



Family Options Study

3-Year Impacts of Housing and Services Interventions for Homeless Families

Summary Report

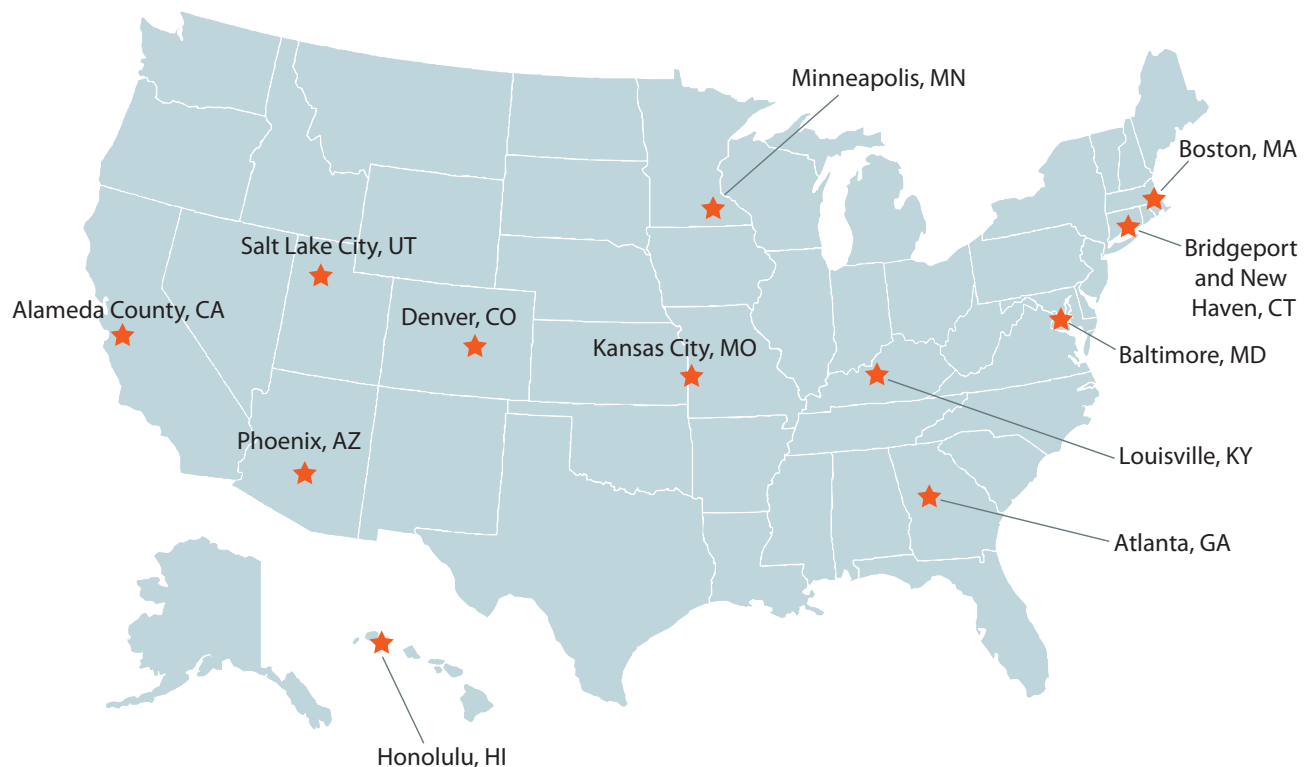


About the Study

The U.S. Department of Housing and Urban Development (HUD) launched the Family Options Study in 2008 to learn about which housing and services interventions work best for families with children experiencing homelessness. Reports published in July 2015¹ and October 2016² provide evidence about the effects, relative to usual care, of giving families in emergency shelters priority access to long-term housing subsidies, rapid re-housing, or project-based transitional housing. In this case, *usual care* means leaving families to find their way out of shelter without priority access to a program that would provide them with a place to live. The study team followed the families for 3 years and measured outcomes in five domains of family well-being: (1) housing stability, (2) family preservation, (3) adult well-being, (4) child well-being, and (5) self-sufficiency. Exhibit 1 displays the location of the 12 Family Options Study sites.

Exhibit 1 - Family Options Study Sites

12 communities participated
148 programs
2,282 families with 5,397 children



¹ Gubits, Daniel, Marybeth Shinn, Stephen Bell, Michelle Wood, Samuel Dastrup, Claudia D. Solari, Scott R. Brown, Steven Brown, Lauren Dunton, Winston Lin, Debi McInnis, Jason Rodriguez, Galen Savidge, and Brooke E. Spellman. 2015. *Family Options Study: Short-Term Impacts of Housing and Services Interventions for Homeless Families*. Washington, DC: U.S. Department of Housing and Urban Development.

² Gubits, Daniel, Marybeth Shinn, Michelle Wood, Stephen Bell, Samuel Dastrup, Claudia D. Solari, Scott R. Brown, Debi McInnis, Tom McCall, and Utsav Kattel. 2016. *Family Options Study: 3-Year Impacts of Housing and Services Interventions for Homeless Families*. Washington, DC: U.S. Department of Housing and Urban Development.

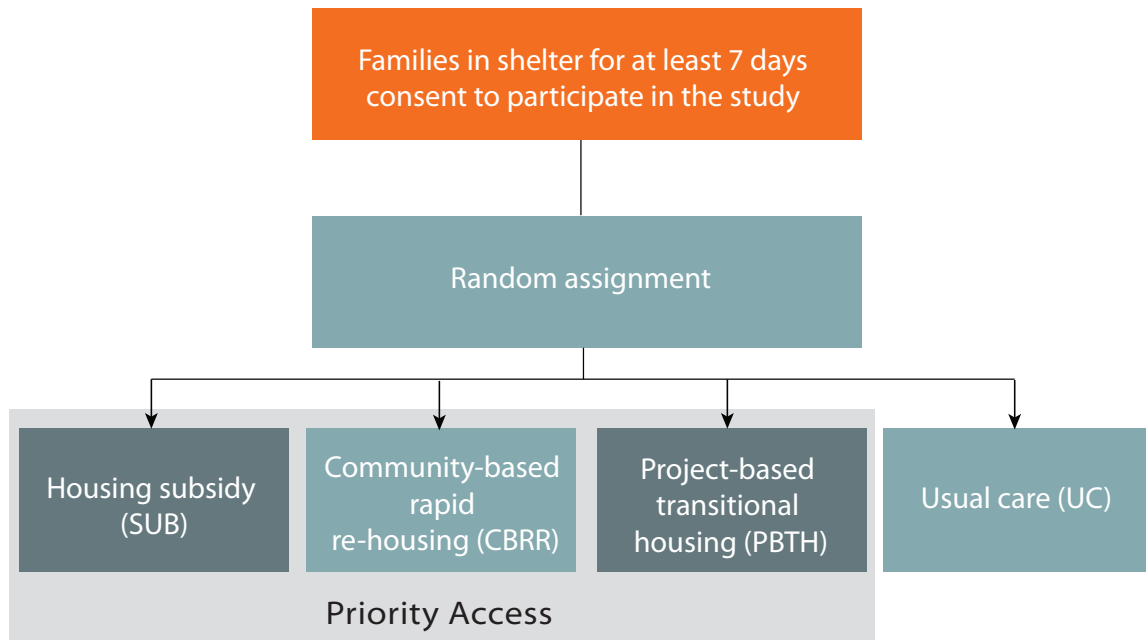
The study was implemented using a rigorous, experimental methodology. Nearly 2,300 families in 12 sites across the country were randomly assigned after spending at least 7 days in emergency shelter. Randomly assigning a large number of families to different interventions is the most certain way to ensure that the results reflect the effects of priority access to a particular type of program rather than preexisting differences in the families. After providing informed consent and completing a baseline survey, the families were randomly assigned to one of four groups (see Exhibit 2)—

1. **SUB**, in which families have priority access to a *long-term housing subsidy*, typically a Housing Choice Voucher (HCV).
2. **CBRR**, in which families have priority access to a temporary housing subsidy, lasting up to 18 months, in the form of *community-based rapid re-housing* assistance.
3. **PBTH**, in which families have priority access to a temporary, service-intensive stay, lasting up to 24 months, in a *project-based transitional housing* facility.
4. **UC**, in which families have access to usual care homeless and housing assistance but do not have priority access to any particular program.

The interventions reflect different implicit theories about the nature of family homelessness and the approaches best suited to address the problem. CBRR and SUB programs are based on the view that family homelessness is largely a consequence of housing costs that outstrip the incomes of poor families, a problem that housing subsidies can solve. Proponents of transitional housing emphasize that many families who become homeless have barriers in addition to poverty that make it difficult for them to secure and maintain housing. PBTH programs are based on the view that addressing these barriers and needs with an array of services in a supervised residential setting lays the best foundation for ongoing stability.

Following random assignment, families were free to take up the programs to which they were given priority access or to make other arrangements on their own, just as would be the case for any family given a referral to a program in the absence of the study. Priority access provided families with immediate access to a program slot—for an HCV or other housing subsidy, or for a unit in a transitional housing facility—but families still needed to meet the eligibility criteria of the program to which they were referred, complete any required paperwork, and, in some cases, find an acceptable housing unit. Families were not prohibited from using other programs to which they were able to gain access outside the study. In this way, the study evaluates the effect of priority access to a program and thus shows the effect of a policy emphasis on a particular approach—that is, relatively more availability of a given type of program in a community.

Exhibit 2 - Family Options Study: Intake and Random Assignment



Families unsurprisingly were most likely to use the program to which the study gave them priority access. Of the families assigned to the SUB group who responded to the 3-year followup survey, 83 percent used the type of assistance to which they were given priority access (in this case, a housing subsidy). The corresponding proportions for the CBRR and PBTH groups were somewhat lower at 59 and 53 percent,³ respectively. Nonetheless, patterns of program use among the groups of families in each comparison contrasted substantially. Thus, the design of the study provides a strong basis for drawing conclusions about the impacts of alternative policy emphases for families in emergency shelter on several aspects of family well-being.

The July 2015 report presented short-term impacts measured 20 months after random assignment, but that time period was not long enough to evaluate priority access to temporary programs that could last up to 2 years. The October 2016 report presents impacts measured approximately 3 years (37 months) after random assignment. The results from both followup points are important. Some impacts that were detected at 20 months are not detected at 37 months. Other impacts are detected at 37 months but were not apparent at the earlier followup point. Impacts found at *either* point in time hold importance when considering the relative benefits of the interventions during the 3 years of study.

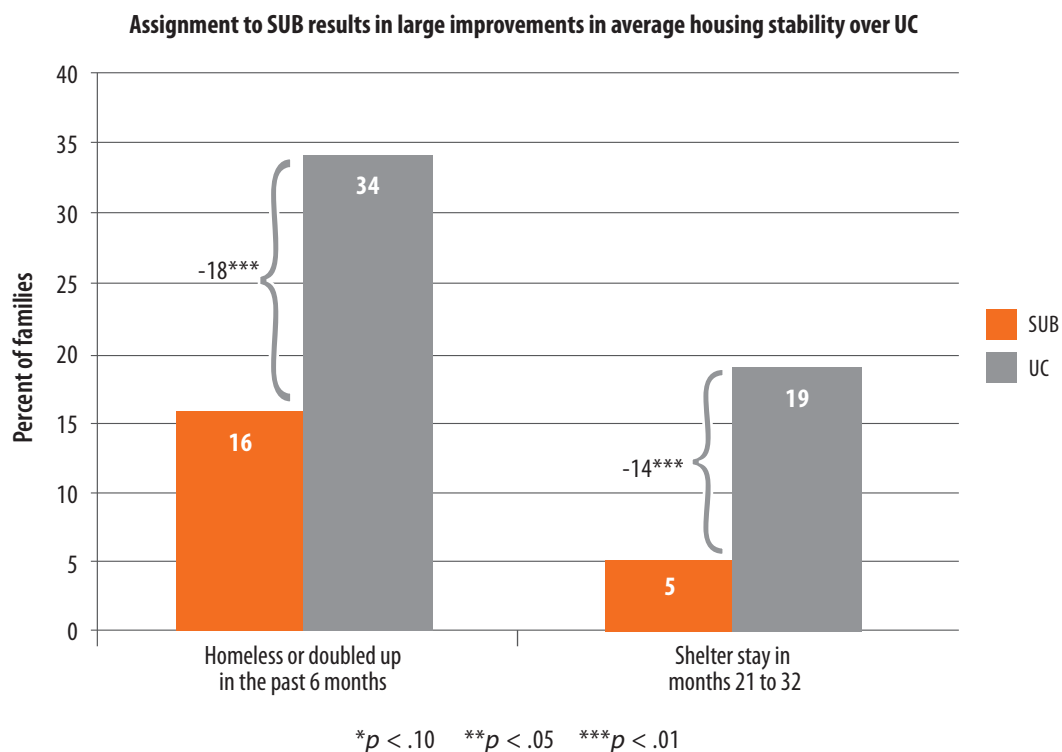
³See Gubits et al. (2016), exhibit ES-6.

Long-Term Subsidy Compared With Usual Care

The study defined the primary outcome as housing stability and, in particular, as preventing families from returning to homelessness. Priority access to a long-term housing subsidy led to by far the best outcomes for reducing family homelessness 3 years after random assignment.

The most notable effect of assignment to the SUB intervention compared with usual care was the reduction in homelessness and doubling up in the same housing unit with another family. At both the 20- and 37-month followup points, assignment to the SUB intervention reduced by more than one-half the proportion of families who reported having spent at least 1 night in shelter or in places not meant for human habitation, or doubled up, in the past 6 months; increased the proportion of families living in their own place by 15 percentage points; and reduced the number of places lived in the past 6 months. The study team also measured use of emergency shelter during two 12-month periods: months 7 to 18 after random assignment and months 21 to 32 after random assignment. Relative to usual care, assignment to the SUB intervention reduced the proportion of families with a stay in shelter by almost one-half during the earlier period and by more than three-fourths during the later period.⁴ Exhibit 3 displays selected housing stability impacts of assignment to SUB relative to usual care.

Exhibit 3 - Housing Stability: SUB Versus UC at the 37-Month Followup



SUB = priority access to housing subsidy. UC = usual care.

⁴ See Gubits et al. (2015), exhibit 6-4 (20 months); Gubits et al. (2016), exhibit 3-5 (37 months). All impacts reported in this summary are statistically significant at the $p < .10$ level.

Assignment to the SUB intervention also produced beneficial effects in other areas of family well-being. Compared with usual care, assignment to the SUB intervention reduced (1) the proportion of families separated from a child who had been present at baseline (at 20 months); (2) psychological distress of the family head (at both time points); (3) intimate partner violence (at both time points); (4) evidence of alcohol and drug problems (at 20 months); (5) the number of schools that focal children attended after random assignment (at both time points); (6) the number of school or childcare absences for focal children (at 20 months); (7) behavior problems of focal children, as reported by parents (at 37 months); and (8) the proportion of families who were food insecure (at both time points).

In contrast to these beneficial effects, assignment to the SUB intervention, compared with usual care, reduced the proportion of family heads working at 20 months from 30 to 24 percent and reduced the proportion of those who had worked between followup surveys from 64 to 58 percent.

Neither clearly beneficial nor detrimental is the finding that, at 37 months, the SUB intervention increased separations from the spouse or partner present at baseline (48 percent in SUB families compared with 34 percent in UC families). Because of the high rate of intimate partner violence family heads had experienced, it is possible that the subsidies enabled some respondents to escape violent relationships.⁵

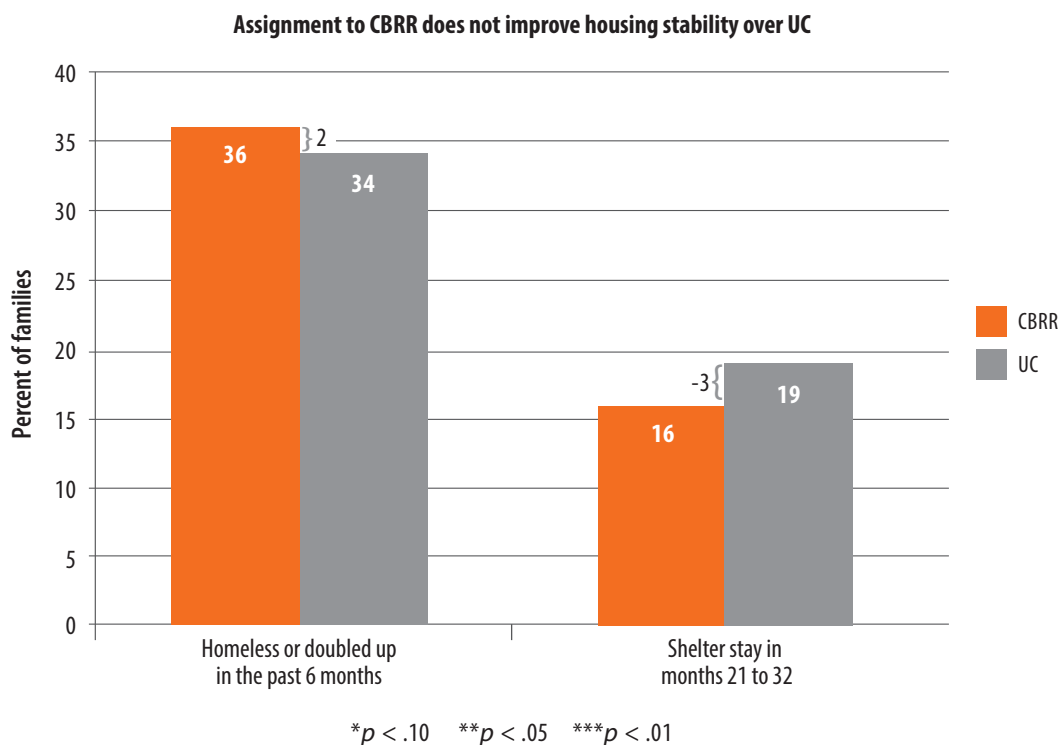
⁵ Gubits et al. (2015), chapter 6 (20 months); Gubits et al. (2016), chapter 3 (37 months).

Community-Based Rapid Re-housing Compared With Usual Care

Almost no evidence exists that assignment to the CBRR intervention affected outcomes differentially compared with usual care at either followup point, across the domains of housing stability, family preservation, and adult and child well-being. Most strikingly no evidence suggests that assignment to the CBRR intervention, relative to usual care, reduced stays in shelter or places not meant for human habitation at either followup point. Only a few effects on child well-being were apparent, with the CBRR intervention reducing school or childcare absences (at 20 months) and behavior problems of focal children as reported by parents (at 37 months).

At 20 months, relative to usual care, assignment to the CBRR intervention improved food security and family income (with previous-year income for CBRR families about \$1,100 more than for UC families). Neither of these effects is evident at 37 months.⁶ Exhibit 4 presents selected housing stability impacts for assignment to CBRR compared to usual care.

Exhibit 4 - Housing Stability: CBRR Versus UC at the 37-Month Followup



CBRR = priority access to community-based rapid re-housing. UC = usual care.

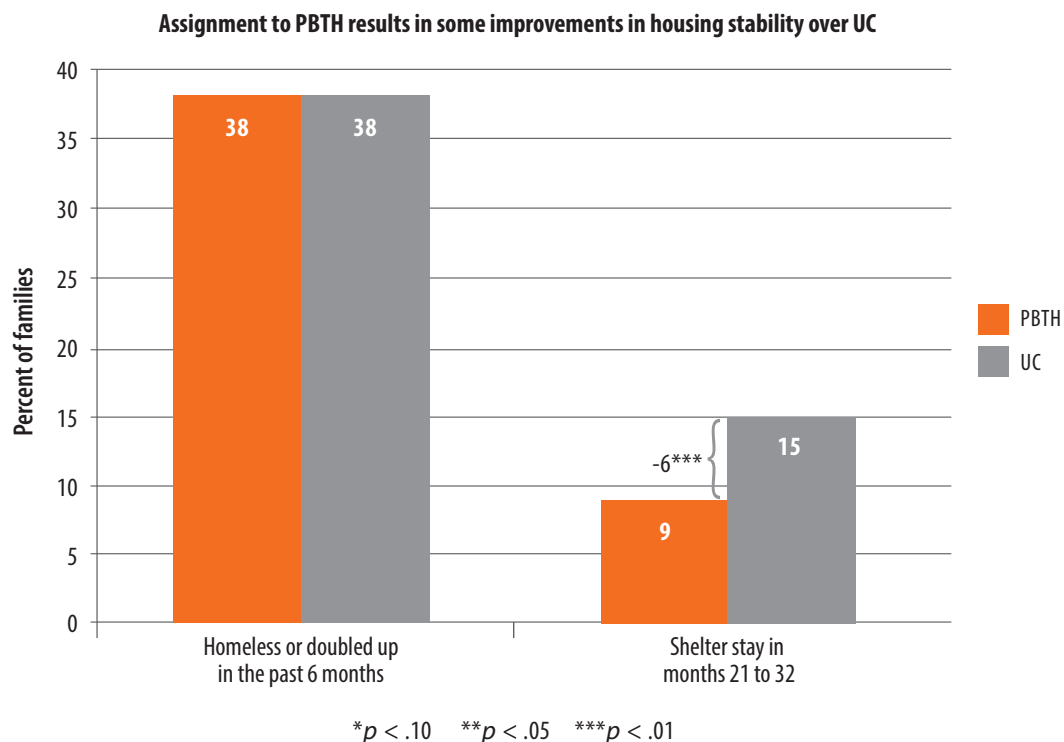
⁶ Gubits et al. (2015), chapter 7 (20 months); Gubits et al. (2016), chapter 4 (37 months).

Project-Based Transitional Housing Compared With Usual Care

Relative to usual care, assignment to the PBTH intervention reduced stays in emergency shelter during the period that some families remained in transitional housing. No evidence exists, however, of impact on other measures of housing stability or in other domains. Exhibit 5 shows selected housing stability impacts for assignment to PBTH compared to usual care.

The lack of impacts on adult well-being and family self-sufficiency is particularly noteworthy, given the emphasis that PBTH programs place on delivering supportive services in these areas. None of the eight indicators examined for results in these domains showed any impact of assignment to the PBTH intervention compared with usual care, nor did assignment to the PBTH intervention improve family preservation or child well-being outcomes. In summary, 3 years after random assignment, the study did not find evidence that this distinctive approach to assisting families facing unstable housing situations achieved its goals any better than did leaving families to find their way out of shelter without priority access to any program.⁷

Exhibit 5 - Housing Stability: PBTH Versus UC at the 37-Month Followup



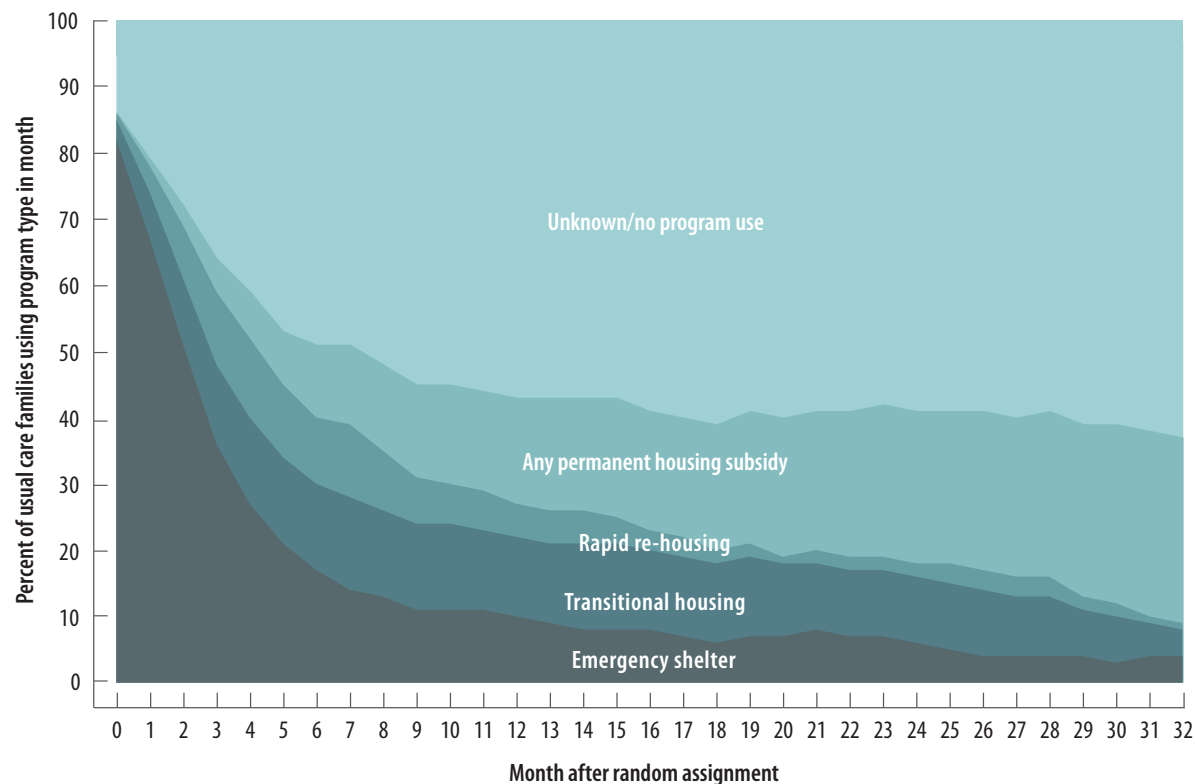
PBTH = priority access to project-based transitional housing. UC = usual care.

⁷ Gubits et al. (2015), chapter 8 (20 months); Gubits et al. (2016), chapter 5 (37 months).

The Homeless Services System

In addition to documenting the impacts of interventions for families, the study sheds light on how the homeless services system works. Information on the study's implementation shows that, at the time families received priority access to CBRR and PBTH programs from 2010 to 2012, many such programs had screening criteria that could exclude families with greater challenges.⁸ In addition, the use of programs by study participants shows that not all programs are equally attractive to homeless families. Families in the SUB group were more likely than families in the CBRR and PBTH groups to use the offered program type. The study also shows how families in the 12 communities access homeless and housing assistance in the absence of any priority offer. By 37 months after random assignment, 37 percent of UC families who responded to the followup survey had used some type of long-term housing subsidy (including HCVs, public housing, permanent supportive housing, and project-based Section 8 subsidies), 30 percent had used transitional housing, and 20 percent had used rapid re-housing.⁹ Exhibit 6 shows the proportions of UC families using various program types at each month after random assignment. Over time, the use of housing subsidies increased and the use of temporary homeless assistance (emergency shelter, transitional housing, and rapid re-housing) decreased.

Exhibit 6 - Program Use of Usual Care Families for 32 Months After Random Assignment^a



^a This exhibit shows program use for all families assigned to usual care who responded to the 37-month survey. Complete Program Usage Data for 37-month respondent families are available only through month 32 after random assignment.

Note: Families who have more than one type of program use in a calendar month are counted fractionally in each type.

Source: Family Options Study Program Usage Data

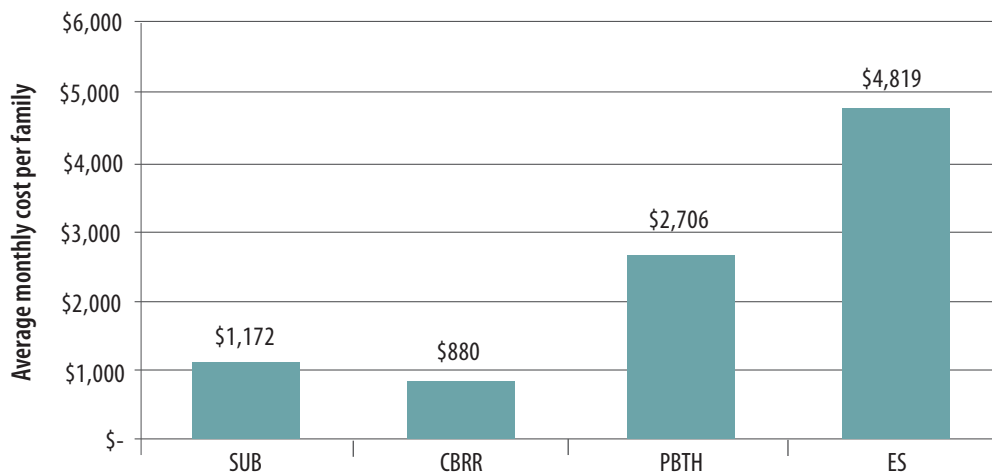
⁸ Gubits, Daniel, Brooke Spellman, Lauren Dunton, Scott Brown, and Michelle Wood. 2013. *Interim Report: Family Options Study*. Washington, DC: U.S. Department of Housing and Urban Development.

⁹ Gubits et al. (2016), exhibit 2-3.

Costs of the Interventions

The study also analyzed the costs of emergency shelter and of the programs offered in the three active interventions, including all resources used to provide shelter or housing with supportive services, to a family during the course of 1 month. The analysis shows that emergency shelters are very expensive—even more expensive than transitional housing—on a per-month basis. Both emergency shelters and transitional housing incur substantial costs for the services they provide to families. CBRR programs have the lowest monthly cost. Although the CBRR and SUB interventions both offered rent subsidies, CBRR programs do not use the subsidy formula of HUD’s HCV program and, on average, provide a somewhat smaller monthly subsidy than that provided by HCVs. Exhibit 7 shows the average per-family monthly cost of shelter and housing for each program type.

Exhibit 7 - Average Per-Family Monthly Cost of Shelter or Housing, With Supportive Services, Across Program Types



CBRR = rapid re-housing programs offered to the CBRR group. ES = emergency shelter. PBTH = transitional housing programs offered to the PBTH group. SUB = housing subsidies offered to the SUB group.

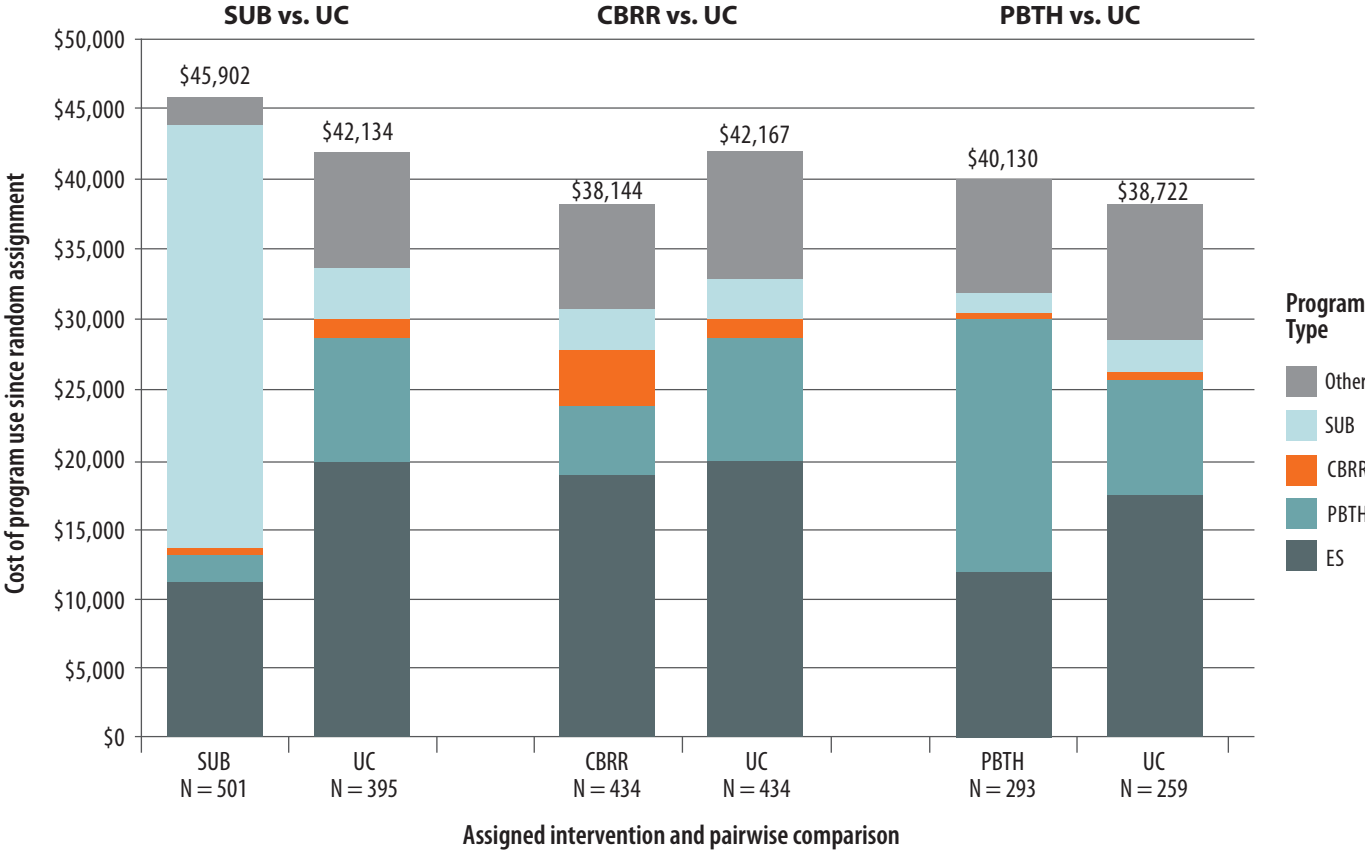
Sources: Family Options Study cost data (CBRR, PBTH, and ES); HUD Public and Indian Housing Information Center, Tenant Rental Assistance Certification System, and Financial Data Schedule records (SUB)

The study also measured the cost of all the programs the families used during the 3-year followup period. This measure accounts for use of the offered program type and other programs families found on their own. In the 3 years of followup, the average total cost of all the programs used by families assigned to the UC group was about \$41,000 per family. The corresponding cost for families assigned to the SUB group was about \$3,800 (9 percent) more than for comparable families assigned to the UC group. The cost of long-term housing subsidies for the SUB group was initially offset by the greater use of expensive shelter and transitional housing by the UC group but, as program use and corresponding costs declined for the UC group, the monthly difference in costs for the two groups increased. At the time of the 20-month survey, this monthly differential was only \$20 (\$1,086 for the SUB group and \$1,066 for the UC group). At the time of the 37-month survey, the monthly differential had reached \$136 (\$978 for the SUB group

compared with \$842 for the UC group). In other comparisons involving the SUB intervention, families assigned to the SUB group had 9-percent higher average costs in the first 37 months than those of families assigned to the CBRR group and 10 percent higher average costs than those of families assigned to the PBTH group.

In other comparisons involving the PBTH intervention, the high monthly cost of transitional housing programs resulted in a higher average cost of all programs used for PBTH families compared with either UC families or CBRR families. On the other hand, in each of the three comparisons involving the CBRR intervention, CBRR families have the lowest average cost for all programs used. Compared with UC families, CBRR families have an average cost of all programs used that is \$4,000 (roughly 9 percent) lower. Exhibit 8 displays the costs of all program use in the 3-year followup period for comparisons of active interventions with usual care.

Exhibit 8 - Costs of All Programs Used in the 37 Months Since Random Assignment for Intervention Comparisons With UC



CBRR = priority access to community-based rapid re-housing. ES = emergency shelter. PBTH = priority access to project-based transitional housing. SUB = priority access to housing subsidy. UC = usual care.

Notes: Averages are for all 37-month survey respondents in each arm of each pairwise comparison and are weighted for survey nonresponse to represent full comparison sample. Cost estimates assume a site-specific average cost per month based on the Family Options Study cost data and HUD administrative data. The *other* category refers to other long-term housing subsidies and includes permanent supportive housing, public housing, and project-based assistance (project-based vouchers or Section 8 projects).

Sources: Family Options Study cost data; U.S. Department of Housing and Urban Development, Public and Indian Housing Information Center, Tenant Rental Assistance Certification System, and Financial Data Schedule records (SUB); Family Options Study Program Usage Data

Conclusions

The Family Options Study shows that homelessness is expensive for families and communities. Even without priority access to assistance, families in 12 communities used housing and services programs costing about \$41,000, on average, during a period of a little more than 3 years. Despite this considerable public (and in some cases private) investment, many families who had been in shelter for at least a week at the outset of the study were still not faring well 3 years later. About one-third had been homeless or doubled up recently, nearly one-half were food insecure, and incomes averaged less than two-thirds of the poverty threshold.¹⁰

The 3-year evidence from the Family Options Study indicates that having priority access to deep long-term housing subsidies produces substantial benefits for families. More than one-third of families in all assignment groups found their way to long-term housing subsidies, but families given priority access to that assistance obtained subsidies more often and sooner. Providing priority access to housing subsidies cost 9 percent more than not giving families any priority offer during a 3-year followup period, but it had substantial benefits. Relative to usual care, assignment to the SUB intervention reduced by more than one-half most forms of residential instability, improved multiple measures of adult and child well-being, and reduced food insecurity.

The 3-year evidence shows that families assigned to the CBRR intervention do about as well as families assigned to usual care but at a 9-percent lower cost, mainly because assignment to the CBRR intervention lowers the rate at which families use costly transitional housing programs. Assignment to the PBTH intervention has few advantages over usual care or offers of other types of assistance.

The study suggests that families who experience homelessness can successfully use and retain housing vouchers. The homeless assistance system does not currently provide immediate access to such subsidies for most families in shelter, although more than one-third of families without priority access nevertheless obtained some type of long-term housing subsidy during a 3-year followup period.

The striking impacts of assignment to the SUB intervention in reducing subsequent stays in shelter and places not meant for human habitation provide support for the view that, for most families, homelessness is a housing affordability problem that can be remedied with long-term housing subsidies without specialized services.

¹⁰ Gubits et al. (2016), chapter 2.

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