Anchored Home Pay for Success Permanent Supportive Housing Project
Updated Grant Application for Alaska Mental Health Trust Authority

Project description
Over the next four years, the project will expand Permanent Supportive Housing (PSH) in Anchorage by adding an additional 270 PSH units for individuals experiencing homelessness who are high utilizers of public services, including corrections and emergency services. The individuals who meet the criteria for the target population circulate between systems, many facing behavioral health challenges including substance use disorders, mental illness, and/or developmental disabilities. Although this population—at the core of the Trust’s beneficiaries—is among the hardest to house, permanent supportive housing is an effective solution. This application is to support the service delivery components for the first year of the project, which will ramp up services to up to 60 participants.

Project overview
Approximately 1,100 people experience homelessness in Anchorage. Between 300 and 400 of these are the most vulnerable, who cycle in and out of jail, suffer from mental illness and substance use disorders, require frequent police, fire and paramedic calls, strain homeless shelters and emergency rooms, and make camps of parks, trails, bus stops and doorways. These individuals are the hardest to serve and have the hardest time maintaining stable housing, but that does not make them less deserving of support—in fact, it is the opposite. The purpose of this project is to improve their lives and better use public resources to fund expansion of an effective solution—Permanent Supportive Housing (PSH).

The Trust beneficiary groups that will be the focus of the project include individuals with mental illness, developmental disabilities, and/or chronic alcoholism or other substance-related disorders. The target population for PSH eligibility (defined by the HUD/DOJ grant) includes individuals with high use of corrections (two stays in the last three years, one in the last year), patterns of homelessness, and a history of high cost utilization of crisis services OR significant health or behavioral health challenges. These eligibility criteria will lead the project to serve many of Anchorage’s most vulnerable people with behavioral health challenges, and it is anticipated that most, if not all, would be Trust beneficiaries.

The project will serve Anchorage over the course of four years, expanding PSH by 270 units. The expected outcomes include housing stability (measuring continuous days/months in permanent housing), reduced recidivism, and reduced use of emergency health care services (e.g. emergency department visits, hospitalizations). In the initial ramp-up year, the project will add 60 PSH units.

Providing Permanent Supportive Housing for this population group will create a healthier community with cleaner parks, less crime, fewer panhandlers at intersections, and reduced calls for emergency medical personnel and police, allowing for greater focus on other community needs. Most importantly, it will improve the quality of life for individuals who are left behind by the status quo and need effective, long-term support.
This project relies on community support across all the systems affected by homelessness. The project is led by a core Pay for Success development team including the United Way of Anchorage, Municipality of Anchorage, Anchorage Coalition to End Homelessness, and national technical assistance providers Corporation for Supportive Housing and Social Finance. The HUD/DOJ grant supported a feasibility study that shed new light on the magnitude of the challenge in Anchorage, and inspired collaboration among the United Way of Anchorage, Agnew::Beck, the Municipality of Anchorage, the Department of Corrections, the Department of Health and Social Services, Alaska Housing Finance Corporation, the Anchorage Coalition to End Homelessness, the Alaska Coalition on Housing and Homelessness, RurAL CAP, Catholic Social Services, CHOICES, NeighborWorks, and many others. Now the project partners are in the process of securing funding commitments from multiple public and private entities (known as “outcome payors”), including the Municipality of Anchorage, the Department of Corrections, and health stakeholders. Alongside this request, the project has requested funding from the Rasmuson Foundation. As Pay for Success transaction structuring proceeds, the partners expect to build additional funding partnerships with local and national funders.

**Evaluation criteria**

In this project, payment is directly linked to outcomes achieved for beneficiaries, as measured by third party evaluation. The partners will know the extent to which participants are better off through clear, independent results that determine how many high-need individuals received housing and supportive services, whether they maintained housing, and what type of jail or healthcare interactions they experienced after being housed.

The project’s evaluation will be led by Janet Johnston of Institute for Circumpolar Health Studies and Marny Rivera of NPC Research. The evaluation design will be finalized in Q1 2019. The project outcomes linked to payment will be selected and refined after outcome payors commit to the project, but they will include measures such as housing stability (i.e. whether participants remained in PSH), reduced recidivism (e.g. reduced jail days, reduced bookings), and reduced health care utilization (e.g. reduced emergency room visits). With appropriate data sharing protection, the evaluation may also assess other outcomes for the purpose of learning, including more detail on health care services used, participant satisfaction, and other survey measures. During the ramp-up year, the project partners will track and report all of the key outcome metrics to assess early performance; however, the outcomes will not be linked to payment until the PFS years.

Outcomes will be documented through a rigorous reporting process, defined in the evaluation plan and the Pay for Success contract. A series of data-sharing agreements will facilitate information-sharing between service providers and administrative data sources (including HMIS and DOC) so that the evaluators can track project results on a quarterly basis. In addition, the project intermediaries will assess ongoing performance on programmatic measures including referrals and enrollment to ensure early operations are on track to meet these outcomes.

**Sustainability**

The funding requested in this application will kick-start the project in Phase 1 during the ramp-up year (2019). With support from the Corporation for Supportive Housing, a national expert on PSH, the partners held a Request for Qualifications process in Fall 2018 and selected RurAL CAP, Southcentral
Foundation, Daybreak, and CHOICES as service delivery providers, and NeighborWorks Alaska and Front Range Apartments as housing providers. The project will begin enrolling clients in January 2019 and placing clients in housing by February 2019. Pending the contracting process with both housing and service providers, we expect the 60 clients enrolled during the ramp-up year to be served by Rural CAP and Southcentral Foundation.

As the project transitions into the PFS phase beginning in 2020, the project partners may seek additional funding from the Trust for the upfront capital to expand PSH to 270 units in Anchorage. At the end of the PFS project period, four years after service delivery begins, the project moves to Phase 2, which will sustain the PSH intervention through an evergreen fund consisting of ongoing outcome payer contributions. By the beginning of Phase 2, these outcome payors (including the Municipality of Anchorage, the Department of Corrections, and local hospitals and/or health care payors) will know the extent to which PSH is working based on four years of program implementation and a detailed evaluation of the project’s performance. At this point, the outcomes payors will sustain the 270 PSH units and supportive services for participants to the extent that this intervention is successful in producing desired outcomes.

The Trust’s funding during the ramp-up year will help accelerate the timeline to housing people who need the support, and enable service providers to build capacity and refine the delivery of PSH as they prepare for continued expansion during the PFS years.

Who we serve
By expanding PSH in Anchorage, this project aims to provide an effective, long-term solution for some of the Trust’s most vulnerable beneficiaries—individuals who experience persistent homelessness. Without stable housing, individuals struggling with a substance use disorder, mental illness, developmental disability, or a traumatic brain injury are more likely to fall into a vicious cycle—moving from the streets, to the ER, to jail, without ever received the in-depth support needed to stabilize their condition or address the problem.

While the eligibility criteria for the target population is based on interactions with the homeless services, jail, and medical systems, studies of similar populations suggest that the individuals who meet these criteria overlap with one or more of the following Trust’s beneficiary groups—those experiencing mental illness, chronic alcoholism and other substance related disorders, a developmental disability, or a traumatic brain injury. Many participants in the Alaska Housing First study (which is a similar, though distinct target population), reported significant behavioral health challenges at baseline—62% had PTSD, 33% were depressed or bipolar, and most had high alcohol consumption (86% typically had eight or more drinks per day). [“Evaluating Housing First Programs in Anchorage and Fairbanks, Alaska.” (2017).]

Anchorage’s Coordinated Entry system uses the Vulnerability Index – Service Prioritization Decision Tool (VI-SPDAT), which assesses clients’ vulnerability and matches them to the appropriate level of services. This project will target individuals with high VI-SPDAT scores (9+). Clients who score this high often exhibit substance-related disorders, mental illness, or other signals that match the Trust beneficiary population.
By providing permanent housing plus intensive support services, Trust beneficiaries will receive the level of support required to stabilize and improve their lives. In addition to consistent housing, reduced time in jail and ERs, we expect beneficiaries to improve their behavioral and physical health, reduce substance use, and increase employment.

Note: the estimated number of beneficiaries is specific to the ramp-up year, as is the budget.

<table>
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<tr>
<th>ESTIMATED NUMBER OF BENEFICIARIES SERVED EXPERIENCING</th>
<th>Ramp-up year</th>
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<tbody>
<tr>
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<td>Developmental Disabilities:</td>
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<tr>
<td>Traumatic Brain Injuries:</td>
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<tr>
<td>Number of people to be trained</td>
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