

# Health Shocks and Homelessness

*With Christina Kent*

## Abstract

Homelessness is one of the most adverse life events a person can experience. It is often preceded by a succession of other negative life events that could be insured against. In this paper, we study how one such event, namely an unexpected health shock, contributes to the propensity to experience homelessness. We further investigate the extent to which access to formal and informal insurance mitigates the impact of health shocks on homelessness. We focus on the role of access to and generosity of paid sick leave benefits, TANF benefits, General Assistance benefits, social capital in one's community and presence of a spouse. For identification, we leverage an event study design that compares individuals who experience the same health shock at different points in time, in conjunction with time and spacial variation in access to the different insurance channels. Individual-level panel data on homelessness and medical records comes from the Veterans Health Administration and from Allegheny County, Pennsylvania.