

## Connecticut Homeless System Performance and Re-Design Recommendations Executive Summary

Prepared for Melville Charitable Trust by Focus Strategies

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Over the past decade, Connecticut has emerged as a national leader in homeless system planning, gaining recognition for its adoption of sophisticated, data-driven approaches and evidence-based practices to end homelessness.

Connecticut greatly benefits from a strong, dedicated foundation of housing and homeless service provider organizations, as well as thoughtful, coordinated state-level leadership and funders. Over the past several years, these statewide stakeholders have remained steadfast, diligent, and deliberate in their efforts help people effectively move from homelessness to permanent housing. Together, they have collaboratively tackled community challenges and made real, measurable progress towards the goal of ending homelessness through significant investment in and focus on strategic efforts. Successes to date include:

- Growing leadership and community buy-in for homeless system planning;
- Investment to expand the state's supply of permanent supportive housing over the long term to most effectively house and serve those with the highest need; and
- Designing and implementing a streamlined, standardized coordinated entry system, which improves client access to homeless system resources, utilizing an innovative Coordinated Access Network (CAN) structure.

These thoughtfully-executed efforts have resulted in consistent and significant reductions in both chronic and overall homelessness year over year. In 2016, Connecticut also became the second state in the country to achieve a functional end to Veteran homelessness, as defined by the U.S. Interagency Council on Homelessness.

To continue strengthening efforts to end homelessness in Connecticut, the Melville Charitable Trust, on behalf of the statewide Reaching Home Funders Collaborative, engaged Focus Strategies to assess Connecticut's homeless response system performance and develop recommendations for system redesign and refinement. The Reaching Home Funders Collaborative includes the Connecticut Department of Housing (DOH), Department of Mental Health & Addiction Services (DMHAS), and the federal Department of Housing and Urban Development (HUD). The purpose of this analysis was to assist the Funders Collaborative to gain a deeper understanding of systemwide performance relative to system investments, as well as develop strategies to ensure system investments are maximized and resources are right-sized to effectively meet the housing needs of people experiencing homelessness. Another key goal of this analysis is to engage stakeholders throughout Connecticut in an ongoing conversation and continued efforts to achieve a more effective, data-driven system to end homelessness statewide.

To conduct the systemwide assessment, Focus Strategies collected and analyzed performance data at the individual program-, program type-, and system-level. We assessed a total of 335 programs, including 44 emergency shelter, 41 transitional housing, 22 rapid rehousing, and 228 permanent supportive housing

programs, using data from the 2015 and 2016 calendar year (and 2017 for some data elements). The datasets were uploaded into a customized Web-based application developed by Focus Strategies, which generates an analysis of HMIS data quality for each project, as well as the performance of each project and project-type across a range of measures. Once the data analysis was complete, providers in the community were given the opportunity to attend a presentation in which state- and CAN-level data were presented. Each provider received reports with their individual project performance and were asked to confirm and make any necessary revisions to the data. Focus Strategies also conducted interviews with key stakeholders that included providers, CoC leadership and staff, local government agencies, and technical assistance providers to understand strengths and gaps of the current system and further inform our analysis. Utilizing our System-Wide Analytics and Projection (SWAP) tools, Focus Strategies analyzed these sources to evaluate state- and CAN-level homeless system performance and develop recommended next steps the community may take to support its goals of further reducing homelessness.

Focus Strategies' SWAP analysis of the homeless system in Connecticut revealed many strengths, as well as some challenges of the homeless system on the state- and CAN-level including:

- *Consistency and Standardization across CANs:* We found great variation amongst the CANs on how effectively people are being assisted into housing from homelessness, as well as each CAN's access to resources and use of standardized processes to assist people experiencing homelessness;
- Households Entering the System from Housed Locations: Despite existing shelter diversion and coordinated entry processes, our assessment found that many households are entering the homeless system from housed locations (e.g. staying temporarily with friends or family; in their own unit) pointing to the need to examine current practices and processes to ensure that the homeless system is targeting resources to those with the highest need;
- Transitional and Rapid Rehousing Housing Challenges: Compared to rapid rehousing, Connecticut's transitional housing programs appear to be experiencing performance challenges on measures such as length of program stay, the rate at which people exit transitional housing programs to permanent housing, and cost per exit to permanent housing. Rapid rehousing overall shows higher performance than transitional housing, but the rate of exit to permanent housing is lower than would be expected in a high performing system;
- Lack of Resources for Rapid Rehousing and Other Non-Permanent Supportive Housing Intervention *Types:* Although the state has gained significant momentum around supporting and funding permanent supportive housing (PSH), rapid rehousing and other program types are not yet at the scale needed to serve a greater number of people experiencing homelessness; and
- Low Rate of Return to Homelessness: Our assessment found that the rate at which households are returning to homelessness from permanent housing destinations is extremely low. Although counterintuitive, this finding calls for greater examination and suggests that the system may need to improve targeting practices to ensure assistance is prioritized for people with the highest needs. This outcome may suggest that programs are primarily accepting and serving people with lower barriers who are less "difficult to house" and therefore able to remain stably housed long-term, rather than those with the most severe challenges to sustaining housing. A higher rate of

returns to homelessness would therefore be expected if the system and PSH programs were attempting to house those high-need households.

Based on these findings, Focus Strategies has developed a set of recommendations to help the community take next steps in refining efforts and making further progress towards ending homelessness. These recommendations include:

- 1. Refine Coordinated Entry and Diversion: Data from 2016 and 2017 show that a significant number of households are entering the homeless system from housed locations. This includes households entering rapid rehousing and permanent supportive housing programs, which should be prioritizing people who are unsheltered or living in shelter. Refining coordinated entry practices and processes such as initial screening, assessment, and prioritization of referrals as well as bolstering diversion efforts and resources to ensure *all* people seeking assistance participate in a diversion conversation are suggested to increase the rate of entries from literal homelessness.
- 2. Develop Operating Standards and Improve Effectiveness of Rapid Rehousing and Transitional Housing: Our analysis found that the rate of exit to permanent housing and returns to homelessness are low for many programs, particularly transitional housing and rapid rehousing. This suggests the need to explore whether programs are aligned to best practices, including being fully housing-focused, low barrier, and effectively targeting the highest need households. We recommend that the Funders Collaborative continue building upon its existing efforts to develop a framework and standard set of policies and procedures for these program types.
- 3. Set System Performance Targets: To achieve improved system performance, Focus Strategies recommends developing a set of performance targets for all system components, including emergency shelter, transitional housing, rapid rehousing, and permanent supportive housing. Targets should utilize measures including program utilization rate, lengths of program stay, rate of exit to permanent housing, and entries from literal homelessness. We also suggest gradually shifting towards a performance-based contracting model.
- 4. Empower the Funder's Collaborative to Oversee Implementation of System Improvement Strategies: To develop and implement strategies around these recommendations, a high level of coordination and aligned investment is critical. Thus, the Funders Collaborative should lead efforts to adopt these recommendations and serve as a strong overarching governance body for the homeless system.

Overall, Connecticut has a strong track record of system planning to reduce homelessness, including aligning leadership and funders, making significant investments in evidence-based housing intervention types, and implementing an effective statewide coordinated entry structure. By relying upon these strategies, Connecticut has significantly reduced homelessness amongst all populations and those who meet the definition of chronic homelessness, as well as became one of the first states to achieve a functional end to Veteran homelessness. To strengthen efforts to end homelessness in Connecticut, system stakeholders – including leadership, funders, and providers – should continually examine systemwide practices, as well as system- and program-level performance. Focus Strategies recommends delving into and addressing the issues identified by our analysis so that Connecticut can continue building upon its successes.