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Permanent Supportive Housing as a Housing Intervention in Terre Haute, Indiana

Abstract

This study aims to assess the feasibility and potential benefits of implementing Permanent Supportive Housing (PSH) in Terre Haute, Indiana, as a means of addressing the growing issue of homelessness and its associated public costs. The research questions focus on whether Terre Haute's socioeconomic, financial, and geographic characteristics are suitable for PSH implementation and what the overall cost savings are for taxpayers when compared to addressing the adverse effects of homelessness, such as emergency services and imprisonment.

A mixed-method research design, combining quantitative and qualitative approaches, will be employed to ensure validity and limit biases. The quantitative approach will analyze cost savings and the similarity of Terre Haute to other cities where PSH has been successfully implemented, while the qualitative approach will gather evidence through surveys, focus groups, and individual interviews. The unit of analysis will be Terre Haute's homeless population, and measurements will include an evaluation of public resource utilization, cost savings, mental health outcomes, medical outpatient facilities usage, and community-level impacts.

Instrumentation will involve surveys and individual interviews with homeless individuals and relevant stakeholders, such as policymakers, healthcare providers, and social workers. Sampling will employ a combination of purposive and convenience sampling methods, ensuring the inclusion of diverse perspectives. Data collection will be conducted through a comprehensive review of existing literature, primary data collection from surveys and individual interviews, and comparison with other cities where PSH has been successfully implemented.

The study's significance lies in its potential to inform public policy decisions, promote efficient resource allocation, and improve the lives of Terre Haute's homeless population while reducing the fiscal burden on taxpayers. By examining the potential impact of PSH in Terre Haute, the study can contribute to the broader understanding of PSH's effectiveness in combating homelessness and associated costs, ultimately informing best practices for addressing this pressing social issue.

Introduction

Homelessness is a pervasive and complex issue affecting individuals and communities around the United States. Not only is homelessness a humanitarian issue but it has fiscal ramifications as well. Homeless individuals consume, on average, more public resources than housed individuals (United States Interagency Council on Homelessness, 2010). The cost to taxpayers is on average \$35,578 per year (National Alliance to End Homeless, 2017). Resources like emergency departments, inpatient hospital stays, psychiatric centers, detoxification programs, and jails all are utilized by homeless individuals at a higher rate than housed individuals which creates a high public cost to support these individuals (United States Interagency Council on Homelessness, 2010). One strategy to fight this epidemic is permanent supportive housing. PSH is a housing-first intervention that has proven to be an effective strategy to reduce homelessness, improve health outcomes, and decrease the burden of public services. In many cities and states, PSH has already been implemented and has been shown to achieve the desired outcomes. This study seeks to determine whether Terre Haute, Indiana may be a suitable candidate for providing PSH to homeless individuals. A recent survey conducted in Terre Haute reported that 531 individuals self-identified as homeless. This is an increase of 164 from the previous year (Homeless Council of the Wabash Valley, 2022). With an increased number of homeless individuals, it is imperative for Terre Haute elected officials to act on this issue.

The significance of this study lies in its potential to inform public policy decisions and resource allocation related to homelessness. It also provides massive savings to the taxpayer and improves the lives of hundreds of homeless individuals in Terre Haute, Indiana. The United States Interagency Council on Homelessness estimates a chronically homeless individual costs the taxpayer anywhere from \$30,000 to \$50,000 a year. Given there are roughly 500 chronically homeless individuals living in Terre Haute, this puts the cost of public resources for homeless individuals between 15 million dollars and 25 million dollars annually. In other cities, the cost of these resources has been reduced by 49.5% when a homeless individual is given PSH. When factoring in the cost of PSH, which is estimated to be \$12,800 per year, this means the taxpayers of Terre Haute could be saving as much as 6.1 million dollars annually (National Alliance to End Homeless, 2017).

Research Question

1. What socioeconomic, financial, and geographic factors would support a PSH initiative in Terre Haute? What barriers currently exist that would prevent PSH initiatives in Terre Haute? Do these barriers outweigh the costs and opportunities for PSH in Terre Haute?
2. What are the overall cost savings to PSH compared to addressing the adverse effects of being homeless? I.E., cost to taxpayers through imprisonment, emergency services, etc.

Theoretical Framework

The concept of PSH, as a solution to homelessness, is grounded in several assumptions and theories. PSH is a housing-first solution which claims that stable housing for homeless individuals is not only a human right, but also a cost-effective strategy for addressing the issue (Tsemberis, 2010). Unlike traditional housing solutions, PSH and other housing-first solutions combine affordable housing with supportive services, recognizing that many homeless

individuals face multiple barriers to housing such as mental health, substance abuse, or disabilities (Padgett et al., 2016). This is a multifaceted approach to providing assistance to homeless individuals. PSH's model is opposed to the traditional linear model of addressing homelessness which institutes a prerequisite of sobriety or treatment compliance to access housing (Kertesz & Weiner, 2009). PSH, on the other hand, is grounded in the economic theory of externalities, where the costs of homelessness burden the taxpayers and society, while the benefits of stable housing accrue primarily to formerly homeless individuals (Culhane, 2008).

In evaluating the feasibility and potential impact of implementing PSH in Terre Haute, it is appropriate to focus on the cost savings to taxpayers rather than the positive impact on the lives of homeless individuals. This perspective aligns with the economic concept of social return on investment (SROI). SROI assesses the social and environmental value created by an intervention relative to the resources invested (Nicholls et al., 2012). By demonstrating the potential cost savings associated with PSH, policymakers and stakeholders can build a stronger case for investing in housing-first programs. It also aids in identifying the key factors that contribute to successful implementation and outcomes of PSH such as availability of affordable housing, the capacity of public resource providers, and the extent of public and political support for PSH initiatives.

Literature Review

The first study we looked at is titled *Permanent Support Housing: Addressing Homelessness and Health Disparities*. This study looks at the improvement of physical health outcomes with the introduction of permanent supportive housing into a community. It examines the factors which make chronic homelessness a public health problem including exposure to weather, infections, drugs, and violence as well as limited access to routine healthcare. We will

use this study as a framework for the public health resources utilized by homeless individuals of Terre Haute. As much of the literature on PSH focuses on residential stability and behavioral health outcomes, this article provides a basis for the physical health outcomes of PSH. Public health resources are frequently cited as one of the largest public costs incurred by homeless individuals. This article delves into the relationship between PSH and these costs as well as how things are affected when preventative primary care is introduced with PSH (Henwood et al., 2014).

Our second study, *The Relationship between Community Investment in Permanent Supportive Housing and Chronic Homelessness*, examines the efficacy of PSH at the community level. Much evidence has been given showing how PSH can improve the quality of life for a single homeless individual, however there is less research available about how PSH affects chronic homelessness at the community level. The study discusses how determining the efficacy of community investment in PSH is essential for evaluating PSH programs and the determination whether PSH has achieved its desired effect. A high correlation between an increase of community investment in PSH and a decrease of chronic homelessness over time was found in the study and provides a basis for our study as an example of where PSH has been found successful both on the individual and the community level (Byrne, et al., 2014).

The Indiana Housing and Community Development Authority (IHCDA) conducted a study in 2017 in partnership with the University of Southern Indiana. The purpose of this study was to identify and codify opportunities for local organizations to create permanent supportive housing. The research identified a 9.7% cost savings per person from pre PSH to post PSH. Of note, there was a substantial increase in costs for medical outpatient services and mental health appointments. This would serve to benefit the recipients of PSH long term. The chart below illustrates the cost savings from this study (Bakke et al., 2013).

Change in Service Use Costs

	Pre PSH	Post PSH	Change Cost	Percent Change
Criminal Justice	\$474.75	\$82.24	-\$392.51	-82.7%
Emergency Services	\$1,046.77	\$357.18	-\$689.60	-65.9%
Inpatient Medical	\$7,407.13	\$1,649.62	-\$5,757.50	-77.7%
Inpatient Mental	\$1,001.38	\$381.97	-\$619.41	-61.9%
Shelter Services	\$1,881.67	\$0.00	-\$1,881.67	-100.0%
Outpatient Medical	\$108.49	\$472.97	\$364.48	336.0%
Outpatient Mental	\$202.23	\$535.30	\$333.08	164.7%

In 2017, the Community Health Engagement and Equity Research team from Indiana University's School of Public Health produced a study on the Penn Place PSH facility in Indianapolis. The study showed similar trends in qualitative and quantitative research methods. The recommendations for policy outlined a growth opportunity in programing and training for the housing-first initiative and concerns around food insecurity and a lack of SNAP eligibility. This study provides necessary data and research for long term policies to lift someone out of homelessness while also focused on an Indiana specific PSH facility (Watson et al., 2017).

Methodology

To measure and observe the focus of the research, we will employ a mixed-methods research approach, combining both quantitative and qualitative data collection and analysis (Raimondo & Newcomer, 2017). The quantitative aspect will be used in examining the costs associated with PSH and the costs associated with public resources utilized by homeless individuals. The qualitative aspect will focus on the barriers faced by homeless individuals in accessing housing and the impact on the community with implementing PSH. This mixed-

method approach will help offset any biases picked up through surveys and focus groups as we attempt to blend quantitative and qualitative data.

The unit of analysis for this study will be the homeless population in Terre Haute, Indiana, as they are the potential recipients of PSH. This population will be examined in relation to the cost savings generated by implementing PSH and the factors that contribute to their successful transition to stable housing. The study will also consider the perspectives of stakeholders, such as policymakers, public resource providers, and community members. This is done to ensure we gain a comprehensive understanding of the contextual factors that influence the implementation and efficacy of PSH.

One key challenge in measuring the impact of PSH in Terre Haute is the potential difficulty in obtaining accurate and reliable data on the homeless population and the costs associated with homelessness. To address this challenge, we will rely on multiple data sources, including administrative records, program evaluations, and cost analyses from PSH initiatives in other regions. We will also use primary data collected through surveys and interviews with homeless individuals and stakeholders. Fortunately, this data collection already exists through the Homeless Council of the Wabash Valley (HCWV), who have performed such surveys over the last several years.

Another potential challenge in this study is the issue of selection bias, as the individuals who are most likely to benefit from PSH are likely to be the most difficult to reach and engage in research activities. To mitigate this issue, the study will employ a purposive sampling strategy and target individuals who have experienced or are experiencing chronic homelessness and have multiple barriers to stable housing. Additionally, efforts will be made to build trust and rapport

with the study participants, by engaging with public resource providers and community organizations that work directly with homeless individuals.

Instrumentation

The primary instrument for data collection will be a survey questionnaire administered to the target population of homeless individuals. The survey will capture demographic information, housing history, experiences with homelessness, and self-identified barriers to stable housing. In addition to this, it will assess respondents' awareness and perceptions of PSH, as well as their willingness to participate in such a program. This instrument will be a blend of quantitative and qualitative information which will allow for a comprehensive dataset including not just trends and patterns among homeless individuals, but the potential demand for PSH in Terre Haute as well.

Interviews will be conducted with stakeholders including policymakers, public resource providers, and local community members. These interviews will explore their perspectives and perceptions on the implementation of PSH and the challenges and opportunities it presents. This qualitative data will provide a context for the factors which influence the feasibility and efficacy of PSH in Terre Haute.

Document analysis will also be employed as an instrument for data collection. This instrument will focus on gathering secondary data from existing surveys, administrative records, program evaluations, and cost analyses related to the implementation of PSH and homelessness. This method will provide an overview of the costs associated with supporting homeless individuals through public resources as well as how those costs change when any housing solutions are implemented.

Response bias in the survey becomes a large challenge as homeless individuals may be hesitant to disclose personal information and might be unwilling to participate in the study altogether. Working with stakeholders for interviews will be easier here but still has potential challenges depending on the political leanings of stakeholders. Document analysis will face a challenge in aggregating the data. While accessing the documents will be trivial, sorting out the portions which are relevant only to homeless populations can introduce further challenges due to personal information protections (I.e., HIPPA requirements).

The primary data collection instrument for this study will be a survey questionnaire designed to collect information from homeless individuals in Terre Haute. The survey will include questions related to:

1. Demographic information including age, gender, and ethnicity
2. Housing history including duration of homelessness and previous housing situations
3. Self-identified barriers to stable housing such as mental health issues, substance abuse, and disabilities
4. Awareness and perceptions of PSH including familiarity with the concept and perceived benefits or drawbacks
5. Awareness and perception of existing housing solutions in Terre Haute
6. Willingness to participate in PSH program if available

The alignment of the survey questions with the research measurement decisions is as follows:

1. Demographic information will help to describe the characteristics of the homeless population in Terre Haute. This provides a context for the demand for PSH and will allow possible interventions to target the specific population.

2. Housing history and self-identified barriers to stable housing will provide insights into the challenges faced by homeless individuals in Terre Haute as well as factors which might influence the likelihood of successfully transitioning to PSH.
3. Awareness and perceptions of PSH will shed light on the level of knowledge and support for housing interventions for the homeless population of Terre Haute which may impact the feasibility and efficacy of implementing PSH.
4. Awareness and perceptions of existing housing solutions in Terre Haute will determine if there is a need for new housing solutions.
5. Willingness to participate in a PSH program will indicate the potential demand for this specific housing solution which is crucial for assessing its feasibility and potential impact in Terre Haute.

Interviews and journaling are alternative ways for us to research PSH and those who qualify. The journaling process can begin on intake to a PSH facility and occur over a thirty-day period after key events like medical examinations or assistance education programs. Journaling allows us to gain a full look into the qualitative approach for this study. The journal prompts would be focused on the mental health response of those who participate in a PSH program and will be administered electronically through a computer or through a voice recorder to accommodate for those with less education.

Sampling

When discussing sampling, it is important to note the population of interest. Our population of interest for a PSH feasibility and barriers to entry study is the homeless population of Terre Haute. However, one initial challenge is the self-identification aspect of individuals characterizing themselves as homeless. We will rely on administrative records to estimate the

general size of the homeless population in Terre Haute. But to further research the problem we will create a sample. We will select homeless individuals from the sampling frame and administer the previously discussed questionnaires and focus groups.

One method of sampling to employ for our research is purposive sampling. Purposive sampling is creating a sample that allows the researchers to learn the most. Purposive sampling is also referred to as criterion-based selection. To do this we will blend maximum variation sampling and typical case sampling. Maximum variation sampling allows us to negate results with disconfirming or erroneous data. The typical case sampling method allows us to break the respondents down into tiers. The tiers we will look at are birth location, current geographic location in Terre Haute (North, South, East, West), and then streets where they temporarily reside. These tiers allow us to examine if the persons are arriving from out of city limits and what neighborhoods are they establishing themselves in.

Data Collection Procedures

Sample recruitment will be done through the help of HCWV. Because this organization frequently works with the homeless community of Terre Haute, they will already have access to the target population. HCWV, as well as local public resource providers, will be asked to disseminate our survey to their clients. The interviews with stakeholders will be targeted initially at city and county officials and will expand to a broader population as the study progresses. This is to ensure the key stakeholders are reached first while still encompassing many viewpoints. This method also helps find new participants through referrals from our first round of interviews.

We expect our data collection to take approximately three months. The first month will be dedicated to establishing contact with public resource providers and community organizations while we simultaneously finalize the survey and interview outline. The second month will focus

on administering the surgery to homeless individuals in the area. Because this will be done by local organizations, we will focus our time during this month on the interviews with stakeholders. The timing of this month is critical as the homeless population fluctuates with the season. HCWV conducts a yearly summer study in July involving a count of the homeless individuals of Terre Haute, so this is a natural time to focus on the survey. The third month of data collection will involve final interviews, data entry, and the initial stages of data analysis.

We expect access to the target population to be our largest logistical issue. Although we will have support from local organizations such as HCWV, reaching this population is still never easy. We will rely heavily on input and guidance from these organizations as they already have extensive experience working with this population.

Data collected from the survey will be paper-based and orally administered questionnaires. This is to prevent barriers to taking the survey based on literacy or writing abilities. For those who prefer or require oral administration, research assistants will read the question aloud and record participants' responses. The surveys will be entered electronically, and the paper questionnaires will be shredded afterwards to ensure no confidential information is stored insecurely.

The interview data will be in the form of audio recordings with supplemental notes. The audio recordings will be transcribed and stored electronically. All data from the interviews will be anonymized to protect the privacy and confidentiality of the participants.

Dissemination of Findings

Our research findings will be disseminated to the stakeholders we reached out to in instrument design including policymakers, public resource providers, and local community members. Policymakers include city and country officials, state elected officials, and our

congressional representatives. Additionally, we will relay the findings to professors at Indiana State University, Saint Mary of the Woods College, Ivy Tech Terre Haute Campus, and Rose Hulman Institute of Technology. With four universities located in Terre Haute, the research and findings can be peer reviewed and expanded by local academic professionals.

Additionally, we will disseminate the findings to public resource providers. The local homeless non-profits established in Terre Haute will receive a copy of the report. Hospitals, low-cost medical providers, and public safety agencies will also receive the report. The Chief of Police and emergency services director are two key local leaders who often address the symptoms of being homeless. The end state of this research proposal is to codify the findings and work with stakeholders for a long-term plan for PSH in Terre Haute. Barriers to PSH identified will need to be addressed first before PSH programs are rolled out. In closing, PSH has the ability to lift hundreds of citizens here in Terre Haute. This study would provide the base work and set the conditions for a cost-effective solution to the homeless problem in Terre Haute.

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