Homelessness: The Facts

Between 2.5 & 3.5 million people are homeless in the US in a given year.\(^1\)

1.35 million of those homeless are children.\(^1\)

Available Shelter in the United States:

- There are almost 5,000 homeless shelters nationwide.\(^2\)
- 426,231 total beds in 2013.\(^3\)

Homeless Health:

- Homeless individuals are up to 5x more likely to use emergency departments, compared to the general population.\(^4\)
- Treatment for substance abuse accounted for over 50% of the reasons for hospitalization.\(^9\) In many instances, substance abuse is a result, rather than a cause of homelessness.\(^5\)
- By comparison to the general population, homeless patients stay an average of 4.1 days longer in hospitals.\(^6\)

Economic Toll of Homelessness:

A study of 15 randomly selected homeless people in San Diego found that these individuals accounted for:

- $1.5 million in emergency transport and ED services
- 417 emergency department visits

over an 18-month period.\(^3\)

Homelessness in Connecticut:

43% of unsheltered adults are chronically homeless.\(^7\)

Yale New Haven Hospital identified 143 homeless patients who required:

- 1,099 ED visits
- 505 hospitalizations

The 30-day readmission rate was 53% for homeless individuals, compared to 14% for non-homeless patients at YNHH.\(^8\)
The New London Homeless Hospitality Center (NLHHC) is a non-profit organization based in New London, Connecticut. They have recently set up a respite care program, which does not currently have formal methods for assessing the cost effectiveness or humanitarian benefit of its services. Lacking both qualitative and quantitative data limits NLHHC from building an evidence-based case for future funding, potentially threatening program sustainability.

Objectives
The objectives of this project include:
- to consolidate national and local facts and trends on homelessness and respite care;
- to provide program-specific narratives to highlight the humanitarian benefit and effectiveness of respite services;
- to propose a model for measuring cost effectiveness via unit cost methodology.

Methods
A literature review was conducted to identify the characteristics of respite care for the homeless on a national and local level.

Key informant interviews were conducted to provide qualitative data on program-specific respite services and the New London community. Individuals interviewed included:
- NLHHC Guests
- NLHHC Staff
- Lawrence & Memorial Hospital Staff, including:
  - ER Staff
  - Discharge Planner
  - Chief Transformation Officer

Results from the Literature Review
High readmission rates are problematic given the Hospital Readmissions Reduction Program enabled by the Affordable Care Act, which requires CMS to reduce payments to hospitals with excess readmissions, effective for discharges occurring after October 1, 2012. Homeless people tend to have a higher rate of readmissions; thus it may make economic sense for hospitals to provide for their shelter. Studies have found that offering housing and case management to a population of homeless adults with chronic medical illnesses can result in fewer hospital days and ED visits.11

Results from the Interviews
Respite guests and staff, as well as hospital staff consistently report that the respite center fills a critical gap in healthcare for the homeless and provides a safe, recuperative space for people with no other place to recover.

“\textit{This is the best thing they’ve ever done. This helps people who don’t have someone to help them at home.}”

— NLHHC Respite Guest

Respite Utilization
Based on the information gathered in the interviews with respite staff, the following data were obtained. There were a total of 27 unduplicated guests served in the first quarter of 2014. A sample of 20 guest records revealed that the duration of guests’ stays ranged from 1 to 60 days, with a median duration of 10 days.

Only 1 out of the first 19 guests was referred through the proposed mechanism of referral initially (see outline below). Five of the next 8 guests were referred by the proposed mechanism. The referral system seems to be heading towards adequate optimization.

Recommendations
We recommend bidirectional communication with the ED whenever possible to optimize appropriate care. Patients transferred from one facility to the other should be accompanied by a responsible person, if feasible, to facilitate the transition. Frequent contact between NLHHC staff and discharge planners at the hospital has been established and coordination has been working well.

Proposed Referral Process

\begin{center}
\textbf{Hospital} \hspace{2cm} \textbf{Referral Process}
\end{center}
VNA HealthCare has been working closely with the respite center and is a resource for care delivery, for screening potential admissions to the center, and determining the medical appropriateness of respite services.

Cost-Unit Analysis

Based on the preliminary data available and several assumptions, a unit cost process was conducted. The distinct outputs suggested and their estimated unit costs for a month are listed in the following table. These values are based on several assumptions and should be considered basic estimates.

<table>
<thead>
<tr>
<th>Service</th>
<th>Unit Cost ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Day of Respite Bed Usage</td>
<td>47.67</td>
</tr>
<tr>
<td>15 Minutes of Respite Case Management</td>
<td>7.98</td>
</tr>
<tr>
<td>15 Minutes of Skilled Nursing Care</td>
<td>19.07</td>
</tr>
<tr>
<td>1 Hour Health Counseling</td>
<td>75.00</td>
</tr>
<tr>
<td>Average Cost per Unique Guest</td>
<td>1,105.28</td>
</tr>
<tr>
<td>15 Minutes of Walk-in Case Management</td>
<td>72.50</td>
</tr>
</tbody>
</table>

Limitations

In general, homelessness is challenging to track because it requires people to disclose their circumstances. Many individuals are likely to be hesitant to provide such information, as homelessness continues to be a stigmatized status within society. This limits the ability to collect data accurately on homeless populations in our communities. NLHHC’s finite resources limit the feasibility of constructing, collecting, and analyzing the components of the proposed model for measuring cost effectiveness. In addition to these administrative limitations at NLHHC, New London’s relatively small population and financially limited hospital resources limit the feasibility of collecting this data from the community side, as well.

Conclusion

Homelessness has been an increasing challenge over the last several decades. Although individuals that are homeless come from a wide variety of backgrounds and circumstances, many have medical, mental health, and substance dependency needs. On average, they have higher utilization costs for medical care, usually through emergency services and inpatient admissions. By providing respite care and assisting with medical and social management, significant benefits, both humanitarian and financial, can be realized. The New London Homeless Hospitality Center has recently created a respite center within its facility to meet these needs. This project offers:

- A literature review of homelessness nationally, within Connecticut, and in a comparable community.
- Quantitative methodologies that may be utilized in the future for cost assessment data.
- Qualitative data through testimonials of guests and staff at NLHHC, that respite care has served as a lifeline.
- Appraisal of the respite services for the Lawrence and Memorial Hospital administration showing that they are vital in caring for the local homeless population.

We believe, and feel the report demonstrates, that the services available through the respite center provide not only a crucial humanitarian support structure, but over time will show cost savings through state insurance and possibly for Lawrence and Memorial Hospital, depending on prevalent reimbursement structures. It is our sincere hope that the respite center can be sustained and expanded; and that this review is helpful in that regard.

Acknowledgements

We would like to thank the staff at New London Homeless Hospitality Center and Lawrence & Memorial Hospital for sharing their stories and passion for providing healthier futures for the homeless community of New London.

References