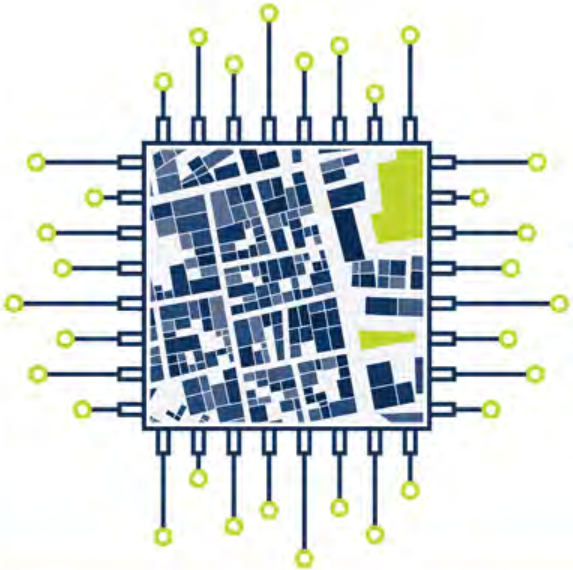
Scaling Permanent Supportive Housing via Pay for Success



Solving Problems &
Impacting Communities
With Data

Homelessness: A Priority for Austin/Travis County

Homelessness in Austin

- 2019 Point in Time count found **2,255 people experiencing homelessness**, up 5% from the previous year
- Primary cause of homelessness is a **lack of affordable housing** and the ability to compete for available units
- Other factors contributing to homelessness include higher rates of **substance use and/or mental illness**
- Between 2014-2015, >700 homeless patients had **25 or more health encounters**

The Austin Travis County Home Initiative

- First **Pay for Success** project in Texas
- Focuses on serving individuals experiencing **chronic homelessness**
- Targets **individuals with the highest rates of healthcare and criminal justice utilization** for enrollment
- The top 250 utilizers on the list of eligible clients had, on average, the following encounters over the last 18 months:

Inpatient Days	*ED Visits*	*Jail Days*	*Bookings*
11	16	5	118

What is Pay for Success?

Pay for Success is a set of innovative financing strategies that make payments directly dependent on results

Pay for Success strategies share these core principles:

Clearly defined **outcomes**

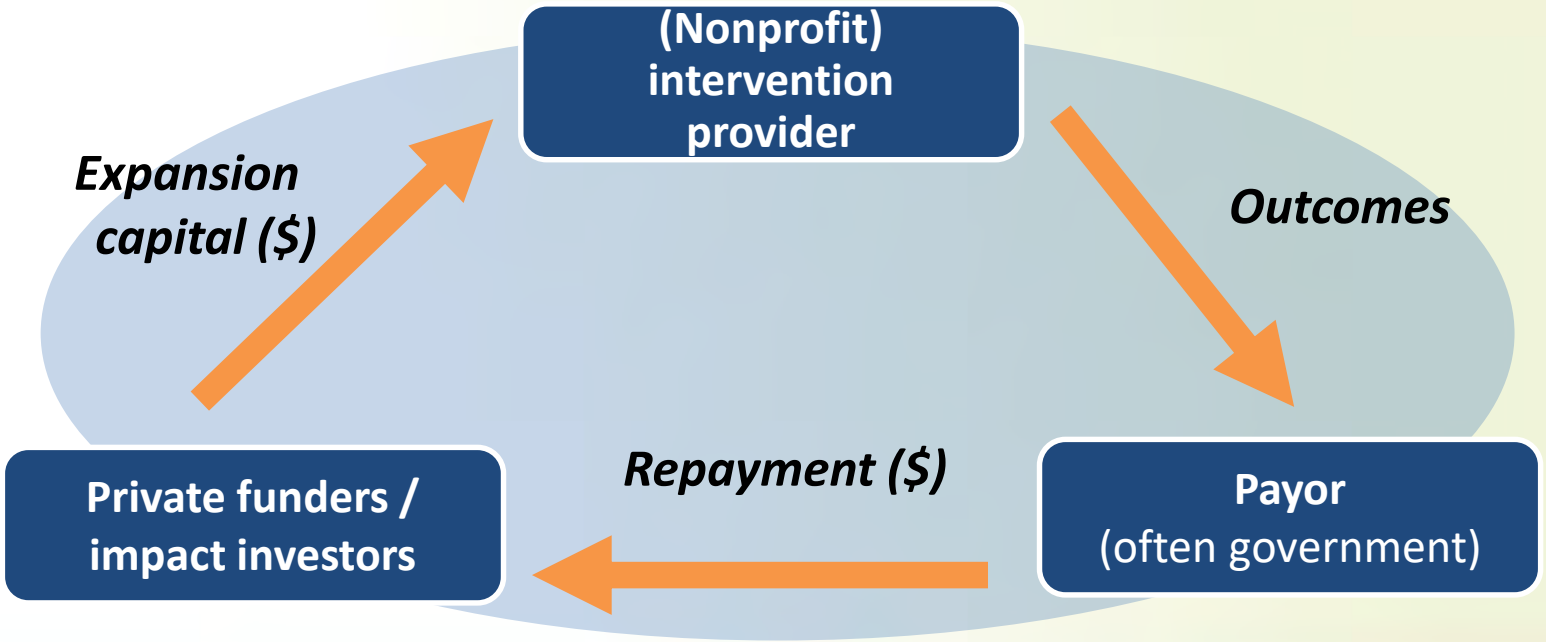
Data-driven decisions

Uncommon, cross-sector **partnerships**

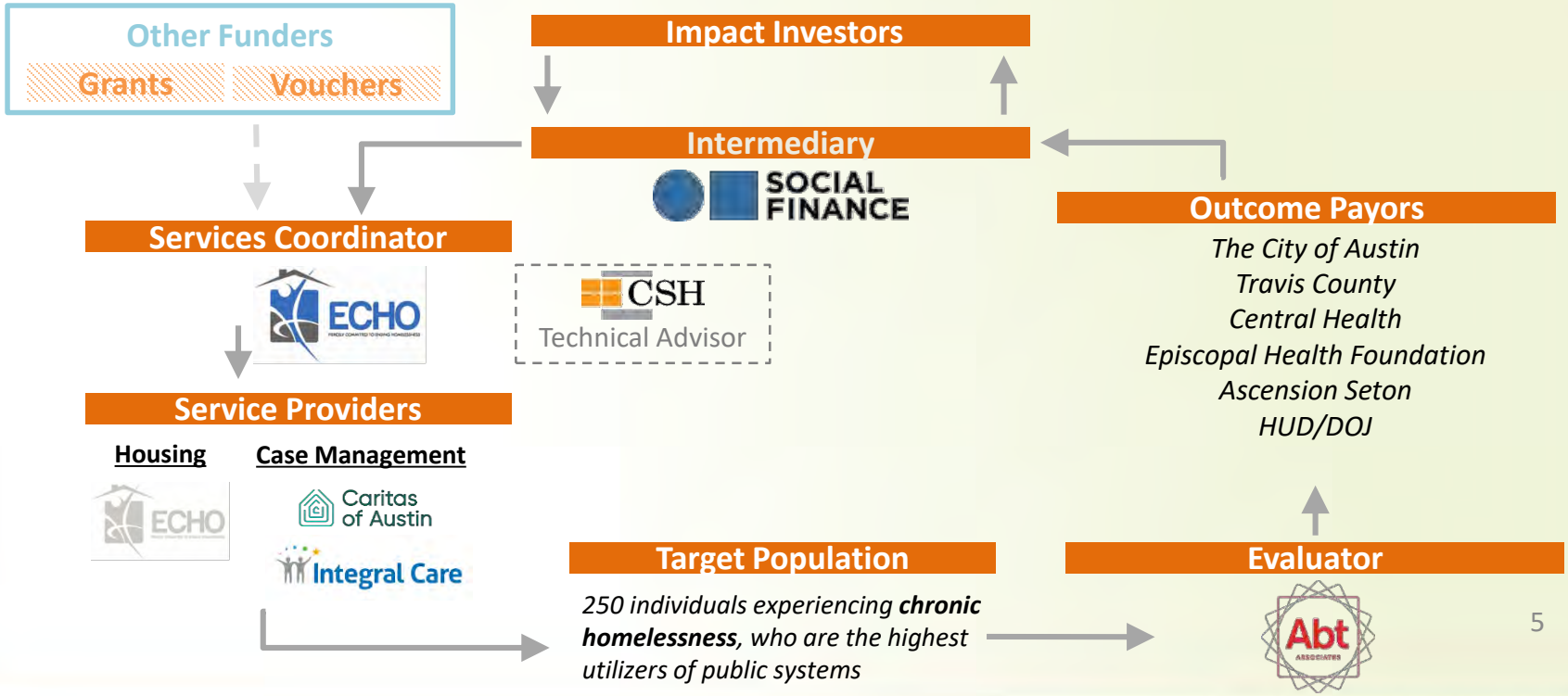
Strong governance & **accountability**

Private **capital** for impact

What is Pay for Success?



How Does it Work?



Funding Commitments

$16.3M Project Budget

$4.8M
Grant Contribution

$11.5M
Investor Capital Raise

$15.5M Payor Funds

- Central Health: $3M
- Ascension Seton: $1M
- EHF: $2M
- Travis County: $3M
- City of Austin: $6M
- HUD/DOJ: $0.5M

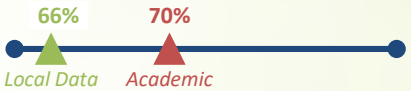
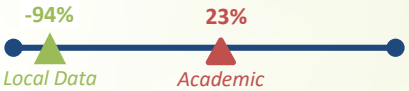
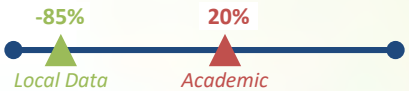
$15.5M Max Payment

- **Health: $6M** (~38% of total)
- **Criminal Justice: $1.5M** (~10% of total)
- **Housing Stability: $8M** (~52% of total)

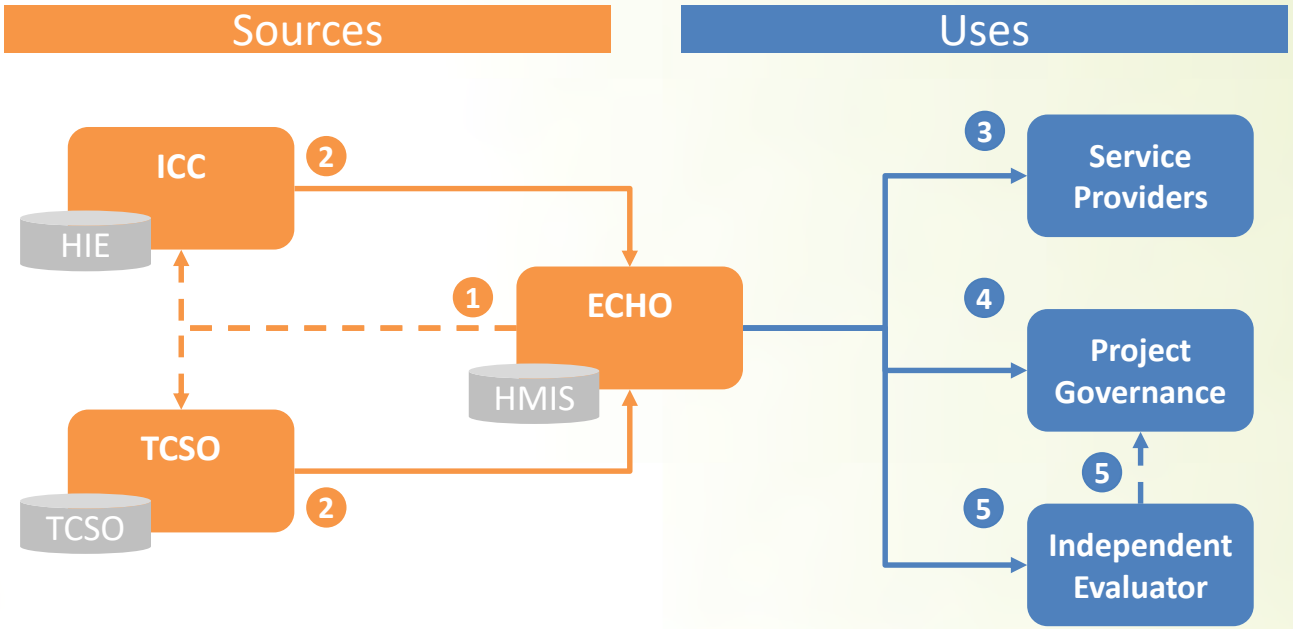
Outcome Metrics

Payment-Linked Outcome Metrics						
Metric(s)	**Housing Stability** *months stably housed* ***(min. of 6 months)***		**Health** *% reduction pre-post*		**Criminal Justice** *% reduction pre-post*	
	0-12 months	13-18 months	Inpatient days	ED visits	Bookings	Bed Days
$	$2,025	$2,500	$960	$276	$150	$400
Unit	per person / per month		per % reduction / per cohort		per % reduction / per cohort	
Data	Homeless Management Information System (HMIS)		Integrated Care Collaboration (ICC) matched with HMIS		Travis County Sheriff's Office (TCSO) matched with HMIS	
Timing	• Payments capped at 18 (non-consecutive) months per person		• 36 months (comparison based on 18 months pre- / post-enrollment)		• 36 months (comparison based on 18 months pre-/ post-enrollment)	

Using Data to Assess Performance Risk

Metric		Impact Estimates	Notes
Housing Stability	0 – 12 Months		
	13 – 18+ Months		• Larger variance within the local data and academic impact estimates
Health	Inpatient Days		• Local data is 12 mos pre/post (vs. 18 mos.); ACT service recipients saw increases in inpatient days (e.g., negative outcomes)
	ED Visits		
Criminal Justice	Bookings		• Most limited evidence base for outcomes; local data is 12 mos pre/post (vs. 18 mos.)
	Jail Days		• Local data is 12 mos pre/post (vs. 18 mos.); outliers have a larger impact on average estimates

Leveraging Data Across Systems



1. ECHO sends the list of potential clients
2. ICC & TCSO match clients & share historical encounter data with ECHO
3. ECHO distributes list of highest utilizers to providers for outreach (target population)
4. ECHO reports operational metrics (e.g., enrollment & housing rates, etc.) to project governance
5. ECHO shares encounter and housing data with the evaluator to calculate outcome metrics

Data In Action: Pilot Program

Pilot Structure

St. David's Foundation

Provided pilot funding

ECHO & Caritas

Provided Outreach, Housing, Placement and ACT Services

Clients

27 Individuals Experiencing Chronic Homelessness

Outcomes & Lessons Learned

- 18 Months Pre-Enrollment, Clients averaged **15.3 ER Visits** and **2.66 Inpatient Days**
- **Substance Use** represents a significant challenge for Clients

Housing Stability Outcomes:

- **81% Housed** at 6 months
- 8% Passed Away Prior to Exit
- 11% returned to homelessness and were **subsequently re-enrolled**

- Clients require higher rates of rehousing than other PSH programs; **for 27 enrolled clients, ECHO has found 48 housing placements**

Timeline for Austin's Pay for Success Project

2014

- *Pay for Success (PFS) Taskforce convened by nonprofit & government partners*
- *White House announces Social Innovation Fund grant opportunities*

2015

- *ECHO and partners selected by CSH for feasibility study*
- *Multi-partner work sessions: project design, population, data availability, outcomes*

2016

- *PFS Feasibility Report completed by CSH*
- *Nonprofit Finance Fund grant awarded to ECHO and partners*
- *HUD-DOJ grant awarded to ECHO and partners*

2017

- *Work sessions to analyze data, define payment outcomes*
- *RFP for independent evaluator, service providers*

2018

- *Pilot begins for 24 clients using PFS data pool and eligibility criteria*
- *Legal discussions for contract considerations with government partners*
- *Education of PFS model to potential payors, officials, partners, investors*

2019

- *End-payor commitments secured*
- *Recruitment of potential investors*
- *Finalization of contracts and project start within sight . . .*

Lessons Learned

- *Key stakeholders may change – champions are important*
- *Complex legal and contractual considerations with evaluator, multiple government partners, investors, and service providers*
- *Data sharing is essential, requirements differ over time*
- *Pool of eligible participants changes constantly*
- *A pilot can be very helpful to define and refine project design*
- *Program evaluations are only as good as the data they rely on – invest in building data infrastructure and capacity*

Resources

https://www.austinecho.org/wp-content/uploads/2019/07/PFS-PSH-Austin-one-pager.pdf

https://www.austinecho.org/wp-content/uploads/2019/07/ECHO-Pay-for-Success-Feasibility-Report.pdf

http://austintexas.gov/department/city-council/2019/20190328-reg.htm#016

https://socialfinance.org/what-is-pay-for-success/

https://www.huduser.gov/portal/sites/default/files/pdf/PayforSuccess.pdf

https://nff.org/learn/pay-for-success

Questions?

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