Testimony of Dr. Jeffrey Brenner, Executive Director
Camden Coalition of Healthcare Providers
New Jersey Interagency Council on Homelessness

Good afternoon Commissioners, Honorable members of the Interagency Council on Homelessness, and members of the public.

My name is Jeffrey Brenner. I am a family physician and Executive Director of the Camden Coalition of Healthcare Providers. The Camden Coalition is a twelve-year old strategic initiative designed to improve the quality, capacity, accessibility, and coordination of the healthcare system for vulnerable populations in the City of Camden, New Jersey. The Coalition includes hospitals, primary care providers, behavioral health, social service organizations, and resident organizations working to make Camden the first city in the nation to dramatically bend the healthcare cost curve while improving quality.

First, I want to express our gratitude to Governor Christie for issuing the Executive Order establishing the New Jersey Interagency Council on Homelessness. We believe this is a critical issue that requires us to come together across government agencies and social systems from public and private sectors. The impact of homelessness is not contained to a single social safety net program.

The Camden Coalition works with high cost, complex, chronically ill patients who cycle in and out of the hospital. In Camden, one percent of patients account for thirty percent of hospital costs. Lack of stable housing is a high risk factor for being in that top one percent.

We have been successful by engaging patients at a "teachable moment," when they are admitted into the hospital, and helping them to change their lives. We take this opportunity to channel a patient's motivation to avoid returning to the hospital and act as a bridge in the healthcare system, working with the patient as an interdisciplinary team and connecting them to their primary care provider to help them manage their disease.

The lack of housing options has disastrous consequences for our patients and the larger healthcare system in New Jersey. The lack of stable housing can make it exceedingly difficult for patients to change their lives and improve their health. For diabetic patients, homelessness makes it nearly impossible to take insulin regularly, maintain nutrition and monitor blood sugar, and keep areas of the body dry. As a result, a homeless diabetic patient is much more likely to end up in the ED or hospitalized unnecessarily, creating additional burdens on hospitals and increasing the cost of healthcare for everyone in the state.

Homelessness is such a prevalent risk factor among the highest cost patients in Camden that we have hired a dedicated staff member whose sole job is to connect our patients to housing resources. Nevertheless, we find considerable barriers when trying to help our patients access existing housing options in Camden. Patients often are kept out of permanent housing because of the very same problems that led to their homelessness: these include active substance use, prior felony conviction, mental illness, and poor credit history. Even with several housing choice vouchers that are set-aside for our patients, it often takes our intervention specialist months to get our patients into housing due to the challenge of providing necessary documentation.

Fortunately, there exists a housing model that has proven effective for high cost complex patients who are chronically homeless. Housing First, like its name suggests, puts individuals into permanent supportive housing as quickly as possible without preconditions and provides wrap-around case management to help them remain housed.

Housing first is philosophically different than the existing housing models in Camden and elsewhere in the state. The idea behind current housing model in New Jersey is to place someone into permanent housing when someone has reached certain steps and is considered "housing ready." Obtaining sobriety, completing a temporary housing program, or achieving necessary credit and documentation is a prerequisite for being ready for permanent housing. While some are able to pass through each of these steps successfully to graduate into housing, many stumble at one or more of the gates. This process is costly and while it has good intentions, is often much worse for the chronically homeless population who often unable to jump through these hoops (even with staff assistance).

The principle behind Housing First is that a lack of housing is the principle reason that someone is homeless, and that once housed, an individual is able to address the health and substance use issues that often led to homelessness. Wrap-around case management services are provided but are not required. Even if an individual temporarily leaves housing due to arrest, hospitalization, or a return to the streets, an individual is not kicked out of the program and permanent housing remains available to the individual. In a randomized control trial, housing first participants spent nearly 80% of time stably housed, compared to treatment as usual, which spent 30% of time stably housed.[1]

Housing First programs have achieved success here in New Jersey. In Trenton, a homeless individual visited the emergency department 450 times in a single year, totaling over $1 million in charges. In the first year after moving into housing with wrap-around case management, the patient had only 12 visits to the ED. Looking more broadly at high cost patients in Mercer County, a housing first program reduced use of the emergency department by 100% for the highest utilizers of healthcare services.

Housing First programs save money to the overall system due to an individual's decreased utilization of hospitals, psychiatric facilities, jail, and temporary shelters. In Colorado, when taking into account Housing First program costs, the net savings per person was $4,475 per person, or $711,734, for the 150 individuals who received housing first.[2] Republican and Democrats across the country have supported housing first programs due to their cost savings and effectiveness. Utah has reduced chronic homelessness by 78 percent by adopting a housing first approach to ending homelessness, and due to this success, traditionally red states like Wyoming are beginning to adopt this model.

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[1] "Housing First, Consumer Choice, and Harm Reduction for Homeless Individuals with a Dual Diagnosis" April 2004, Vol 94, No. 4, American Journal of Public Health

[2] Denver Housing First Collaborative"
http://www.coloradocoalition.org/!userfiles/Housing/Executive_Summary_DHFC_study.pdf

There is a significant need for such programs in Camden. For example, in assessing all hospital charges in 2011, twenty-five individuals who were homeless had three or more local hospital admissions, each of which can easily cost in excess of $10,000. The vast majority of these visits were charity care and self-pay, which resulted in significant loss for the city's hospitals. With the Affordable Care Act, however, these patients will qualify for Medicaid and those costs will be born directly by taxpayers.

The traditional philosophy of requiring "housing readiness" and punishing relapse often fails our patients. For example, one of our complex, high cost patients was living in a transitional shelter when we first started working with her. She had a history of substance abuse but was working to become sober and to manage her diabetes. Unfortunately, she lost her shelter placement when shelter staff discovered drug paraphernalia in her belongings, and now lives in an abandoned building with no heat. Her loss of shelter also led to her termination from our program because our health team could not safely treat her in an abandoned building. Sadly, our patient's health will continue to deteriorate and her use of emergency services will remain high until her need for housing is met.

We can and must do better. Housing first initiatives throughout the country have reduced homelessness overall and within subgroups traditionally seen as "difficult to house." These include the chronically homeless and veterans. Housing First has been endorsed as a best practice by the US Interagency Council on Homelessness in ending chronic homelessness and has been identified as a top priority for HUD.

How to make these changes across New Jersey
There are several changes that can help our patients access permanent, supportive housing:

1. Government agencies must partner to address the needs of the most costly homeless patient population. In New York, housing and health agencies have jointly worked together to target the fifty highest cost patients and provided them with permanent supportive housing, reducing overall costs to the system. New York has submitted an 1115 Medicaid waiver to use Medicaid funds to provide the supportive services in housing first programs.[3]

2. Prioritize high-utilizers of healthcare services for permanent housing. The costliest, most complex patients offer the greatest potential for cost savings. Quickly moving these expensive patients into permanent supportive housing will generate savings, not only to Medicaid, but to other emergency systems like jails, psychiatric hospitals, and emergency shelter beds.

3. Make housing first a key component of the state's plan to reduce homelessness. Across the country, states have committed to solve homelessness by making housing first a key strategy in states' plans to end homelessness. Now that the federal government has prioritized reducing chronic homelessness, states are incentivized to adopt the evidence-based model that best serves this population: housing first. Republicans and Democrats have endorsed this model due to its cost savings and effectiveness in keeping the "most difficult to house" individuals permanently housed, reducing overall homelessness.

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[3] http://www.health.ny.gov/health_care/medicaid/redesign/docs/mrtfinalreport.pdf