2018 and 2021. We include findings on the monthly numbers of enrollments and on shelter clients as well as average shelter stays during this period. An enrollment is the period in which a homeless person is a client of a project such as outreach or crisis or bridge housing, between the project entry and exit dates.

In Figure 4-6, the red line shows the monthly number of enrollments by unique homeless individuals. In other words, the number for each month reveals the total number of homeless persons enrolled in a project during that month at least once. The same person may have multiple enrollments but tallied only once in a given month. Conforming with the annual homeless counts, the monthly number of enrollments increased by 15% during the pre-pandemic years, from 8,154 in January 2018 to 9,380 in December 2019. After the COVID-19 dip, enrollments increased again, exceeding 11,000 by June 2021, and decreased in the second half of 2021, down to almost 8,000. Overall, there was almost no change over four years when we compare the first and last months of this period.

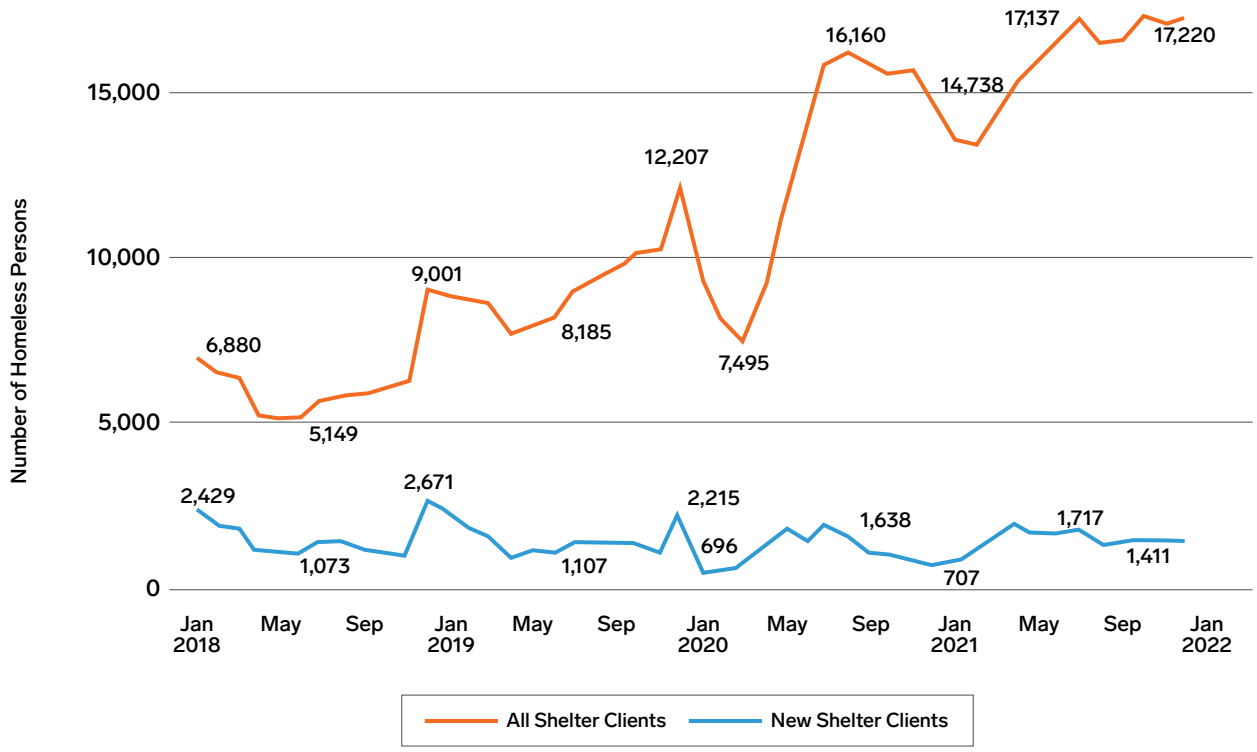
Figure 4-6. Monthly Number of Enrollments and First Time Enrolled Homeless Persons in HMIS 2018–2021



In Figure 4-6, the blue line shows the monthly number of first-time enrollments by unique homeless individuals. The monthly number reveals the total number of homeless persons enrolled for the first time in a project. Each person is tallied only once over four years. The number of first-time enrollments shows a different pattern than all enrollments. The overall trend in first-time enrollments shows a negative slope. In the pre-COVID-19 period, first-time enrollments dropped by over 20%, from 5,257 to 4,164. After a big decline in 2020, monthly numbers rose until June 2021, reaching almost 5,000. However, similar to all enrollments, first-time enrollments decreased by over 30% in the second half of 2021. Overall, the rate of decline was over 37% between January 2018 and January 2022. The proportion of first-time enrollments in all enrollments dropped from the range of 50% to 65% in the pre-pandemic period to around 40% in 2021.

Emergency shelter stays represent almost 30% of all enrollments, which include crisis and bridge housing as well as Project Roomkey and Project Homekey, which were established after COVID-19. The number of clients staying in emergency shelters as well as the length of their stays are critical indicators of the dynamics of homelessness over time. We discuss the emergency shelter clients in two different ways. Figure 4-7 shows the number of all and new clients staying in a shelter in a given month. The red line shows the unique count of shelter clients, where each client is tallied once for the month he/she stayed in a shelter and if the stay is longer than a month. If the homeless client leaves and re-enters the shelter in another month, she/he is tallied for the new month as well. In other words, the numbers demonstrate how many unique clients stayed in an emergency shelter in a given month.

Figure 4-7. Monthly Number of All and New Shelter Clients in HMIS 2018—2021



The figure shows stable growth overall over four years, with some differences. In the pre-COVID-19 period, the monthly number of unique clients almost doubled, from 6,880 to 12,207. After decreasing to less than 7,500 in early 2020, the numbers started to increase and reached over 16,000 in the summer of 2020 with the impact of Project Roomkey. After that, the number of shelter clients continued to grow gradually, exceeding 17,000 by December 2021. The overall trend was positive between January 2018 and January 2022 with an almost 150% increase, showing a significant increase in the monthly number of shelter clients.

The large growth in the monthly number of shelter clients is largely attributable to the increase in the pre-pandemic years of 2018 and 2019 as captured in PIT counts, as well as to the impact of Project Roomkey in 2020. The growth over the last 18 months was much slower, at 6.0%. These observations are supported by the pattern of new shelter clients showed by the blue line in Figure 4-7. New shelter clients are unique homeless persons who enter the shelter system for the first time in that month. Hence, they are tallied only once over four years. The trend is negative, showing an almost 40% decline between January 2018 and December 2021. The numbers clearly suggest that the growth in monthly shelter clients is not caused by an influx of new homeless clients but rather by the longer shelter stays of all clients as shown below.

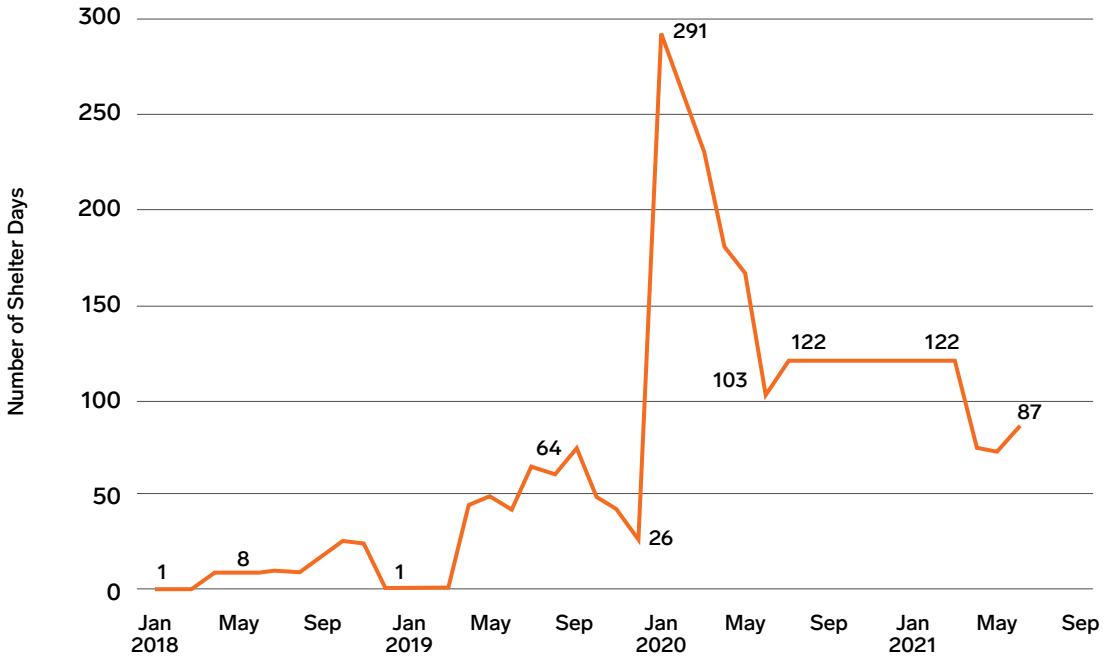
Another helpful metric in assessing the homelessness dynamics is the average length of shelter stays over time, which is illustrated in Figure 4-8. The median days represent the average length of shelter stay for unique clients who started a shelter episode in a given month. The numbers show different patterns over time. Average days were very short in 2018, when most of the clients stayed overnight. The number started to increase in 2019 and had already reached over two months before early 2020, when it hit over 300 days. It stayed quite high during 2020 with the impact of Project Roomkey. The plot stops at June 2021 to avoid truncation of open-ended stays.[13] The trend of average length of stays in 2022 will be critical in interpreting these findings for the post-COVID-19 period.

Findings Highlights

- After increasing by 13% annually before COVID-19, the number of persons recorded in HMIS as homeless at any point in a year dropped from 94,000 to 82,000 in the first year of the pandemic and then rose again, exceeding 95,000 and showing over a 1% increase since 2019.
- The trend of a gradual decline in new entries into HMIS continued after the pandemic, showing a 10% decrease over four years from almost 50,000 to 45,000.
- However, the long-term triggers of the increase in homelessness-re-entries and carryover from the earlier years-continued to grow, by 35% and 66% respectively since 2018. The number of persistently homeless persons, which is the main contributor to increase in homelessness, also increased by over 65%, reaching almost 42,000.
- The growth of both currently homeless and persistently homeless numbers stabilized in 2021 because of a steady flow of new entries.
- Entries into HMIS were consistently exceeding exits from HMIS, leading to a net growth in homeless population receiving HMIS services. This gap was retained during the COVID-19 years with the exception of the second half of 2021, when it decreased and almost vanished by December.
- The trend in exits from HMIS is upward, as a result of increased exits to "unknown destinations," with no returns to receiving services in HMIS within the next six months.
- The number of all monthly enrollments did not change over four years, while the number of first-time enrollments declined by over 37%.
- The monthly number of shelter clients increased by almost 150% over four years, but most of this growth is attributable to pre-pandemic years and to the impact of Project Roomkey.
- The growth was only 6% in the last 18 months.
- The number of new shelter clients declined by 40% over four years, contributing little to the growth of the shelter population.

[13] We imputed shelter stays with no exit dates in 2020 and 2021 based on the average length of stays with end dates, which was 122 days. Since the majority of stays did not have an exit date in the second half of 2020, 122 represents the average day for those clients who entered shelter during this time, as shown in Figure 4-8. It may be an underestimate, suggesting that average length of stay was actually even longer in 2021.

Figure 4-8. Median Days of Shelter Stays by the Month the Shelter Stay Starts



4.5 TRENDS AND PATTERNS OF HOMELESSNESS EPISODES AND HOMELESS POPULATIONS IN HMIS

An analysis of HMIS data encompassing enrollments, placements, exits, and shelter stays over the last four years of HI implementation provides some insights that may offer guidance for inflow interventions. The patterns presented in the last report changed significantly after the pandemic. This new pattern has the following characteristics, based on the data presented in this section:

- The annual number of homeless persons enrolled in HMIS has been increasing by an annual rate of 13%, which is comparable to the increase in the PIT counts.
  - The annual homeless population receiving HMIS services increased from almost 83,000 to 94,000 over two years.

- The monthly homeless population receiving HMIS services at least one day in a given month also increased consistently, from 23,000 to 42,000, or by almost 83%.
  - However, the rate of increase slowed down in 2021, dropping from almost 45,000 in August to below 42,000 in December.

Policy Implications Highlights

- The data indicate that the growth in the homeless population receiving HMIS services is driven primarily by people with persistent homelessness-people with barriers who cannot exit homelessness on their own or who have repeated re-entries.
- The federal "housing first" policy is intended to interrupt long shelter stays with placements in permanent housing, especially permanent supportive housing for people with disabilities. As shown in Section 2, an uptick in the median time to PH placement following assessment was observed, growing by 13 days. Combined with a 22% decline in HI PH placements from Years 4 to 5 (Section 3), a significant portion of the growth in persistent homelessness is attributable to delays in placement and the overall decline in HI placements. In other words, the pace of meeting "housing first" goals has declined during the pandemic.
- Over the last decade, progress in reducing chronic homelessness and veteran homelessness in many communities nationally has been largely attributed to the "housing first" policy. LA is slated to add several thousand PSH placements through Proposition HHH-funded new developments in each of the next four years. But the pace of bringing new developments on-line has been slower and more costly than expected.
- The potential for using shared housing for new placements (using existing apartments) may hold promise for increasing the speed and number of people exiting to permanent housing. This could still be consistent with a "housing first" approach but might avoid the barriers in the current federal voucher system, which requires single occupancy or finding new units. That some clients in shared housing would need support services as well would require a redesign of how support services are currently delivered to people in their own units.

- Both new entries (below 50,000 annually, or 12,500 quarterly) and re-entries (within one year of an exit from homelessness) into HMIS as well as all enrollments stayed stable over four years, while new enrollments declined by 40%.

- Exits from receiving services in HMIS increased slightly, from over 46,000 to almost 52,500, or by 18%, but this increase was not enough to offset the increase in all entries into HMIS, which include new entries, re-entries, and previous carryover.
  - The quarterly gap between entries into and exits from HMIS was retained in the range of 2,500 to 6,000, but almost disappeared by December 2021.

- The monthly number of all shelter clients grew dramatically until the summer of 2020 by more than 140%, even though the number of new shelter clients declined by over 40% over four years. The growth slowed down during the last 18 months, when the number of monthly shelter clients increased by a mere 6.0%.

As a result of these dynamics—a stable inflow of new entries into HMIS and an increasing number of homeless persons in HMIS with earlier homeless experience (re-entries and previous carryover), and entries into HMIS exceeding exits from HMIS, we observe an increasing number of people in the persistently homeless group. The size of this group rose from almost 25,000 to almost 42,000 over four years, and its share of the total increased from 30% to 44%.

4.6 POLICY IMPLICATIONS

These patterns and trends show that the number of homeless persons receiving HMIS services has been increasing before the pandemic, with a consistent and growing gap between entries and exits, which is called the exit gap. While the gap decreased after 2020 and even reversed in late 2021, the key question remains: What accounts for this persistent exit gap? Answering this question would provide some insight to policymakers for more effective interventions and policies. The data suggest that the overall increase in the number of homeless persons in HMIS is a result of the increasing number of people in the persistently homeless group, which was our conclusion in our last report.

We should note that the cancellation of the 2021 PIT count, which works as a regular benchmark for sheltered and unsheltered homelessness trends, limited our analysis. Moreover, these findings should be assessed considering the unusual circumstances created by COVID-19. The trends and patterns shown in this section will be more valuable with the inclusion of 2022 next year.

We showed that, as in the pre-pandemic period, households who became homeless recently (new entries into HMIS) did not contribute to the increase directly. Actually, the number of new homeless declined continuously over four years. However, with a stable inflow of new entries, the cumulative number of homeless persons receiving HMIS services has been growing even though most new entries exit HMIS rapidly. As the observation period increases, with the same level of inflow, so does the number of homeless individuals who received HMIS services during the previous years. As some of them failed to exit homelessness because of various barriers, the number of re-entries into HMIS and previous carryover increase steadily, leading to a larger group of persistently homeless persons. These continuing trends suggest that the increasing number of homelessness receiving HMIS services is not attributed to a growing number of newly homeless households but rather to those homeless households with barriers who either cannot exit homelessness and become persistent or become persistently homeless after several re-entries. While the growth of this group slowed down after COVID-19, there were almost 40,000 persistently homeless in 2021, which was over 40% of all homeless persons who received services in HMIS that year. The majority of them were also carryovers from the earlier years.

What are the policy implications of these observations? The exit gap is the balance of persons who need but do not receive PH assistance or placement. However, the nature of the unserved homeless population will be essential in determining how to advance beyond the exit gap. While the homelessness service system is providing effective interim and permanent housing arrangements so that the majority of newly homeless populations exit homelessness at a stable rate, the system fails to prevent some homeless households from becoming persistently homeless or to facilitate persistently homeless households in escaping homelessness at an acceptable rate.

As discussed earlier, factors beyond the control of the homelessness service system, such as the scale of rent-burdened households, are a direct outcome of the housing affordability crisis. These factors contribute to an increase in persistent homelessness by making it difficult to be permanently placed. However, the County's homelessness service system could potentially reduce the exit gap by intensively targeting the persistently homeless population.

The County has already been expanding its permanent supportive housing capacity, which is expected to increase from 732 in FY 2019-20 to exceed 10,000 by FY 2024-25. Over four years, LAHSA's permanent housing inventory increased from over 27,000 to almost 35,000, and there were almost 13,000 permanent units in the pipeline in Year 5. The increase in interim housing was higher. The LA region's shelter capacity on any given night increased almost 65%, from less than 16,000 to over 25,500.[14]

Moreover, there are ongoing unprecedented county, federal and state budget allocations and spending plans to address the homelessness problem. These additional funds are expected to create or sustain thousands of units of interim and permanent supportive housing and make it possible to offer essential housing services for people experiencing homelessness. This expansion may be strategically channeled partially to place the most vulnerable households in housing, including persistently homeless individuals, which should lead to a steady decrease in the number of homeless individuals.

[14] See LAHSA 2021 shelter count and housing inventory count presentation and inventory counts available at 2021-hic-and-shelter-count-presentation.pdf and LA CoC Shelter Count & Housing Inventory Count (HIC) (lahsa.org).

As shown in this section, the recent trends of decreasing entries—both new enrollments and new shelter clients—together with the increasing number of exits from homelessness may contribute to a shrinking exit gap and a drop in the magnitude of the persistently homeless group. However, given the large size of this group and its tendency to rise, the homelessness service system should undertake further interventions focusing on persistent homelessness. One mode of intervention is effective targeting of homeless persons who are likely to become persistently homeless in the future and unlikely to return to homelessness after being placed in PH. Targeting can be conducted at the time of first contact with HMIS during the assessment process. Currently, the Coordinated Entry System targets the vulnerable households for different types of placements and service prioritization using VI-SPDAT scores. In addition, DHS Housing for Health has partnered with the Department of Mental Health Services and the California Policy Lab at UCLA in a data-driven pilot project called "Homeless Prevention Unit," targeting, through proactive outreach, interventions to utilizers of county services who are at highest risk of becoming homeless.[15] A similar targeting practice might be extended to persistently homeless households, because it is critical to intervene with homeless households early enough to prevent them from becoming persistently homeless. An effort with USC and the California Policy Lab to revamp the assessment process is underway and may hold some promise for improved targeting and triage of people at high risk of persistent homelessness. After households become persistently homeless, it is not only more difficult to place them in permanent housing, but also more likely for them to return homelessness even when a placement is achieved.

While our assessment was aligned with the LAHSA PIT counts before the pandemic, it excludes homeless households who do not use HMIS homeless services. However, to understand the homelessness experience of households who left the HMIS system after a contact or episode, two groups may be tracked using a sampling methodology and mobile phone surveys.

The first group includes households who exit a HMIS project with an unknown destination type. Even though this group is assumed to be non-homeless when they do not return to a HMIS project within six months, it is very likely that some of these households become the unsheltered homeless not using homeless services. Since the size of homeless households with unknown exits was over 36,000 in 2021, it would be extremely helpful to track their behavior following their exit from HMIS.[16]

The second group includes homeless households who were contacted by outreach teams but never enrolled in an HMIS project other than an outreach. Approximately 40% of homeless individuals, which included over 10,000 people, would also be helpful to track to better understand their dynamics of homelessness.

[15] See Preventing Homelessness: Evidence-Based Methods to Screen Adults and Families at Risk of Homelessness in Los Angeles, California Policy Lab, 2021, available at Preventing Homelessness: Evidence-Based Methods to Screen Adults and Families at Risk of Homelessness in Los Angeles - California Policy Lab (capolicylab.org).

[16] See Randall, K. et al. (2021), "COVID-19 vaccine access and attitudes among people experiencing homelessness from pilot mobile phone survey in Los Angeles, CA," on using mobile phone technology to study homeless households, which is available at [PDF] COVID-19 vaccine access and attitudes among people experiencing homelessness from pilot mobile phone survey in Los Angeles, CA. by Randall Kuhn, Benjamin F. Henwood, Alexander Lawton, Mary Kleva, Karthik Murali, Coley King, Lillian Gelberg · OA.mg · 10.1371/journal.pone.0255246.

Expanded Pre-Post Evaluation of Health, Mental Health and Jail Outcomes

In the Year 4 Homeless Initiative (HI) Evaluation report, we presented, for the first time, an evaluative study that assessed the effects of several housing placement types on selected measures of health and mental health services use. We measured differences in the use of several service modalities of health and mental health treatments before and after placements from homelessness into three types of housing: rapid rehousing (RRH), permanent supportive housing (PSH), and interim housing (IH).

In the Year 4 report, we reported how PSH and RRH placements were associated with significantly reduced general medical and mental health inpatient, emergency/crisis, and outpatient services use among people placed, compared to both their own levels of services used prior to their housing placement (i.e., when they were homeless) and to a matched control group. These reductions in services use associated with PSH and RRH placements were not present among those who received placements into IH. We interpreted these results as an example of how the benefits of HI permanent housing placements extend beyond housing. For this current (Year 5) report, we present an expanded and updated version of the Year 4 study. Specifically, here we have added four key components to the Year 4 study:

- In addition to the 2017 placement cohort that was the focus of the Year 4 study, we have added a completely new second cohort consisting of 2019 placements. This provides the opportunity to see if the more recent 2019 cohort will display the same patterns of services reduction noted in the 2017 cohort, especially as the post-placement time period for this later cohort will include time after the onset of the COVID-19 pandemic.

- We have added jail incarceration outcomes to the outcomes from health and mental health services use. This means that we now present the impact of housing placement on outcomes across *three* LA County–funded systems.

- For both cohorts and for outcomes from all three systems, we have extended the post-outcome study period from one to two years. This means that we now present Year 1 and Year 2 outcome measures.

- In Year 4, we presented unadjusted differences in pre-post placement services use for cases and controls (with no placement) and assessed the significance of treatment effects by applying a series of two-grouped t-tests. For this updated study, we apply difference-in-differences analyses, which permit us to estimate not only whether there is a significant impact of the treatment (i.e., each housing placement type), but also the change in units of service that are associated with each of the housing placement interventions.

This updated study has the same structure as Year 4's. First, in Section 5.1, we summarize the methodology and the data of the outcome evaluation (more detailed and technical descriptions of these are provided in Subsections B.2 and B.3 of Technical Appendix B). Then, in Section 5.2, we present the results of the evaluation. Finally, in Section 5.3, we lay out the implications and our interpretations of these results.

SECTION 5

5.1 METHODOLOGY AND DATA

For this study, we assess the change across three systems: health and mental health services use, and jail incarceration, associated with placements in three types of housing (PSH, RRH and IH) among two cohorts: one with a housing placement (PSH, RRH, and IH) occurring in 2017, and the second with these placements occurring in 2019. Each person in both cohorts is matched to a corresponding control observation to create control groups for both cohorts that are similar to the study group cohorts in key aspects, but who have not received such housing placements. The observations for groups were selected retrospectively from records in the HMIS database that is maintained by LAHSA.

Such a retrospective selection of case and control groups classifies this study's design as quasi-experimental. This contrasts with more rigorous experimental study designs, which randomly and prospectively assign subjects to treatment and control groups. Randomization ensures that program participants (those in the treatment/experimental groups receiving the program/intervention) and non-participants (those in the control groups who do not receive the program/intervention) are equally matched on all relevant and knowable factors, and the treatment effect can be estimated from a direct comparison of the outcomes for the subjects in the two groups. However, when random assignment is impractical or unethical, quasi-experimental designs may be used to address the efficacy of the interventions. In observational studies, systematic differences can occur between the treated subjects and the control subjects.

Randomization was not possible for this study, so, in order to reduce the potential for selection bias, we applied statistical approaches that removed the effects of such bias when estimating the impact of a treatment. For this study, we used propensity score matching (PSM) methods to select the control groups. PSM is the most common methodology for retrospectively selecting a control group while accounting for pre-existing systematic differences. A more detailed description of this procedure is provided in Section B.2 of Technical Appendix B.

For each of the two study groups (those with 2017 and 2019 housing placements), we created three subgroups:

- Homeless individuals who moved to a permanent destination from RRH.
- Homeless individuals who were placed in PSH.
- Homeless individuals who were placed in IH and stayed in IH one month or longer in the cohort year (2017 or 2019).

For each of these subgroups, we looked at outcomes related to health care, mental health care, and jail stay outcomes, which were measured within one year before and within two years after housing placement dates (either in 2017 or 2019)[17]:

- Health outcomes:
  - Emergency department (ED) visits
  - Outpatient visits
  - Inpatient stays
- Mental health outcomes:
  - Outpatient visits
  - Stabilization care treatment
  - Acute care inpatient stays
- Jail outcomes:
  - Number of arrests
  - Number of days spent incarcerated

[17] We used the same health and mental health outcomes from Year 4. For jail incarceration outcomes, after exploring the data and correlations, we identified two outcomes: the number of arrests, and jail stay in days. Jail stays may be an underestimate for those individuals transferred to custody or still in jail by the end of the period. We also looked at other outcomes, such as arrests by different charges, custody releases, and citation incidents, but no other outcome showed any significant association.

One-year pre- and two-year post-period time windows began with the move-in date for RRH placements, the placement date for PSH placements, and the first day in IH (in 2017 or 2019) for IH placements. For control groups, the reference date was the first day of recorded homelessness (enrollment date in HMIS) (in 2017 or 2019).

Outcome evaluation was performed comparing pre- and post-treatment and control group average annual systems use durations for each service type, using two-grouped t-tests to determine statistical significance and difference-in-differences analysis to estimate the number of days the housing intervention either added onto or took away from use of services in the three Los Angeles County systems.[18] The results from the difference-in-differences and grouped t-test analyses are reported in the next subsections, while the results that serve as the basis of the difference-in-differences and grouped t-test results—the mean systems use duration measures—are included in Section B.4 of Technical Appendix B.

Four data sources were used for the evaluation:

- HMIS data for clients, placements, and characteristics of homeless individuals—used as matching criteria in PSM selection approach between 2016 and 2021
- LA County Department of Health Services (DHS) service use and client data for service dates and types between 2016 and 2021
- LA County Department of Mental Health (DMH) service use and client data for service dates and types between 2016 and 2021
- LA County Sheriff's Department (SD) incarceration data for time spent incarcerated between 2016 and 2021.

The sample sizes are equal for treatment and control groups (see Table B-1 in Appendix B for the sizes of the treatment and control groups). Treatment and control groups include all records, whether or not they had matched DHS, DMH, and/or SD data. Health, mental health, and jail outcomes were calculated only for those with at least one DHS or DMH or jail incarceration record during the observation period.

5.2 RESULTS

This subsection presents the results of difference-in-differences and grouped t-test analyses for health services, mental health services, and jail outcomes, demonstrated for each placement type separately using a series of bar graph figures. (Specific results of systems use durations used for these analyses are available in Section B.4 of Appendix B.) The bar graphs show the reduction in service units (days, visits, etc.) between the pre- and post-placement periods for the specific services of the three LA County systems that we examine (DHS, DMH, and SD), after controlling for the outcomes shown by the control group. Corresponding tables show pre- and post-placement differences among housing placement and control groups.

[18] More detailed descriptions of these analysis approaches are provided in Subsection B.3 of Technical Appendix B.

5.2.1 Health Services Use Outcomes (DHS)

DHS Health Care Services Outcomes Highlights

- **Rapid Rehousing (RRH):** large post-placement reductions in DHS inpatient days in the 2017 cohort were not found in the 2019 cohort, and there were modest or no reductions in DHS services use in outpatient and ED visits.
- **Permanent Supportive Housing (PSH):** substantial post-placement reductions in inpatient days found in the 2017 cohort did not again show in the 2019 cohort results, and other reductions were either small or non-significant in a pattern similar to RRH placements.
- **Interim Housing (IH):** There was only one instance when an IH placement was associated with a statistically significant decrease in subsequent service use - 0.6 less ED stays in post-Year 2.

For each type of housing placement, we assess pre-post housing placement changes for each of the first two years following housing placement in three DHS service use outcomes: ED visits, outpatient visits, and inpatient stays. The fundamental metric underlying the reported difference-in-differences results reported here is the difference in the average annual number of either days (inpatient services) or visits (ED and outpatient), adjusted by the corresponding difference among the control group.

Figure 5-1 looks at RRH placements and shows the mean pre-post differences in their use of three DHS health services, adjusted for the corresponding differences in the control group (i.e., the difference-in-differences results). The actual pre-post differences from which the results in Figure 5-1 were derived are shown in Table 5-1.

Figure 5-1. Average Number/Days of DHS Visits by Service Type

Treatment Group: RRH Placements

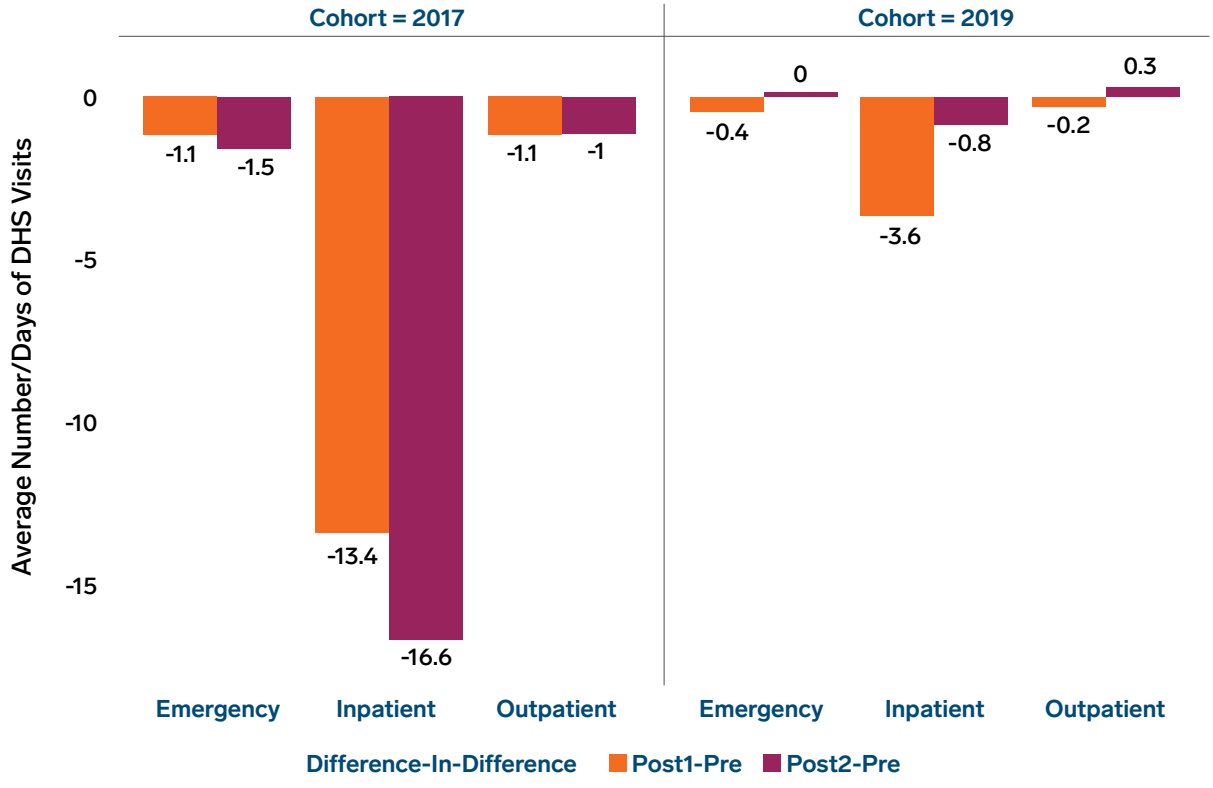


Table 5-1: Pre-post placement changes in the use of three DHS services for those in the 2017 and 2019 cohorts who received Rapid Rehousing placements (and matched control observations)

			2017		2019	
Housing Type	**Service Type**	**Group**	**Difference 1 (Year 1 post-pre year):**	**Difference 2 (Year 2 post-pre year):**	**Difference 1 (Year 1 post-pre year):**	**Difference 2 (Year 2 post-pre year):**
Rapid Rehousing	Emergency Dept. (visits)	Treatment	-0.2**	0.2**	-0.3**	-0.5
		Control	0.9	1.6	0.1	-0.4
	Inpatient (days)	Treatment	-1.6**	-1.0**	-1.8**	-1.9**
		Control	11.8	15.5	1.8	-1.1
	Outpatient (visits)	Treatment	-0.4**	1.3*	-0.2	-0.5
		Control	0.7	2.2	0	-0.8

Asterisks denote significant differences in one-year pre-post changes services use, based upon two-group T-tests of treatment effect (* - Pr>|t| (i.e., p-value) < 0.05; ** - Pr>|t| < 0.01).

The results both from Figure 5-1 and Table 5-1 show these key findings:

- Modest albeit significant (except for post—Year 2 among the 2019 cohort) reductions in DHS ED services use associated with RRH placement.
- Very substantial and significant reductions in inpatient days used for both post-placement years by the 2017 cohort (13.4 days and 16.6 days, respectively), with smaller but still significant reductions in the number of inpatient days for the 2019 cohort (3.6 and 0.8 days, respectively).
- Modest albeit significant reductions in DHS outpatient visits associated with RRH placement in the 2017 cohort (1.1 and 1.0 visits, respectively) and no significant differences in post-placement DHS outpatient services use among case and control groups in the 2019 cohort.

Overall, among RRH placements, large post-placement reductions in DHS inpatient days in the 2017 cohort were not found in the 2019 cohort, and there were modest or no reductions in DHS services use in outpatient and ED visits associated with RRH placements.

Figure 5-2. Average Number/Days of DHS Visits by Service Type

Treatment Group: PSH Placements

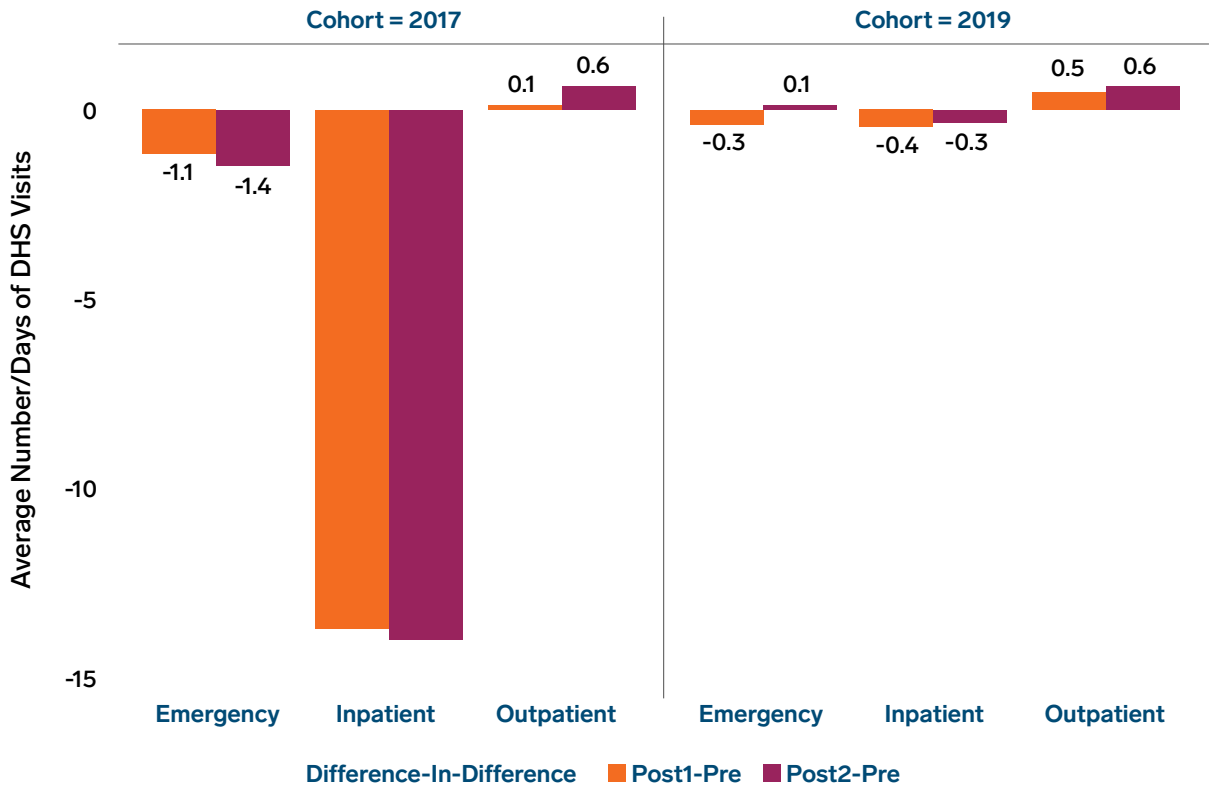


Figure 5-2 looks at PSH placements and shows the mean pre-post differences in their use of three DHS health services, adjusted for the corresponding differences in the control group (i.e., the difference-in-differences results). The actual pre-post differences from which the results in Figure 5-2 were derived are shown in Table 5-2. These PSH pre-post placement differences in DHS services use are reported in the same fashion as the results associated with RRH placements.

Table 5-2: Pre-post placement changes in the use of three DHS services for those in the 2017 and 2019 cohorts who received Permanent Supportive Housing placements (and matched control observations)

			2017		2019	
Housing Type	Service Type	Group	Difference 1 (Year 1 post-pre year):	Difference 2 (Year 2 post-pre year):	Difference 1 (Year 1 post-pre year):	Difference 2 (Year 2 post-pre year):
Permanent Supportive Housing	Emergency	Treatment	-0.6**	0.3**	-0.5	-0.8
		Control	0.4	1.7	-0.2	-0.9
	Inpatient	Treatment	-11.9**	-8.3**	-10.5	-10.8
		Control	1.6	5.6	-10.3	-10.5
	Outpatient	Treatment	0.1	3.2	-0.6	-1.2
		Control	0	2.4	-1.1	-1.8

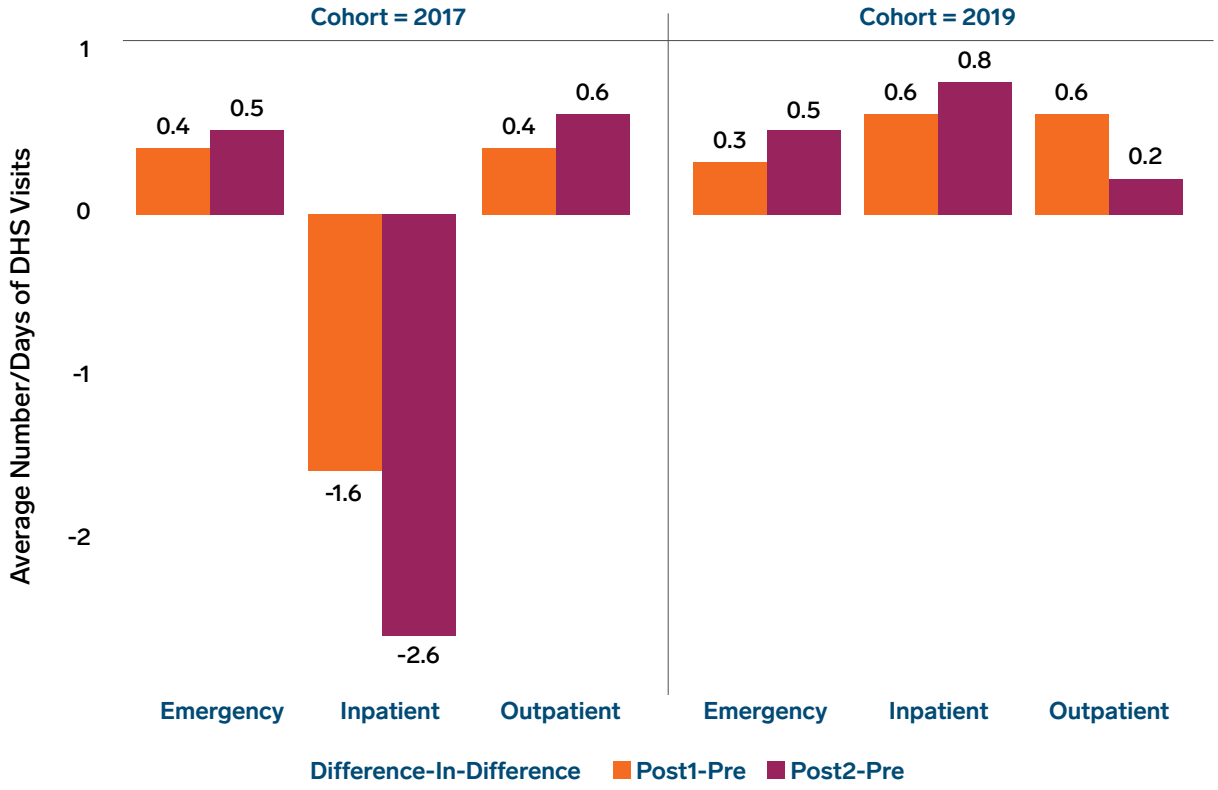
Asterisks denote significant differences in one-year pre-post changes services use, based upon two-group T-tests of treatment effect (* - Pr>|t| (i.e., p-value) < 0.05; ** - Pr>|t| < 0.01).

The results both from Figure 5-2 and Table 5-2 show these key findings:

- For the treatment group, ED visits declined modestly in both post-placement years for the 2017 cohort (adjusted by control group results), and there were no significant pre-post differences in ED visits among the case and control groups among the 2019 cohort.
- There was a substantial decline in inpatient days associated with PSH placements (13.6 and 13.9 days) among the 2017 cohort. Despite similar unadjusted reductions in post-placement inpatient days among the PSH placement group in the 2019 cohort, the reductions were not significant, as there were similar reductions among those in the control group, rendering the pre-post differences non-significant.
- There were no significant differences between case and control groups in either cohort in the pre-post changes in outpatient visits.

Overall, there are similar patterns in the results for pre-post changes in DHS health services use among persons placed in PSH and their counterparts placed in RRH, in that substantial post-placement reductions in inpatient days found in the 2017 cohort were not seen in the 2019 cohort results, and other reductions were either small or non-significant.

Figure 5-3. Average Number/Days of DHS Visits by Service Type



Finally, Figure 5-3 and Table 5-3 look at IH placements and show the mean pre-post differences in their use of three DHS health services, adjusted for the corresponding differences in the control group (i.e., the difference-in-differences results). The actual pre-post differences from which the results in Figure 5-3 were derived are shown in Table 5-3. These IH pre-post placement differences in DHS services use are reported in the same fashion as the results for the previous two placement types.

The results both from Figure 5-3 and Table 5-3 show these key findings:

- For the treatment group, ED visits modestly increased in both post-placement years for the 2017 cohort (adjusted by control group results), and among the 2019 cohort showed a small increase (post–Year 1) and small decrease (post–Year 2), both of which were significantly different than corresponding changes in the control group.
- There were no significant differences between case and control groups in either the 2017 or 2019 cohorts in the pre-post changes in DHS inpatient days used, as inpatient days increased modestly for both treatment and control groups in the 2017 cohort and decreased slightly for both groups in the 2019 cohort.
- Except for in the first post-placement year among the 2019 cohort, when the number of outpatient visits actual increased significantly (by 0.5 visits), there were no significant differences between case and control groups in the pre-post changes in outpatient services use.

Overall, there was only one instance when an IH placement was associated with a statistically significant decrease in subsequent service use: 0.6 fewer ED stays in post–Year 2.

Table 5-3: Pre-post placement changes in the use of three DHS services for those in the 2017 and 2019 cohorts who received Interim Housing placements (and matched control observations)

			2017		2019	
Housing Type	Service Type	Group	Post 1-Pre Mean	Post 2-Pre Mean	Post 1-Pre Mean	Post 2-Pre Mean
Interim Housing	Emergency	Treatment	0.7*	1.6*	0.2*	-0.4**
		Control	0.3	1.1	-0.1	-0.8
	Inpatient	Treatment	1.7	3.2	-0.3	-1.2
		Control	3.4	5.9	-0.9	-2.0
	Outpatient	Treatment	0.5	2.3	0.5**	-0.4
		Control	0.1	1.7	-0.1	-0.6

Asterisks denote significant differences in one-year pre-post changes services use, based upon two-group T-tests of treatment effect (* - Pr>|t| (i.e., p-value) < 0.05; ** - Pr>|t| < 0.01).

5.2.2 Mental Health Services Use Outcomes (DMH)

DMH Mental Health Service Outcomes Highlights

- **Rapid Rehousing (RRH):** There were substantial decreases across all three service types noted after PSH placement in the 2017 cohort. These reductions all either were reduced substantially or became non-significant for the 2019 cohort.
- **Permanent Supportive Housing (PSH):** PSH placement was associated with large reductions in acute inpatient days and more modest reductions in crisis stabilization days in the 2017 cohort. These reductions were either substantially smaller or statistically non-significant in the 2019 cohort, and the number of outpatient visits increased substantially following PSH placement for this cohort.
- **Interim Housing (IH):** IH placement did not impact reductions in any of the three DMH mental health service outcomes we examined.

For each of the three types of housing placement, we assess pre-post housing placement changes for each of the first two years following housing placement in three mental health services outcomes provided by DMH: acute inpatient care, crisis stabilization services, and outpatient visits. Pre-post housing placement differences (adjusted for control group outcomes) are measured in the annual average number of visits (outpatient) and days (crisis stabilization services and acute care inpatient stays). Beyond that, the results reported in this subsection are structured in the same manner as the previous DHS subsection.

Figure 5-4. Average Number/Days of DMH Visits by Service Type

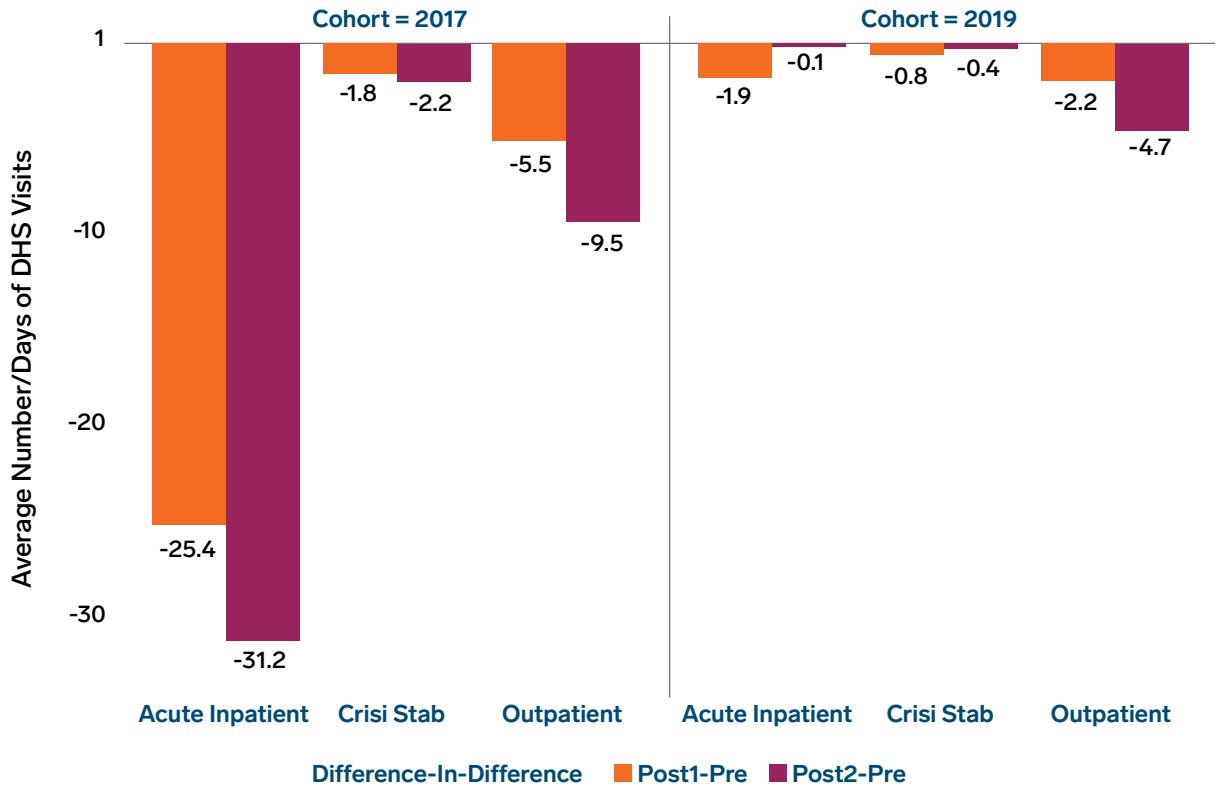


Figure 5-4 shows the pre-post adjusted differences in DMH mental health services outcomes for the RRH placements in the treatment group, adjusted for the corresponding differences in the control group (i.e., the difference-in-differences results). The actual pre-post differences from which the results in Figure 5-4 were derived are shown in Table 5-4.

These are the main findings:

- For the 2017 cohort, the substantial pre-post differences in DMH acute inpatient days found after post–Year 1 continued in post–Year 2. These reductions declined and the difference became statistically non-significant for both years for the 2019 cohort.
- For DMH crisis stabilization care, the modest and significant post–Year 1 and post–Year 2 reductions (1.8 and 2.2 days, respectively) for the 2017 cohort were smaller in the 2019 cohort (0.8 days for post–Year 1 and no significant difference in post–Year 2).
- For DMH outpatient visits, substantial and statistically significant reductions were found for both post-placement years in the 2017 cohort (5.5 and 9.5 visits, respectively), and there were smaller but still statistically significant reductions (2.2 and 4.7 visits, respectively), for both post-placement years for the 2019 cohort.

Table 5-4: Pre-post placement changes in the use of three DMH services for those in the 2017 and 2019 cohorts who received Rapid Rehousing placements (and matched control observations)

			2017		2019	
Housing Type	Service Type	Group	Post 1-Pre Mean	Post 2-Pre Mean	Post 1-Pre Mean	Post 2-Pre Mean
Rapid Rehousing	Acute Inpatient	Treatment	-11.4**	-7.8**	-1.7	-1.9
		Control	14.0	23.4	0.2	-1.8
	Crisis Stabilization	Treatment	-0.6**	-0.3**	-0.8**	-0.6
		Control	1.2	1.9	0	-0.2
	Outpatient	Treatment	-1.6**	8.4**	-2.0*	-4.1**
		Control	3.9	17.9	0.2	0.6

Asterisks denote significant differences in one-year pre-post changes services use, based upon two-group T-tests of treatment effect (* - Pr>|t| (i.e., p-value) < 0.05; ** - Pr>|t| < 0.01).

Overall, there were substantial decreases across all three service types noted after PSH placement in the 2017 cohort. These reductions all either were reduced substantially or became non-significant for the 2019 cohort.

Figure 5-5 shows the pre-post differences in DMH mental health services outcomes for the PSH placements in the treatment group, adjusted for the corresponding differences in the control group (i.e., the difference-in-differences results). The actual pre-post differences from which the results in Figure 5-5 were derived are shown in Table 5-5.

Findings include:

- In DMH acute inpatient days, the pattern was similar to that found for the RRH placements. For the 2017 cohort, the substantial and statistically significant pre-post differences in DMH acute inpatient days found after post–Year 1 (26.4 days) continued in post–Year 2 (31.1 days). In the 2019 cohort, both post-year differences became statistically non-significant.

- In DMH crisis stabilization days, for the 2017 cohort there were modest, statistically significant decreases for both post-placement years (1.2 and 1.7 days, respectively), and for the 2019 cohort the post-placement year differences were statistically non-significant for both post-placement years.

- For DMH outpatient visits, a PSH placement was associated with a modest increase in post–Year 1 (2.3 visits) and a non-significant difference in post–Year 2. For the 2019 cohort, both post-year increases were larger and statistically significant (8.0 and 11.8 visits, respectively).

Figure 5-5. Average Number/Days of DMH Visits by Service Type

Treatment Group: PSH Placements

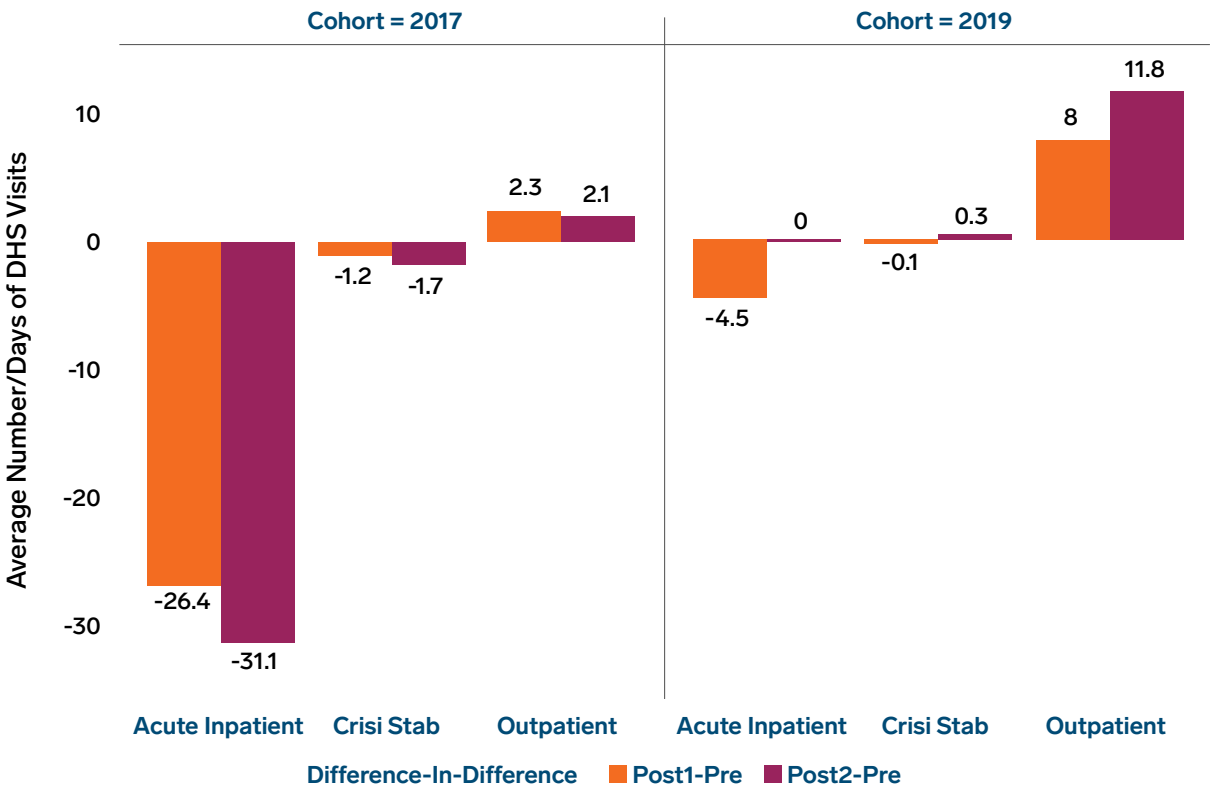


Table 5-5: Pre-post placement changes in the use of three DMH services for those in the 2017 and 2019 cohorts who received Permanent Supportive Housing placements (and matched control observations)

			2017		2019	
Housing Type	Service Type	Group	Post 1-Pre Mean	Post 2-Pre Mean	Post 1-Pre Mean	Post 2-Pre Mean
Permanent Supportive Housing	Acute Inpatient	Treatment	-16.9*	-11.7*	-7.0**	-2.2
		Control	9.4	19.3	-2.5	-2.2
	Crisis Stabilization	Treatment	-0.5**	-0.1**	-0.5	-0.5
		Control	0.8	1.6	-0.4	-0.8
	Outpatient	Treatment	0.3*	16.6	-2.5**	-1.9**
		Control	-2	14.2	-10.6	-13.7

Asterisks denote significant differences in one-year pre-post changes services use, based upon two-group T-tests of treatment effect (* - Pr>|t| (i.e., p-value) < 0.05; ** - Pr>|t| < 0.01).

Overall, the associations that PSH placement had in 2017 with large reductions in acute inpatient days and the more modest reductions in crisis stabilization days were either substantially smaller or statistically non-significant in 2019. The number of outpatient visits associated with PSH placement, in contrast, increased substantially for the 2019 cohort, a dynamic not found in the 2017 cohort.

Figure 5-6. Average Number/Days of DMH Visits by Service Type

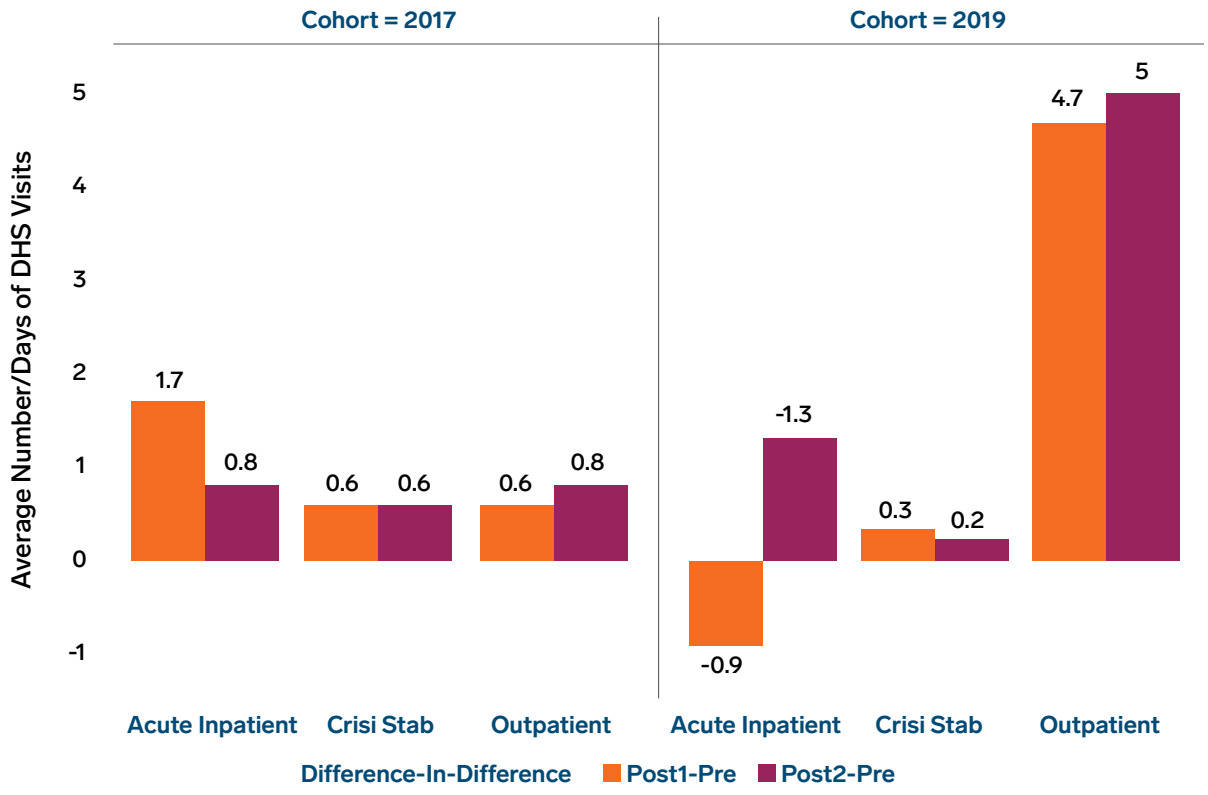


Figure 5-6 shows the pre-post differences in DMH mental health services outcomes for the IH placements in the treatment group, adjusted for the corresponding differences in the control group (i.e., the difference-in-differences results). The actual pre-post differences from which the results in Figure 5-6 were derived are shown in Table 5-6.

These are the key findings:

- No statistically significant difference was associated with IH placement in either cohort for change in DMH acute inpatient days.
- For DMH crisis stabilization care, there were statistically significant but modest increases in both post-placement years (0.6 days in both years) for the 2017 cohort and no statistically significant differences for either post-placement year for the 2019 cohort.
- There were no statistically significant differences in outcomes related to DMH outpatient care for the 2017 cohort, and large, statistically significant increases in this service for both post-placement years (4.7 and 5.0 visits, respectively) in the 2019 cohort.

Table 5-6: Pre-post placement changes in the use of three DMH services for those in the 2017 and 2019 cohorts who received Interim Housing placements (and matched control observations)

			2017		2019	
Housing Type	Service Type	Group	Post 1-Pre Mean	Post 2-Pre Mean	Post 1-Pre Mean	Post 2-Pre Mean
Interim Housing	Acute Inpatient	Treatment	-3.6	5.4	-0.6	-1.1
		Control	-5.6	4.5	0.1	-2.4
	Crisis Stabilization	Treatment	0.7**	1.4**	0	-0.2
		Control	0.2	0.8	-0.3	-0.4
	Outpatient	Treatment	5.3	17.9	6.0**	6.5**
		Control	4.7	17.1	-1.7	-1.9

Asterisks denote significant differences in one-year pre-post changes services use, based upon two-group T-tests of treatment effect (* - Pr>|t| (i.e., p-value) < 0.05; ** - Pr>|t| < 0.01).

Overall, IH placement did not impact reductions in any of the three DMH mental health service outcomes we examined.

5.2.3 Jail—Days Incarcerated and Arrests (SD)

Jail Outcomes Highlights

- **Rapid Rehousing (RRH):** In both cohorts, there were large post-RRH placement reductions in jail days.
- **Permanent Supportive Housing (PSH):** There were large reductions in jail days associated with PSH placement among the 2017 cohort, but no reductions among the 2019 cohort.
- **Interim Housing (IH):** There were substantial IH placement-related reductions in jail days among the 2019 cohort, although there were no such differences among the 2017 cohort.

The Los Angeles County Sheriff's Department provided data on arrests and incarcerations in the LA County jail, and pre-post housing placement differences (adjusted for control group outcomes) are measured in the annual average number of jail days and number of arrests (regardless of whether they were followed by an incarceration).

Figure 5-7. Average Number of Arrests and Days of Jail Incarcertion

Treatment Group: RRH Placements

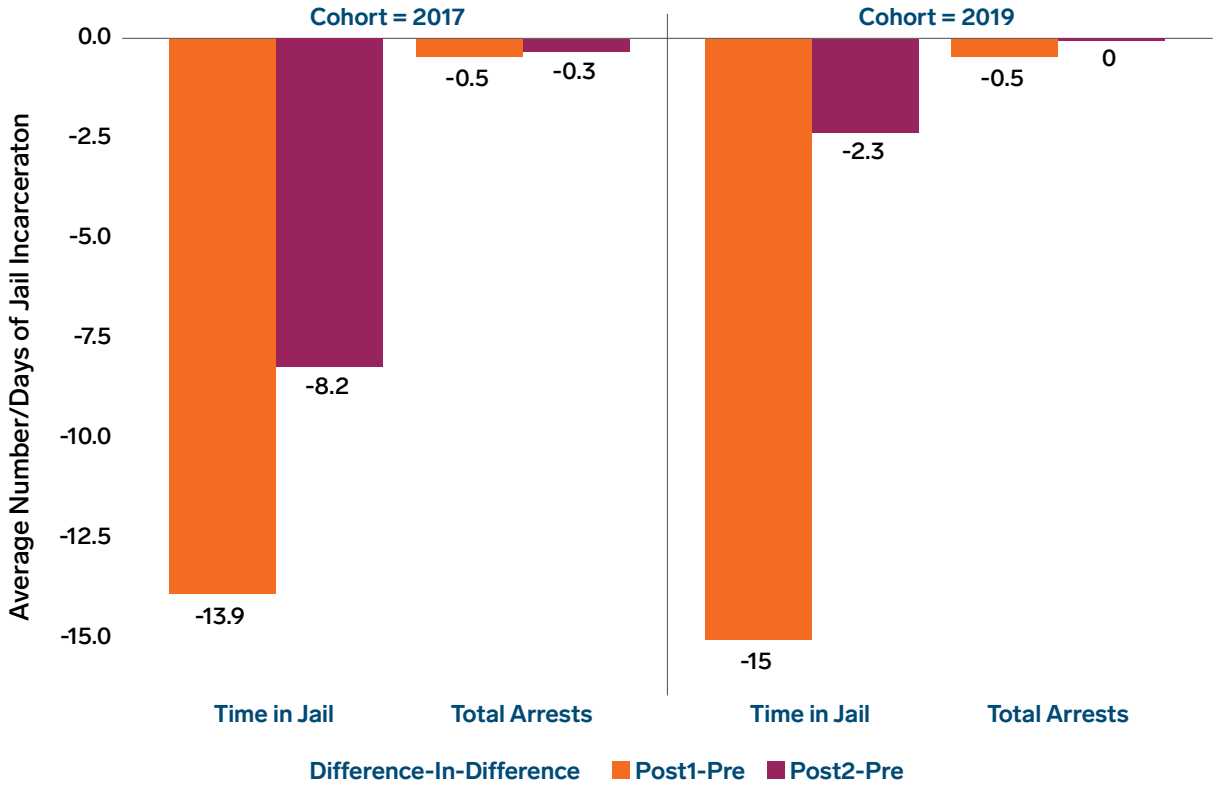


Table 5-7: Pre-post placement changes in arrests and jail incarceration for those in the 2017 and 2019 cohorts who received Rapid Rehousing placements (and matched control observations)

			2017		2019	
Housing Type	Service Type	Group	Post 1-Pre Mean	Post 2-Pre Mean	Post 1-Pre Mean	Post 2-Pre Mean
Rapid Rehousing	Days in Jail	Treatment	11.7*	3.1*	4.8**	2.0
		Control	25.5	11.3	19.8	4.3
	Arrests	Treatment	0.1**	-0.3*	-0.1**	-0.3
		Control	0.6	0	0.4	-0.3

Asterisks denote significant differences in one-year pre-post changes services use, based upon two-group T-tests of treatment effect (* - Pr>|t| (i.e., p-value) < 0.05; ** - Pr>|t| < 0.01).

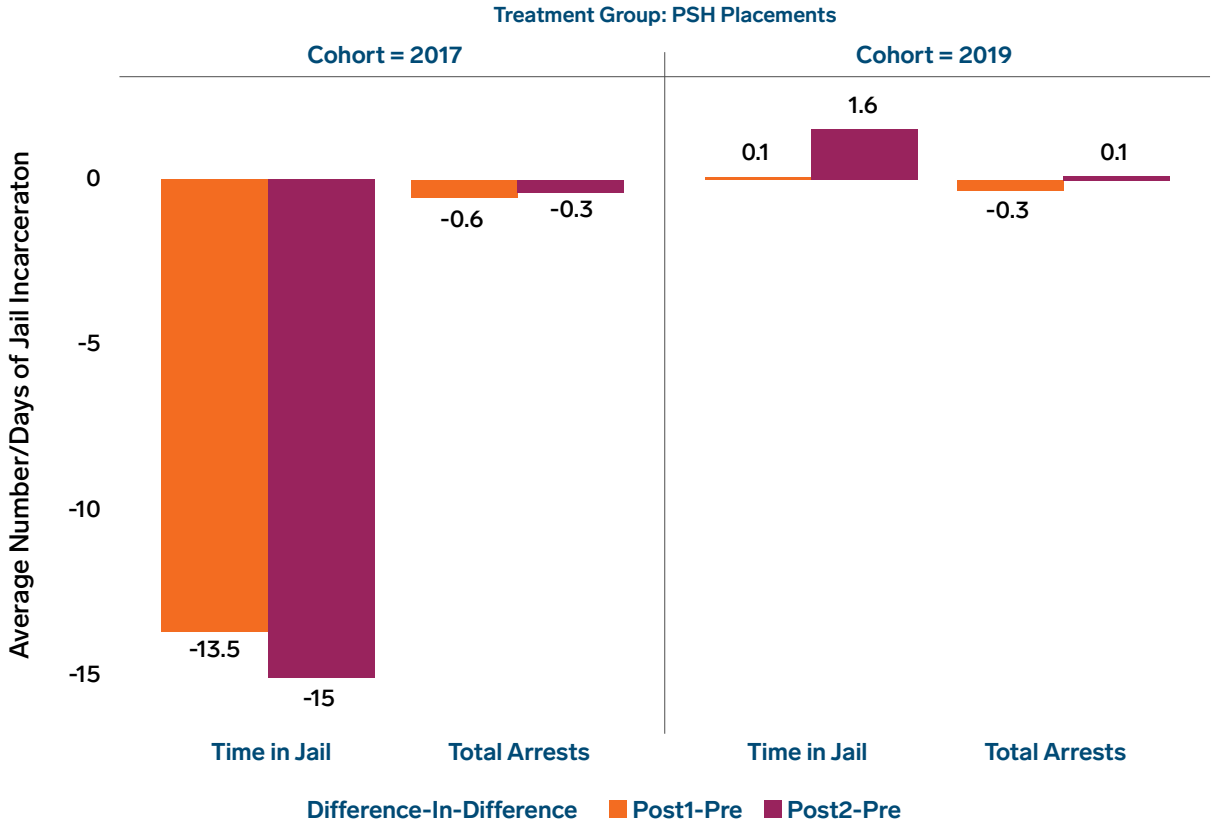
Figure 5-7 shows the pre-post adjusted differences in LA County jail incarceration days and total arrests for the RRH placements in the treatment group. The actual pre-post differences from which the results in Figure 5-7 were derived are shown in Table 5-7.

For the RRH placements, these are the key findings:

- For jail days, there was a substantial and statistically significant reduction associated with RRH placements shown in jail days (13.9 days) for post–Year 1, and a statistically significant but smaller (but still substantial) 8.2-day reduction in post–Year 2 for the 2017 cohort. For the 2019 cohort, there was also a substantial, statistically significant reduction (15.0 days) in Year 1 but a non-significant reduction in Year 2.
- Small but statistically significant reductions in the number of arrests were found in both post-placement years (0.5 and 0.3 arrests, respectively) for the 2017 cohort and in post–Year 1 (0.5 arrests) for the 2019 cohort.

Figure 5-8 shows the pre-post adjusted differences in LA County jail incarceration days and total arrests for the PSH placements in the treatment group. The actual pre-post differences from which the results in Figure 5-8 were derived are shown in Table 5-8.

Figure 5-8. Average Number of Arrests and Days of Jail Incarcertion



These are the key results:

- In a pattern similar to that seen for the RRH placements, there was a big drop in jail days for both post-placement years (13.5 and 15.0 days, respectively) associated with PSH placement, but this difference in jail days becomes non-significant for the two post-placement years among the 2019 cohort.
- In both cohorts, the change in the number of arrests shows small but significant differences for the number of arrests in the first post-placement years and non-significant changes in the second post-placement years.

Table 5-8: Pre-post placement changes in arrests and jail incarceration for those in the 2017 and 2019 cohorts who received Permanent Supportive Housing placements (and matched control observations)

			2017		2019	
Housing Type	Service Type	Group	Post 1-Pre Mean	Post 2-Pre Mean	Post 1-Pre Mean	Post 2-Pre Mean
Permanent Supportive Housing	Days in Jail	Treatment	8.5*	1.8	2.0	1.2
		Control	22.1	16.9	1.9	-0.4
	Arrests	Treatment	-0.1**	-0.4	-0.4*	-0.7
		Control	0.5	-0.2	-0.1	-0.8

Asterisks denote significant differences in one-year pre-post changes services use, based upon two-group T-tests of treatment effect (* - Pr>|t| (i.e., p-value) < 0.05; ** - Pr>|t| < 0.01).

Figure 5-9 shows the pre-post adjusted differences in LA County jail incarceration days and total arrests for the Interim Housing placements in the treatment group. The actual pre-post differences from which the results in Figure 5-9 were derived are shown in Table 5-9.

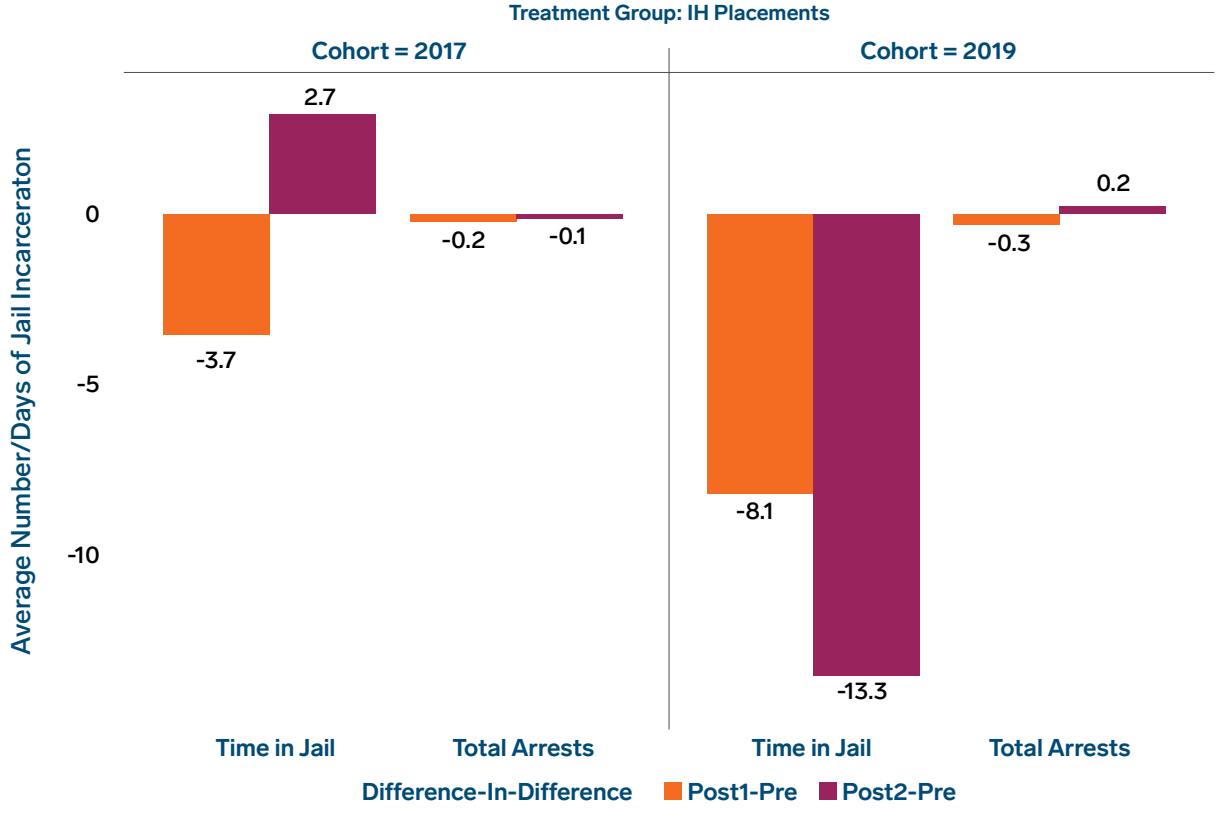
Results show only non-significant changes in both incarceration days and arrests following IH placement in the 2017 cohort, and small (albeit significant) changes in arrests in the 2019 cohort. Noteworthy in the 2019 cohort, however, are the substantial reductions in both post-placement years in incarceration days: 8.1 days and 13.3 days in post-placement Years 1 and 2, respectively.

Table 5-9: Pre-post placement changes in arrests and jail incarcerations for those in the 2017 and 2019 cohorts who received Interim Housing placements (and matched control observations)

			2017		2019	
Housing Type	Service Type	Group	Post 1-Pre Mean	Post 2-Pre Mean	Post 1-Pre Mean	Post 2-Pre Mean
Interim Housing	Days in Jail	Treatment	7.6	-1.4	-9.2**	-17.1**
		Control	11.4	-4.1	-1.1	-3.8
	Arrests	Treatment	0	-0.4	-0.3**	-0.5
		Control	0.1	-0.4	0	-0.6

Asterisks denote significant differences in one-year pre-post changes services use, based upon two-group T-tests of treatment effect (* - Pr>|t| (i.e., p-value) < 0.05; ** - Pr>|t| < 0.01).

Figure 5-9. Average Number of Arrests and Days of Jail Incarcertion



5.3 DISCUSSION—DIFFERENCES ACROSS COHORTS AND IMPACT OF COVID-19 PANDEMIC

Many studies have shown that, in PSH and Housing First interventions, chronically homeless individuals experienced reduced psychiatric and medical inpatient hospitalizations and lower numbers of emergency room visits.[19] The pre-post study that we first presented in Section 6 of the Year 4 (2021) LA County Homelessness Initiative Evaluation supported this conclusion. This study *expands* the study we presented in the Year 4 report both in time (adding a second year of post-housing placement data) and in systems examined (adding outcomes related to jail incarceration) to the analyses of data related to housing placements made in 2017. We also *extended* the Year 4 study in that we repeated all these analyses using records of people receiving housing placements in 2019.

The results of the expansion of the analyses of the 2017 placements support the results found in the earlier study and adds jail findings.

- The largest differences found in the Year 4 study were observed for inpatient hospitalizations in the DHS systems. For individuals with RRH placements, days in inpatient settings decreased after placement, while they increased significantly for the control group. Similarly, for individuals placed in PSH, days in inpatient settings declined substantially, while they increased modestly for the control group. In the current, expanded study, we found these substantial decreases to persist through the second year following PSH and RRH placements.

- We observed modest declines in emergency room use for both RRH and PSH placements and in outpatient visits for PSH placements. In contrast, homeless individuals in control groups show moderate increases in emergency room use for both RRH and PSH placements and in outpatient visits for PSH placements. Again, our expanded analyses show these reductions to continue over the second post-housing placement year.

- The largest differences in mental health services use were observed for days spent in acute inpatient hospital settings. For both RRH and PSH placements, acute care inpatient days decreased substantially, while increasing significantly for the comparable groups with no placement. These decreases continued into the second post-housing placement year as well.

- Just as we found substantial, expanded reductions in inpatient DHS and DMH care, we also found substantial reductions over the two-year period following RRH and PSH placements for days spent incarcerated in the LA County jail.

- There were no significant differences, in either the first or second post-housing placement year, for those placed in IH. For health, mental health, and jail services use, IH placements did not appear to mitigate the need for inpatient health and mental health care, nor was it associated with less time in jail.

By adding findings of large post-housing placement reductions in jail days, this updated study strengthens our conclusion from last year that the largest collateral reductions associated with RRH and PSH placements come from inpatient stays in the DHS and DMH systems. Inpatient stays and incarceration are some of the most expensive types of systems use. Having access to stable housing likely shortened hospital stays, as patients can discharge earlier and convalesce at home, or may obviate entirely the need for an inpatient stay. Stable housing also appears to decrease vulnerability to incarceration, perhaps because of corresponding reductions in time spent performing survival tasks in public places where they become targets of law enforcement.

[19] Culhane, Dennis P., Metraux, Stephen, & Hadley, Trevor. (2002). Public service reductions associated with placement of homeless persons with severe mental illness in supportive housing. *Housing Policy Debates* 13(1), 107–163; Henwood, Benjamin F., Dichter, Howard, Tynan, Robert, Boermer, Krista, & Fussaro, Adam. (2015). Service use before and after the provision of scatter-site Housing First for chronically homeless individuals with severe alcohol use disorders. *International Journal of Drug Policy* 26: 883–886; Larimer, Mary E., Malone, Daniel K., Garner, Michelle D., Atkins, David C., Lonczak, Heather S., Ginzler, Joshua, Hobson, William G., & Marlatt, G. Alan. (2009). Health care and public service use and costs before and after provision of housing for chronically homeless persons with severe alcohol problems. *Journal of the American Medical Association* 301: 1349–1357; Ly, Angela, & Latimer, Eric. (2015). Housing First impact on costs and associated cost offsets. *Canadian Journal of Psychiatry* 60: 275–287; McLaughlin, Thomas Chalmers. (2011). Using common themes: Cost-effectiveness of permanent supported housing for people with mental illness. *Research on Social Work Practice* 21: 404–411; Sadowski, Laura S., Kee, Romina A., Vander Weele, Tyler J., & Buchanan, David. (2009). Effect of a housing and case management program on emergency department visits and hospitalizations among chronically ill homeless adults: A randomized trial. *Journal of the American Medical Association* 301(17): 1771–1778.

In light of the previous research literature and the findings from the 2017 cohort, we could expect that extending this study to a cohort of 2019 housing placements would find further support of this association between housing placements and reduced presence in other systems. That expectation was dashed, however, with the onset of the COVID-19 pandemic in early 2020. The pandemic response was such that access to health and mental health services became more limited, and reductions and alternatives to incarceration eventually reduced the jail population by about one-third in LA County. In such a situation, reductions in health, mental health, and jail use would be more universal, and those who used these systems more frequently could be expected to see greater reductions in their uses of these systems. A cursory look at the 2019 cohort findings we report here appears to support this assumption, as the substantial inpatient and jail reductions shown by the RRH and PSH components of the 2017 cohort were either substantially reduced or wiped out completely.

In conjunction with drawing this conclusion, we take a closer look at the mean inpatient days (health and mental health) and jail incarceration days that we found among the RRH and PSH placement groups and their matched controls in the 2019 cohort. Here we examine whether the changes in mean days across these three measures before and after RRH and PSH placements—the bases of the difference-in-differences assessments made in this section—are consistent with the aforementioned expectations. Table 5-10 provides the data to do this for the RRH placements and Table 5-11 for the PSH placements.[20]

Table 5-10: Mean days spent in three LA County system components pre- and post-housing placement: Rapid Rehousing (RRH) placements

	Pre-Year	Post–Year 1	Post–Year 2
	Placements (2017 Cohort)		
DHS—Inpatient Days	5.9	4.3	4.8
DMH—Acute Inpatient Days	17.2	5.8	9.5
SD—Days in Jail	8.8	20.4	11.9
	Controls (2017 Cohort)		
DHS—Inpatient Days	2.7	14.5	18.2
DMH—Acute Inpatient Days	12.1	26.1	35.6
SD—Days in Jail	8.8	34.3	20.1
	Placements (2019 Cohort)		
DHS—Inpatient Days	4.7	2.9	2.8
DMH—Acute Inpatient Days	7.1	5.4	5.2
SD—Days in Jail	8.1	12.9	10.1
	Controls (2019 Cohort)		
DHS—Inpatient Days	5.4	7.2	4.3
DMH—Acute Inpatient Days	8.4	8.6	6.6
SD—Days in Jail	10.8	30.6	15.1

DHS and DMH inpatient uses show patterns that are consistent with the COVID-related dynamics whereby these services became universally more difficult to access. In 2017, the case-control differences in mean inpatient use days for both DHS and DMH services were due to both reductions in use by the placement groups and increases in use by the control groups. In 2020, the post-placement service use patterns still declined some for the placement group, but only increased slightly for the controls (instead of the large increase seen in the 2017 cohort) in post–Year 1 and decreased slightly in post–Year 2. These cutbacks in the large increases seen in 2017 fit the post-COVID pattern where getting admitted to inpatient services became much more difficult, which hit the control group particularly strongly.

[20] Both of these tables draw on the more complete data on mean use of all of the system components, by those receiving placement and controls across pre- and post-housing placement time periods and across three types of housing placement, that are presented in Subsection 4, Appendix B.

For jail days, the differences between placement and control groups in 2017 were due to the difference between small post-placement increases for the RRH placement group compared to large increases for the control group. This pattern held for the RRH placement group, but the increases were less substantial for the RRH control group. Even though there is less reduction in days compared to 2017 cohort levels than would be expected in the pandemic, these dynamics also fit the COVID explanation.

Table 5-11: Mean days spent in three LA County system components pre- and post-housing placement: Permanent Supportive Housing (PSH) placements

	Pre-Year	Post–Year 1	Post–Year 2
	Placements (2017 Cohort)		
DHS—Inpatient Days	18.9	7.0	10.6
DMH—Acute Inpatient Days	25.6	8.7	13.9
SD—Days in Jail	20.4	29.0	22.3
	Controls (2017 Cohort)		
DHS—Inpatient Days	10.9	12.6	16.5
DMH—Acute Inpatient Days	14.4	23.9	33.8
SD—Days in Jail	18.0	40.1	34.9
	Placements (2019 Cohort)		
DHS—Inpatient Days	16.5	6.0	5.7
DMH—Acute Inpatient Days	14.5	7.5	12.3
SD—Days in Jail	11.6	13.6	12.8
	Controls (2019 Cohort)		
DHS—Inpatient Days	17.9	7.8	7.4
DMH—Acute Inpatient Days	13.0	10.5	10.8
SD—Days in Jail	30.4	32.3	30.0

Table 5-11 shows the changes in systems use across one pre- and two post-housing placement years for the 2017 and 2019 cohorts. The patterns are similar to those found for the RRH placements in Table 5-10, where increases in inpatient use (DHS and DMH) by the control group during the 2017 cohort are cut back more drastically, compared to the placement group, in the 2019 cohort. Patterns for the jail days are harder to discern in the PSH group because of the difference in pre-housing placement levels of jail days between the placement and control groups and in the substantial accruals of jail days that persisted in both post-placement years, which is counter to the expectation that jail days would be reduced.

The results here support our conclusion that the onset of COVID-19 and the corresponding changes in access to public systems is a plausible explanation for the disruption seen in the 2019 cohort to an established pattern of reductions in systems use associated with placements to RRH and PSH, as shown by the 2017 cohort. In the wake of such a disruption, it is unclear when or if the pattern found in the 2017 cohort will reestablish itself. This warrants further monitoring of how housing placements impact collateral public systems in subsequent years and with subsequent housing placement cohorts.

Conclusion

This report has continued the HI outcomes presented in the previous four reports in this series and expanded the focus of these reports by including two sections with examinations of the dynamics of homelessness in LA County and the impacts of homeless services that were established or expanded under HI. After the introduction, the next three sections add a fifth year of findings to the macro-, meso-, and micro-measures that have been at the heart of outcomes reporting related to the HI. The two additional sections examine homeless population dynamics and the collateral use of health and mental health services, and jail incarceration of homeless populations. To conclude, we present an integrated summary and discussion of these findings as a basis for assessing their implications for HI and homelessness in Los Angeles.

6.1 MACRO- AND MESO-MEASURES

Key Takeaway #1

The outcomes in Year 5 extended the trend of increasing systemwide PH placements, but the number of HI-funded placements dropped by over 20%. Moreover, in Year 5, the trend of modest reductions in length of time homeless, was reversed by an increase from 84 to 97 days for all placements. Returns to homelessness within six months of a placement remained at the same level as Year 4, at 8%.

Findings from Year 5 show that, for the fourth consecutive year, over 20,000 people experiencing homelessness exited homeless services to PH placements (macro-measure 2). However, the number of PH placements occurring within the purview of HI-supported initiatives (meso-measure 3) dropped by more than 2,000. Over the four years of HI implementation, almost 75,000 unduplicated people exited shelter stays to PH (both HI- and non-HI-funded), and almost 32,000 of these exits came under the auspices of HI-supported services.

Noteworthy also was the continuing decline in HI interim housing placements, which decreased by more than 55% in the last two years after significant year-over-year growth in the earlier years with the impact of the COVID-19 pandemic, while the systemwide IH placements stayed almost steady during the last three years. Increasing its systemwide shelter capacity during this period, the County mitigated the reduction in the sheltered homeless population under the mandate to "decompress" shelter facilities. Similar to Year 4, in Year 5, Project Roomkey, Project Homekey, and other new IH inventory were able offset much of the loss of HI-funded interim housing placements systemwide but could not fully overcome the effects of shelter decompression. In addition, rental unit vacancies in LA have been very low over the past couple of years, making permanent housing opportunities harder to secure. This has made the IH lengths of stay longer, thus reducing the number of IH beds that turn over.

6.2 DYNAMICS OF HOMELESSNESS

Key Takeaway #2

Similar to our Year 4 results, the data indicate that the growth in the homeless population receiving HMIS services is driven primarily by people with persistent homelessness-people with barriers who cannot exit homelessness on their own or who have repeated reentries. The gradual decline in new entries into HMIS continued after the pandemic, and the gap between entries and exits declined recently. However, the significant increase in the long-term homeless groups did not slow down.

With five years having passed since the initiation of HI, there is growing opportunity to assess dynamics related to homelessness and homeless services that stand to inform and improve homeless services structure and delivery under HI. This report extended the assessment presented in the Year 4 report by including post-COVID-19 years.

In Section 4, similar to our Year 4 results, our analysis of inflows and exits suggests that the growing census is primarily a result of increases in the persistently homeless subgroup. While the gradual decline in new entries into HMIS after the pandemic, coupled with a smaller gap between entries and exits, are promising indicators, the long-term triggers of the homeless growth—re-entries and carryover from the earlier years—continued to grow significantly. Hence, the focus on addressing persistent homelessness continues to have the greatest potential impact on the level of homelessness in Los Angeles. The continuing expansion of permanent housing supply under Proposition HHH holds some promise that significant progress can be made. Additional efforts to stabilize people at risk of persistent homelessness, and to prioritize existing resources toward housing them, could also avert further accumulation of people in this subgroup, and contribute to a reduced census.

6.3 PRE-POST EVALUATION OF HEALTH, MENTAL HEALTH, AND JAIL INCARCERATION OUTCOMES

Key Takeaway #3

Data from LA County demonstrate marked reductions in inpatient services use following placement into RRH and PSH, particularly in inpatient days in public health and mental health facilities and days spent incarcerated in jail. However, more restricted access to these systems following the onset of the COVID-19 pandemic reduced or eliminated these differences. This requires further monitoring to understand how the pandemic has changed the impacts of placements to permanent housing on other systems.

The results of this pre-post study update and strengthen the conclusions we made in the more limited version of this study in the Year 4 HI report: There were large collateral reductions in systems use associated with permanent housing placements, particularly from inpatient stays in the DHS and DMH systems, and in days spent in jail. Inpatient stays and incarceration are some of the most expensive types of systems use. However, we also suggest, and present results that support, that the onset of COVID-19 and the corresponding changes in access to public systems led to the disruption of this pattern of reductions in systems use associated with placements to RRH and PSH. In the wake of such a disruption, it is unclear when or if the pattern found in the 2017 cohort will reestablish itself. This warrants further monitoring of how housing placements impact collateral public systems in subsequent years and with subsequent housing placement cohorts.

6.4 HI AND HOMELESSNESS IN LA COUNTY: LOOKING AHEAD

Key Takeaway #4

The pandemic continued to hobble progress in HI-funded placements in Year 5. HI-funded permanent housing placements dropped almost 12.5%, from 9,857 in Year 4 to 8,623 in Year 5. HI-funded interim housing placements declined 41.4%, to 8.682, as a result of shelter bed decompression associated with the pandemic but was essentially offset almost entirely by 6,600 interim placements in hotels and motels through Project Roomkey. Because there was no PIT count in 2021, the trend in unsheltered homelessness is unknown. Continued growth in PSH placements funded through Proposition H should lead to increases in PSH placements next year, and for the next several years ahead.

The pandemic continued to impact HI program placements. A 22% decline in PH placements, and a 41.4% decline in IH placements, meant that HI placements overall showed a significant decline. The decline in IH placements was essentially offset by Project Roomkey, which served 6,600 people in hotel- and motel-based IH in Year 5. As Project Roomkey winds down, and shelter decompression policies are lifted, IH placements beyond Project Roomkey should rebound. The size and pace of Project Homekey developments will be a key factor in creating more PH placements in the coming year (and years), adding to the expected increase in Proposition H–funded PSH placements. Thus, the overall number of both PH and IH placements is expected to increase next year, absent a resurgence in COVID.

The continued availability of federal American Recovery Plan resources might also mitigate overall levels of homelessness, although this is far from certain. Remaining funds for emergency rental assistance and special vouchers for people who experience homelessness could both reduce inflow and increase exits this year. However, because these funds can serve a larger population than currently homeless households alone (including those at risk or facing eviction), the net impact on homelessness is uncertain, as is the impact of the end of the eviction moratorium.

State dollars, especially Homelessness Assistance Program funds, were also increased substantially for the current and next fiscal years. Whether and how these funds will mitigate homelessness across LA County remains to be seen, as local governments and CoCs have some discretion as to how funds are spent, and the relative priority for temporary versus permanent housing placements is subject to debate.

In short, the federal, state, and local funding contexts around homelessness mitigation in LA County complicate any forecasts of overall homelessness rates. The lack of a PIT count in 2021 also means that the 2022 count will be important for understanding how the pandemic and pandemic relief programs may have affected the level of unsheltered homelessness in the region. More routine and improved data collection will remain important for any future assessment of progress, and for understanding the continuing ramifications of the pandemic and the related mitigation programs intended to alleviate some of the impact.

APPENDIX A

Micro-Level Strategy Performance Measures

The performance outcomes developed for each of the individual HI strategies are the foundation of the higher-order (macro and meso) results presented in this document. When micro-data were not available, these strategies are assessed based on the County's quarterly reports. This section presents highlights of Year 5 outcomes from selected strategies, comparing them to Year 4 outcomes in five topic domains.

A.1. TOPIC A: PREVENT HOMELESSNESS

Summary of Micro-Measure Outcomes for Topic A

TOPIC A: PREVENT HOMELESSNESS

- The number of families served under Strategy A1 (Homelessness Prevention Program for Families) decreased by 36% between Years 4 and 5, while the number of newly enrolled households declined by more than 56%.
- The percentage of participant families that exited A1 and either retained their housing or moved into PH decreased from approximately 79% to 74%.
- Strategy A5 (Homeless Prevention Program for Individuals) expanded in Year 5. Active enrollments increased from 2,189 to 2,917, by over 33%, and new enrollments rose from 1,120 to 1,760, by almost 30%.
- The proportion of participants that exited the program who managed either to retain their housing or move to PH decreased from 74% to 66%.

Outcomes of these two strategies are shown in Figure A-1.

A.1.1. A1: Homeless Prevention Program for Families

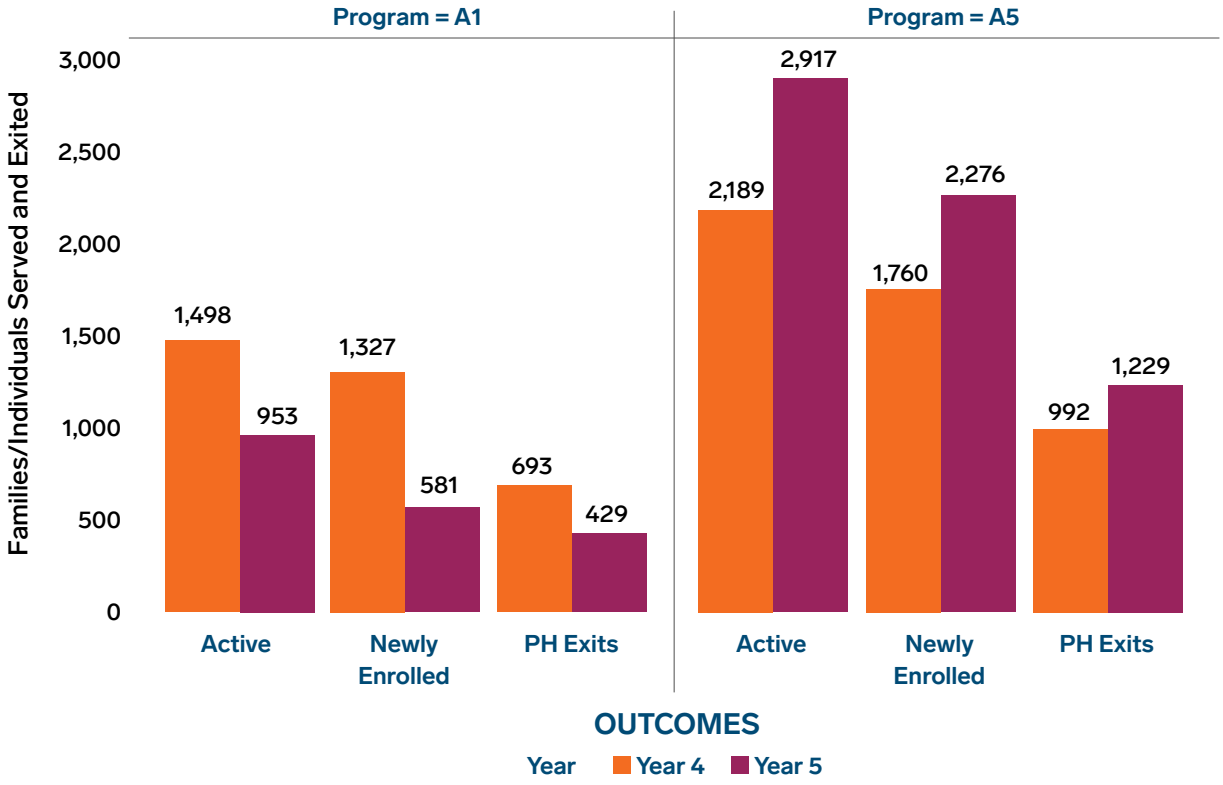
- For Strategy A1, in Year 5, active household enrollments decreased from 1,498 to 953, and newly enrolled households decreased from 1,327 to 581.
- The number of families that exited into PH also declined from 693 in Year 4 to 429, and the proportion of participant families that exited the program who managed either to retain their housing or move to PH decreased from 79% to 74%.

A.1.2. A5: Homelessness Prevention Program for Individuals

- Unlike A1, Strategy A5 expanded significantly in Year 5. Active enrollments increased from 2,189 to 2,917, and the number of new enrollments rose from 1,760 to 2,276.
- The number of individuals who exited into PH also increased from Years 4 to 5 (from 992 to 1,229), but the proportion of participants that exited the program who managed either to retain their housing or move to PH decreased from 74% to 66%.

Figure A-1. Number of Families and Individuals Prevented from Becoming Homeless

A1 - Families and A5 - Individuals



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A.2. TOPIC B: SUBSIDIZE HOUSING

Summary of Micro-Measure Outcomes for Topic B

TOPIC B: SUBSIDIZE HOUSING

- In Year 5 the number of B1 participants who secured subsidized housing slightly dropped from 1,386 to 1,205.
- Strategy B3 (Partner with Cities to Expand RRH) continued to contract in Year 5 with the impact of COVID-19. The number of new enrollments dropped from 8,995 in Year 4 to 5,816, and the number of active participants declined from 19,297 to 14,758. The number of B3 participants remaining in PH increased slightly, from 3,114 to 3,427.
- Strategy B7 (Interim/Bridge Housing for Those Exiting Institutions) also contracted in Year 5. The number of active enrollments decreased from 4,333 in Year 4 to 2,390, and the number of new enrollments declined from 3,865 to 1,864.

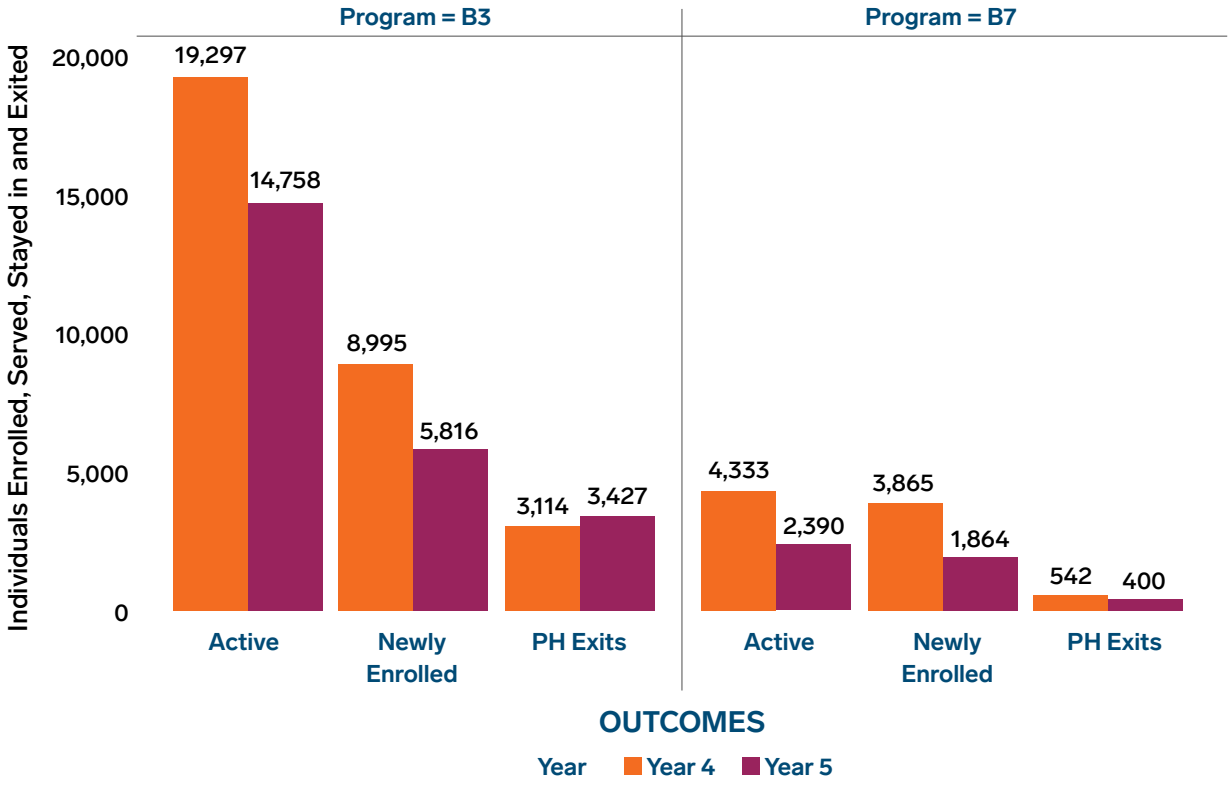
Detailed outcomes were available for Strategies B3 and B7, and summary outcomes were available for Strategies B1 and B4:

A.2.1. B1: Provide Subsidized Housing to Homeless Disabled Individuals Pursuing SSI

- DPSS suspended new B1 subsidy referrals/enrollments and placements for GR participants from March 2018 to February 2019 due to funding uncertainties. After the suspension was lifted, DPSS added 1,386 new placements in Year 4 and 1,205 new placements in Year 5.
- The number of B1 participants approved for SSI decreased from 210 in Year 4 to 133 in Year 5.

A.2.2. B3: Partner with Cities to Expand Rapid Rehousing

Figure A-2. Individuals Enrolled in and Served by and Stayed in or Exited into PH
B3 and B7 Programs



As shown in Figure A-2:

- In Year 5, this program continued to contract with the impact of COVID-19 after expanding in the earlier years. The number of new enrollments dropped from 8,995 to 5,816, and the number of active participants declined from 19,297 to 14,758.

- Of B3 participants who secured housing with a Rapid Rehousing subsidy, the number who remained in permanent housing upon exiting the RRH program increased slightly, from 3,114 to 4,427, while the proportion of those remaining in PH upon exiting the RRH program increased from 86% to 95%.

A.2.3. B4: Facilitate Utilization of Federal Housing Subsidies

- The program contracted significantly in Year 5 relative to levels achieved in Year 4:
  - The total amount of security deposits and move-in assistance decreased from $6 million to below $1.7 million.
  - The number of formerly homeless housed with B4 incentives decreased from 2,277 to 766.
  - The number of units leased with B4 incentives decreased from 2,425 to 712.
  - The amount of incentives provided to landlords decreased from almost $4.2 million to over $1.2 million, and the number of landlord requests to participate declined from 1,929 to 918.

A.2.4. B7: Interim/Bridge Housing for Those Exiting Institutions

As shown in Figure A-2:

- In Year 5, the growth in the B7 program reversed for reasons primarily related to public safety protocols imposed in response to the pandemic. The number of active enrollments decreased from 4,333 to 2,390, and the number of new enrollments declined from 3,865 to 1,864. The number of B7 participants who exited to a PH destination also decreased, from 542 to 400.
- The distribution of the institutions through which individuals under B7 were served did not change significantly relative to Year 4 (not in figure). The share of substance abuse treatment centers increased from 33% to over 40%, making these centers the institution with the highest share.

A.3. TOPIC C: INCREASE INCOME

Summary outcomes were available for the following strategies:

A.3.1. C2/C7: Increase Employment for Homeless Adults

Summary of Micro-Measure Outcomes for Topic C

TOPIC C: INCREASE INCOME

- Under Strategies C2 (Increase Employment through Supporting Social Enterprise) and C7 (Subsidized Employment for Homeless Adults), the number of participants enrolled in transitional employment decreased from 2,246 to 1,847 in Year 5, while the number of participants with subsidized employment rose from 1,220 to 1,641.
- Participants enrolled in the Countywide SSI Advocacy Program, strategies C4, C5 and C6, decreased from 16,888 to 12,839. The number of participants whose applications for SI/ Veterans' benefits were submitted decreased from 2,168 to 1,564, and the number of participants approved for SSI/Veterans' benefits declined from 839 to 584.

- The program showed mixed results in Year 5:
  - The number of participants enrolled in transitional employment decreased from 2,246 to 1,847.
  - The number of participants placed in unsubsidized employment continued to increase, from 1,220 to 1,641.

A.3.2. C4/C5/C6: Countywide SSI/Veterans' Benefits Advocacy Program for People/Veterans/Inmates Experiencing Homelessness or at Risk of Homelessness

- Countywide Benefits Entitlement Services Teams (CBEST) programs contracted in Year 5:
  - The number of individuals currently enrolled decreased from 16,888 to 12,839. Of the 12,839 enrollments in Year 5, roughly a quarter of them, or 3,439, were newly enrolled during the year.
  - The number of participants whose applications for SSI/Veterans' benefits were submitted decreased from 2,168 to 1,564. The number of participants approved for SSI/Veterans' benefits also declined, from 839 to 584.
  - In considering these decreases, the particularly challenging impact of COVID 19 on the CBEST program should be noted. Significant pandemic-related delays within the Social Security Administration resulted in historic low award rates and the quadrupling of application processing times. It is also worth highlighting that redesigned version of the the CBEST program was launched in Year Five, which entailed a period of ramping up, during which a drop off in enrollment and submitted application would be the expected norm.
  - There were 1,442 participants receiving "Benefits Advocacy Services" intensive case management services, which is a new metric in Year 5.

A.4. TOPIC D: PROVIDE CASE MANAGEMENT SERVICES

Summary of Micro-Measure Outcomes for Topic D

TOPIC D: PROVIDE CASE MANAGEMENT SERVICES

- Inmates receiving jail in-reach services under Strategy D2 (Expansion of Jail In-reach) declined from 1,223 to 809.
- The number of homeless persons seeking to clear criminal histories under Strategy D6 (Criminal Record Clearing Project) decreased from 4,163 to 2,847.
- PH placements associated with Strategy D7 (Provide Services and Rental Subsidies for PSH) continue to expand in Year 4. The number of new enrollments increased from 3,995 in Year 3 to 4,846. The number of active participants increased from 7,255 to 12,573. The number of placements in permanent housing increased from 2,150 to 2,409.
- The number of participants in existing PSH units that had insufficient supportive services (D7-Flex) who began receiving D7 intensive case management services to increase housing retention more than doubled in Year 4, from 803 to 1,885.

Summary outcomes were available for Strategies D2 and D6, and micro-data were used for Strategy D7:

A.4.1. D2: Expansion of Jail In-reach

- The program contracted in Year 5:
  - The number of inmates who received services dropped from 1,223 to 809, while the number of VI-SPDAT assessments declined from 952 to 769.
  - The number of D2 participant inmates placed in bridge housing upon release decreased from 379 to 162 because of the impact of COVID-19.

- The number of D2 participant inmates referred for General Relief assistance increased from 124 to 198, while those referred for Medi-Cal application dropped slightly, from 546 to 532.

Summary of Micro-Measure Outcomes for Topic E

TOPIC E: CREATE A COORDINATED SYSTEM

- The number of individuals receiving services and/or referrals through Strategy E6 (Countywide Outreach System) continued to expand in Year 4. The number of individuals newly engaged increased from 10,905 to 14,005. The number of individuals who were placed in crisis or bridge housing more than doubled, from 1,468 to 3,093. However, the number of persons who were connected to services or who obtained referrals dropped from 17,673 to 15,419.
- The number of households assessed in the E7 (Strengthen the Coordinated Entry System) program increased from 27,116 to 22,538. Average length of time from assessment to housing match increased from 257 to 376 days. Number of persons/households who increased their income rose slightly, from 7,093 to 7,404.
- Strategy E8 (Enhance the Emergency Shelter System) contracted significantly in Year 5 as a result of the COVID-19 crisis, as in Year 4. The number of new enrollments decreased from 12,503 to 7,546, and the number of active participants decreased from 18,129 to 14,073. In contrast, the number of participants exiting to permanent housing increased from 3,647 to 4,723.

A.4.2. D6: Criminal Record Clearing Project

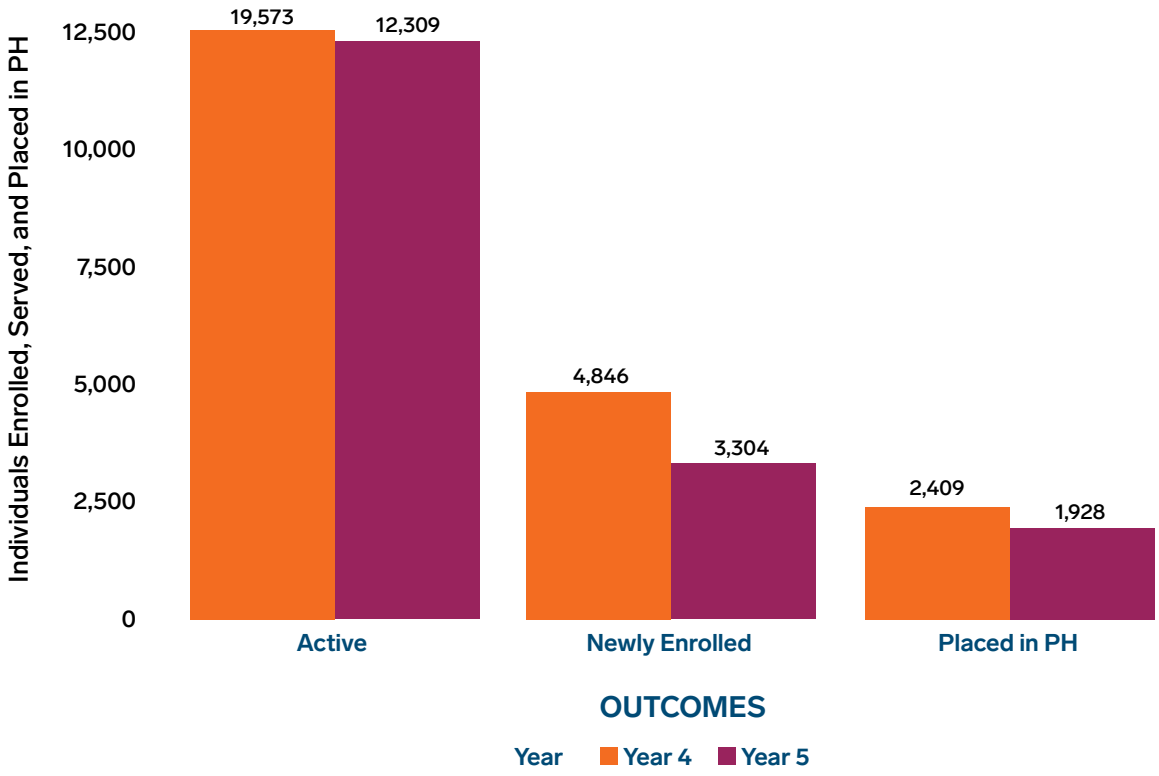
- In Year 5, the program showed lower filings and outcomes:
  - Petition filings for dismissal or reduction of criminal records by the Public Defender and City Attorney decreased from 4,163 to 2,847.
- The number of petitions granted decreased from 3,242 to 2,035.
- The number of homeless persons engaged decreased from 1,731 to 1,206.

A.4.3. D7: Provide Services and Rental Subsidies for PSH

- The program contracted in Year 4. The outcomes are shown in Figure A-3:
  - The number of new enrollments decreased, from 4,846 to 3,304.
  - The number of active participants declined slightly, from 12,573 to 12,309.
  - The number of placements in permanent housing also decreased, from 2,409 to 1,928.

Figure A-3. Individuals Enrolled in and Served by and Placed in PH

D7 Program



A.5. TOPIC E: CREATE A COORDINATED SYSTEM

Micro-data were used for Strategy E8, and summary outcomes were presented for three other strategies.

A.5.1. E6: Countywide Outreach System

- The program expanded in Year 5, as in Year 4:
  - The number of individuals newly engaged increased from 14,005 to 16,936, increasing total engagements from 19,224 in Year 4 to 23,647.
  - The number of persons who were connected to services or who obtained referrals rose from 15,419 to 19,271.
  - The number of individuals who were placed in crisis or bridge housing declined slightly, from 3,093 to 2,924, and placements in PH decreased from 699 to 544.

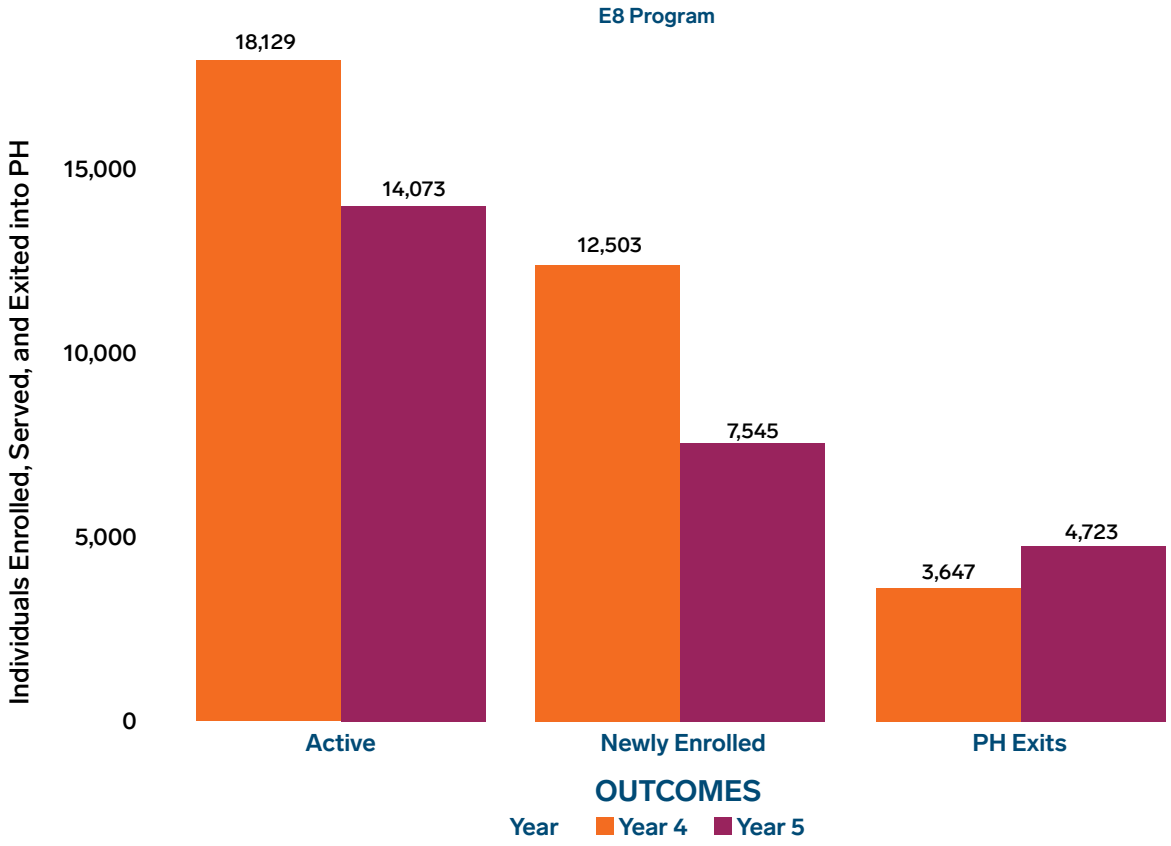
A.5.2. E7: Strengthen the Coordinated Entry System

- Outcomes for the E7 strategy are as follows:
  - The number of households assessed decreased from 22,538 to 21,244.
  - Average length of time in days from assessment to housing match (for those who had a housing match) stayed almost the same at 377 days.
  - The number of persons/households who increased their income decreased from 7,404 to 6,875.
  - Average acuity score of persons or households who obtained permanent housing continued to increase, from 8.6 to 9.5.

A.5.3. E8: Enhance the Emergency Shelter System

- The program contracted in Year 5, as shown in Figure A-4:
  - The number of new enrollments decreased from 12,503 to 7,546.
  - The number of active participants decreased from 18,129 to 14,073.
  - In contrast to enrollments, the number of participants exiting to permanent housing increased, from 3,647 to 4,723.
  - The decline in IH placements in Year 5 was caused mainly by the COVID-19 crisis, similar to Year 4.

Figure A-4. Individuals Enrolled in and Served by and Exited into PH



A.5.4. E14: Enhanced Services for Transition Aged Youth (TAY)

- Outcomes for the E14 strategy are as follows:
  - The number of TAY youth who were assessed using the Next Step Tool decreased from 2,404 to 1,587.
  - The percentage of participants who exited transitional housing to permanent housing destinations decreased from 49 to 40.

APPENDIX B

Technical Appendix

B.1 METHODOLOGY OF FLOW ANALYSIS

In this section, we elaborate the methodology developed in Section 4 to estimate monthly, quarterly, and annual numbers of flows into and out of homelessness. We applied the same methodology that was developed for the Year 4 report, as summarized below. We used four years of HMIS data for clients, projects, enrollments, exits, and services between 2018 and 2021. The data behind these calculations represent monthly arrays of homelessness indicators for everyone recorded in HMIS. If a person enrolled in a homeless program in a month, the value of the array is 1. It is 0 otherwise. Each person has one or more homelessness episodes over time, and each episode has a start and end date. The episode may end in a month or may extend over several months. If there are multiple entries and exits in a month, all these incidents are aggregated and shown as a single episode in that month. Even though it has some limitations, this approach operationalized the data effectively to assess the flows of dynamics. The entries, exits, re-entries, and re-exits can be easily identified, and monthly homelessness metrics like entries and exits as well as the total number of homeless in a month can be accurately estimated.

Figure B-1 shows the examples of several types of homelessness episodes. In the figure, blue circles show entries to homelessness (HMIS enrollments), orange circles show permanent placements in HMIS, blue crosses show exits to homeless destinations, blue lines show homelessness episodes, and orange lines reflect placement episodes.

In our analysis, we used three categories, as demonstrated in the figure:

- *Previous carryover* refers to the group that were already homeless—receiving HMIS services in the end of Year 1 and staying homeless in the beginning of Year 2. It is a continuous episode basically showing that a person is homeless at least in December of Year 1 and January of Year 2. The entry is in Year 1 or earlier.

- *Re-entries* refers to the group who were homeless—receiving HMIS services in the previous years and returned to homelessness (HMIS)—in Year 2. A re-entry may also happen in Year 2 when a person enters and exits homelessness (HMIS) and then re-enters later in that year.
  - However, to avoid double-counting, in annual estimates we ignore this type of re-entry and only count the first entry.

- *New entries* refer to the group who become homeless—receiving HMIS services for the first time in Year 2, which may be observed in different modes. The most typical is the case when a person enrolled in HMIS for the first time, as in an outreach project. The second example is the case when a homeless person is placed in RRH or PSH at the time of enrollment, which is shown as a single point of homelessness because he/she was homeless at the time of placement. The third case occurs when a placement episode ends with an exit to a homeless destination. The final case is similar, but the placement episode ends with an enrollment in a homeless program in HMIS.

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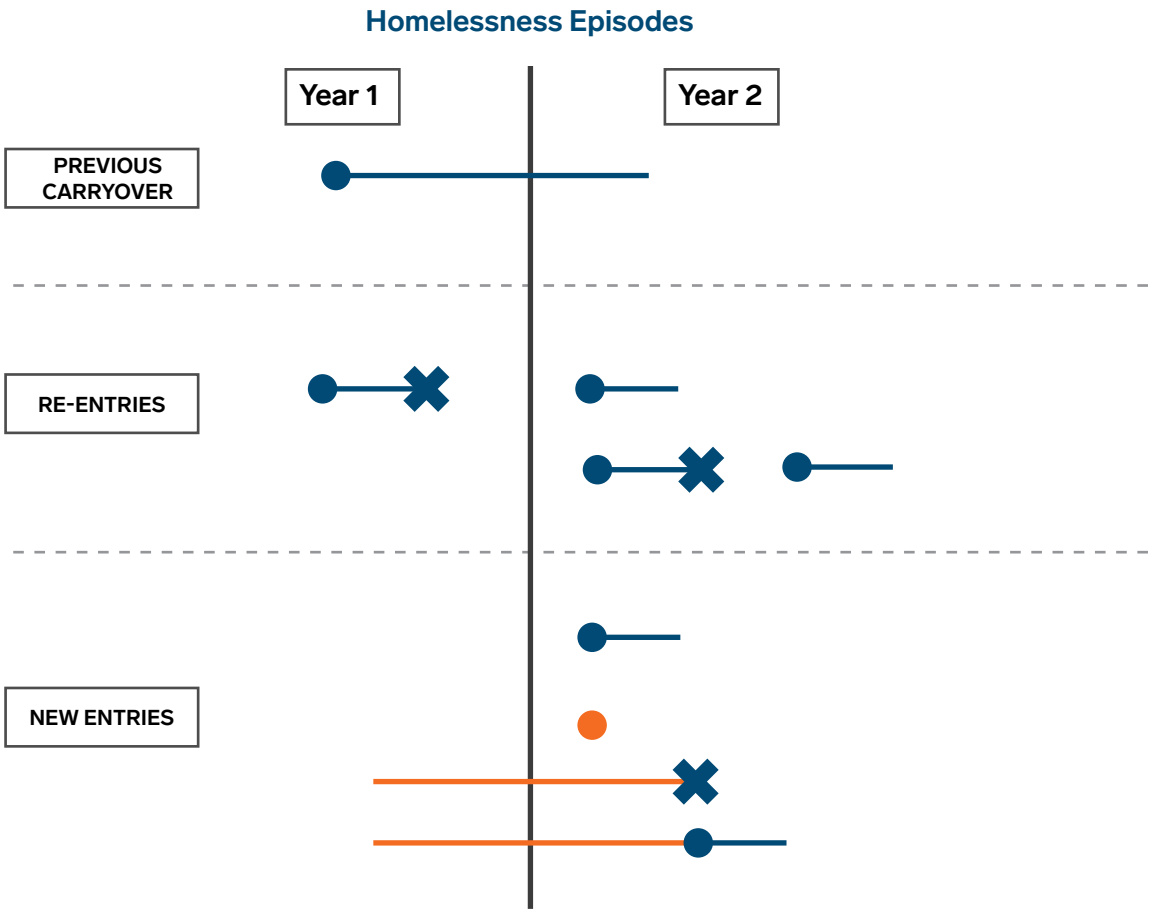
Figure B-1: Homelessness Episodes



Since the HMIS data are subject to various data quality problems, we made several assumptions and modifications to enhance the data for more accurate results. The most critical of these assumptions and enhancements are listed below:

- All homelessness prevention enrollments are excluded from the analysis.
- Many HMIS enrollments do not have an exit date. They are open-ended enrollments. Our approach fixes some of them. For example, for separate outreach enrollments over multiple months with no exit dates, the person is shown as homeless over all those months, since there is an enrollment every month. We also made the following enhancements:
  - If an exit date is missing, we used service episodes to determine an exit date when service data are available for a person.
  - Otherwise, we used average program lengths by year to impute exit dates for each project type.
  - One exception is the shelter stays after COVID-19. We did not impute an exit date for these episodes if shelter stay is the last enrollment date for a client.
- If the project is a RRH or PSH project, we assume that the person is homeless at the time of placement, so that month is shown as a homeless month for that individual.
- If a person exits to a homeless destination, we assume the person stays homeless for the next 30 days, extending the known homeless episode by one month.

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- If the exit destination is unknown (undeclared, missing, or other), we tracked the person in HMIS for six months forward. If there is no new enrollment, then exits are assumed to be exits to a non-homeless destination. Otherwise, the exits are assumed to be into homeless destinations.
- If there is a gap of one month's non-homelessness between two months in homelessness and receiving HMIS services, we assumed that the person is also homeless in the middle month.

Finally, we use an additional homelessness category, which we call persistently homeless. This group refers to those households who were homeless and receiving HMIS services for six months or more during the previous 12 months. This definition is a proxy for chronic homelessness and intends to show homeless persons who stay homeless for longer periods of time. Many of them become chronically homeless after staying persistently homeless.

Monthly calculations are the sum of all homeless categories, such as entries or re-entries, by month for all homeless persons in the data. Annual calculations are the unique count of individuals who are homeless at least once each year. The previous carryover group is used only for annual calculations, since it is not relevant for monthly numbers. Quarterly numbers are aggregations of monthly numbers.

We use a unique identifier for each homeless client that was historically retained for the homeless population recorded in HMIS over time. A robust entity resolution using fuzzy matching algorithms was developed to identify duplicate personal IDs over time.

Our methodology is subject to some limitations. The most critical is our definition of homelessness. We are restricted to the HMIS data, excluding any homeless person who does not engage in a homeless program in HMIS. Some of these excluded persons may be part of the PIT count, and some may be out of the HMIS and PIT count altogether. These groups are unknown. However, the analysis is consistent over years for a very large section of the homeless population in Los Angeles County and shows their dynamics effectively.

Second, a large proportion of exits in HMIS are either unknown, or an exit is observed with an unknown destination. This limitation leads to an unknown but significant undercount of homelessness in the data. As noted above, we enhanced the data to minimize this limitation, but this undercount still exists and needs to be assessed further.

Finally, our analysis does not capture short stints of homelessness that are less than one month. Multiple stints are aggregated in a month. However, our purpose is to examine long-term dynamics, so this has limited impact on our analysis.

B.2 PROPENSITY SCORE MATCHING AND CONTROL GROUPS

To control for pre-existing systematic differences, the most commonly used methodology is propensity score matching (PSM). The propensity scores are used to account for confounding by matching control subjects to treated subjects.[21] PSM creates an output data set that contains a sample that has been adjusted by matching so that the distributions of the pre-enrollment variables are balanced between the treated and control groups. The process is initiated by generating a propensity score for each observation in the data set using a logistic regression model that includes all relevant covariates contributing to a participant's engagement in the program in question. The model estimates the probability of a person being in the treatment group for all individuals in the treatment and non-treatment groups. The propensity score would then be the predicted probability of participating in the program. After propensity scores are generated, a control group is constructed by matching participants to non-participants based on the distance difference in the propensity score of the participants and the controls, applying a matching algorithm. After the selection of control groups using PSM, the treatment and control groups are compared to test whether all covariates are balanced. The validity of a propensity score model depends on how well it balances the measured variables between experimental and control subjects. After adequate variable balance has been achieved, an outcome analysis is performed, applying statistical tests as in a randomized study.

[21] Guo, S., & Fraser, M. W. (2015). *Propensity score analysis: Statistical methods and applications.* 2nd ed. Sage; Rosenbaum, P. R., & Rubin, D. B. (1983). The central role of the propensity score in observational studies for causal effects. *Biometrika* 70, 41–55; Stone, C. A., & Tang, Y. (2013). Comparing propensity score methods in balancing covariates and recovering impact in small sample educational program evaluations. *Practical Assessment, Research and Evaluation* 18(13); Stuart, E. A. (2020). Matching methods for causal inference: A review and a look forward. *Statistical Science* 25:1–21.

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In Section 5, for each treatment group, using PSM, we built control groups using several covariates available from HMIS, including demographics and disabilities. In addition, prior health and mental health service rates and incarceration times were balanced to minimize the baseline differences in service patterns. Control group observations were selected whose propensity scores lie in the region of common support for the propensity scores for observations in the treated and control groups. We used the greedy nearest neighbor matching approach, which selects the control observation whose propensity score is closest to that of the particular treated unit, in a manner that is sequential and without replacement. It does so by using the logit of the propensity score as the matching metric and compares the closeness of two units within .25 caliper width. Variable balance assessment was performed using standardized mean differences between treatment and control groups. We attained a good balance between two groups for all covariates and conducted the outcome evaluation for health and mental health and jail incarceration outcomes.22

Each control group was built separately for different service domains—health, mental health, and jail incarceration—using different covariates to balance prior service use. Table B-1 shows the sample sizes for matched treatment and control groups by placement type and cohort. Sample sizes show the size of the matched groups where the PSM yields equal number of records for the matched treatment and control groups.

Table B-1: Population and sample sizes of matched treatment and control groups

Cohort Year	Placement Type	Population Sizes		Sample Sizes		
		Treatment	Control	DHS	DMH	Jail
2017	RRH	7,098	28,909	3,599	3,591	3,226
	PSH	2,956	28,909	2,531	2,527	2,444
	IH	5,783	28,909	4,238	4,232	4,990
2019	RRH	7,555	33,500	4,476	4,489	5,306
	PSH	2,202	33,500	1,506	1,622	1,610
	IH	8,997	33,500	6,573	6,521	6,524

B.3 METHODOLOGY OF THE OUTCOME EVALUATION—DIFFERENCE IN DIFFERENCE METHOD

In Section 5, we applied the difference-in-differences (DID) method, which is a quasi-experimental design using panel data from treatment and control groups to estimate the impact of different housing placements (intervention or treatment) by comparing the changes in selected outcomes such as inpatient or outpatient days over time. The comparison is made between a population that is placed in permanent or long-term interim housing (the treatment group) and a population that is not (the control group). These comparisons are made for two different cohorts—2017 and 2019—for eight different outcomes. "Pre" period refers to 12 months prior to a placement (for the treatment group) or the first enrollment in 2017 or 2019. "Post1" period covers 12 months after the placement or enrollment, and "Post2" period refers to 24 months after the placement or enrollment in the cohort year. In all three periods, outcomes are measured for all treatment and control group individuals. Cohort year—2017 or 2019—is considered as the base year. The calculation of two different DIDs is shown in Table B-2 using the acute inpatient days of DMH from 2017 for the RRH placement type.

[22] For PSM procedures, see SAS *SAS/STAT 15.1 User's Guide, The PSMATCH Procedure,* 2018. Accessed at: https://support.sas.com/documentation/onlinedoc/stat/151/psmatch.pdf.

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Table B-2: Calculating the difference-in-differences method, inpatient DMH among RRH clients

	Pre-Period	Post1-Period	Difference Post1-Pre	Post2-Period	Difference Post2-Pre
Treatment Group	17	6	(6-17) = -11	9	(9-17) = -8
Control Group	12	26	(26-12) = 14	36	(36-12) = 24
DID			-11 – 14 = -25		-8 – 24 = -32

The DID method computes the impact estimate as follows: first, we compute the difference in acute inpatient days between pre (before) and post (after) periods for the treatment group, which is –11 days (6–17); second, we calculate the same difference for the control group, which is 14 days (26–12); third, we calculate the difference between these two differences, which is –25 days (–11–14). This double difference of –25 days is our impact estimate, implying that RRH placement leads to a decline of 25 days in DMH acute inpatient days after one year and 32 days (as shown in the last column) after two years.

The first difference—in the pre-and-post outcomes for the treatment group—controls for factors that are fixed over time in that group because we are comparing the treatment group to itself. On the other hand, the second difference—in the pre-and-post outcomes for the control group—controls for factors that vary over time, since we measure the before-and-after change in outcomes for a group that was not placed but exposed to the same set of environmental conditions and was very similar to the treatment group as being PSM selections. The DID method combines the two counterfeit estimates of the counterfactual (before-and-after comparisons, and treatment-control group comparisons) to produce a better estimate of the counterfactual. We also believe that the most critical assumption of the DID method is satisfied in this study. The allocations of intervention, i.e., permanent housing allocations, are unrelated to the outcome because two groups are balanced using PSM. The health or mental health needs of individuals are similar at baseline. Moreover, using two different cohorts, we took into consideration separating the effects of the pandemic, which otherwise would introduce bias by externally influencing the impact of permanent housing placements on outcomes.

The DID method is one of the most frequently used methods in impact evaluation studies combining pre-post and treatment–control group comparisons. The method has an intuitive appeal and has been widely used in economics, public policy, and other fields.[23]

B.4 STATISTICAL TESTS OF OUTCOME EVALUATION

Outcome evaluation was performed comparing pre- and post-treatment and control group average annual systems use durations for each service type, using two-grouped t-tests. In this evaluation, t-tests show whether the utilization of selected service types is different across treatment and control groups to assess whether different placement types affect the use of health and mental health services or jail incarceration. The results of the difference-in-differences and t-test analyses are shown in the text. Shown in the tables that comprise this subsection are the specific systems use durations used as a basis for these analyses of difference, broken down by specific types of systems use, by case and control groups, by one pre-placement year and two post-placement years, and by two cohorts (2017 and 2019).

[23] See Fredrikkson, A., & Oliveria, G. M. (2019). Impact evaluation using difference-in-differences. *RAUSP Management Journal 54(4): 519–532; Gertler, P. J. et al. (2016). Impact Evaluation in Practice. 2nd ed. The World Bank; Wing, C., Simon, K. & Bello-Gomez, R. (2018). Designing difference in difference studies: Best practices for public health policy research. Annual Review of Public Health 39: 453–469.*

APPENDIX B

Table B-3: Average pre-post outcomes for those in the 2017 and 2019 cohorts who received Rapid Rehousing placements (and matched control observations)

Outcomes	Treatment Group						Control Group					
	2017			2019			2017			2019		
	Pre	Post1	Post2	Pre	Post1	Post2	Pre	Post1	Post2	Pre	Post1	Post2
DHS												
Emergency	1.1	0.9	1.2	0.9	0.6	0.5	0.7	1.6	2.3	1.1	1.2	0.7
Inpatient	5.9	4.3	4.8	4.7	2.9	2.8	2.7	14.5	18.2	5.4	7.2	4.3
Outpatient	3.5	3.1	4.7	4.7	2.9	2.8	2.6	3.3	4.8	2.5	2.5	1.7
DMH												
Acute Inpat.	17	5.8	9.5	7.1	5.4	5.2	12	26.1	35.6	8.4	8.6	6.6
Outpatient	15	13.5	23.5	15	12.8	10.7	13	16.5	30.5	15	15.4	15.8
Crisis Stab.	1.4	0.8	1.1	1.1	0.3	0.5	0.8	2.0	2.7	0.9	0.9	0.7
JAIL												
Days in Jail	8.8	20.4	11.9	8.1	12.9	10.1	8.8	34.3	20.1	11	30.6	15.1
Arrests	0.9	1.0	0.6	0.9	0.8	0.6	1.0	1.6	1.0	1.1	1.5	0.8

Table B-4: Average pre-post outcomes for those in the 2017 and 2019 cohorts who received Permanent Supportive Housing placements (and matched control observations)

Outcomes	Treatment Group						Control Group					
	2017			2019			2017			2019		
	Pre	Post1	Post2	Pre	Post1	Post2	Pre	Post1	Post2	Pre	Post1	Post2
DHS												
Emergency	1.1	0.9	1.2	0.9	0.6	0.5	0.7	1.6	2.3	1.1	1.2	0.7
Inpatient	5.9	4.3	4.8	4.7	2.9	2.8	2.7	14.5	18.2	5.4	7.2	4.3
Outpatient	3.5	3.1	4.7	4.7	2.9	2.8	2.6	3.3	4.8	2.5	2.5	1.7
DMH												
Acute Inpat.	17	5.8	9.5	7.1	5.4	5.2	12	26.1	35.6	8.4	8.6	6.6
Outpatient	15	13.5	23.5	15	12.8	10.7	13	16.5	30.5	15	15.4	15.8
Crisis Stab.	1.4	0.8	1.1	1.1	0.3	0.5	0.8	2.0	2.7	0.9	0.9	0.7
JAIL												
Days in Jail	8.8	20.4	11.9	8.1	12.9	10.1	8.8	34.3	20.1	11	30.6	15.1
Arrests	0.9	1.0	0.6	0.9	0.8	0.6	1.0	1.6	1.0	1.1	1.5	0.8

APPENDIX B

Table B-5: Average pre-post outcomes for those in the 2017 and 2019 cohorts who received Interim Housing placements (and matched control observations)

Outcomes	Treatment Group						Control Group					
	2017			2019			2017			2019		
	Pre	Post1	Post2	Pre	Post1	Post2	Pre	Post1	Post2	Pre	Post1	Post2
DHS												
Emergency	2.3	1.7	2.6	1.6	1.1	0.8	2.0	2.5	3.7	1.8	1.6	0.9
Inpatient	18.9	7.0	10.6	16.5	6.0	5.7	10.9	12.6	16.5	17.9	7.8	7.4
Outpatient	5.1	5.2	8.2	4.5	3.9	3.3	4.5	4.5	7.0	4.7	3.6	2.9
DMH												
Acute Inpat.	25.6	8.7	13.9	14.5	7.5	12.3	14.4	23.9	33.8	13	10.5	10.8
Outpatient	21.7	22	38.2	24.3	21.8	22.4	20.8	18.8	35.2	33.8	23.3	20.1
Crisis Stab.	1.6	1.2	1.5	1.2	0.7	0.7	1.2	2.0	2.8	1.4	1.0	0.6
JAIL												
Days in Jail	20.4	29	22.3	11.6	13.6	12.8	18	40.1	34.9	30.4	32.3	30
Arrests	1.3	1.2	0.9	1.2	0.8	0.5	1.2	1.7	1.1	1.9	1.8	1.1

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