

REPORT TO THE LEGISLATURE

**The Supportive Housing and Managed Care Pilot
Year 3**

December 2003

**Prepared by the Department of Human Services
444 Lafayette Road North
St. Paul MN 55155-3844
(651) 282-5205**

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For more information, contact:

Department of Human Services
Children and Family Services
444 Lafayette Road North
St. Paul MN 55155-3844
(651) 282-5205
TDD/TTY users, call
(800) 627-3529

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Minnesota Statutes, chapter 3.197 requires disclosure of the cost to prepare this report. Approximately \$1,000 for staff salaries and materials was spent to write the report.

EXECUTIVE SUMMARY

This is the third annual report submitted to the Minnesota Legislature pursuant to Minnesota Statutes 2001, Article 10, Section 55 (256K.25).

The Supportive Housing and Managed Care Pilot is a demonstration project evaluating whether it is possible to help families and single adults who have long histories of homelessness achieve increased levels of stability and satisfaction in their lives, in a way that is cost effective for government compared to the expenses associated with homelessness. The project will offer insight into the types of systemic changes that are needed to organize a supportive housing model that works in partnership with the health and human services sectors. It supports priorities of the Department of Human Services: (1) to address chronic homelessness; and (2) to provide safe and permanent homes for vulnerable children.

The Legislature has funding projected for the demonstration project through June 2007, pending completion of the next biennial budget. If the project is successful, the Supportive Housing and Managed Care Pilot could be a model for dealing with the growing problem of long-term homelessness in Minnesota.

Blue Earth County and Ramsey County contract with Hearth Connection, a non-profit that is responsible for this demonstration project. Families started enrolling in Blue Earth County in March 2001, and in Ramsey County in May 2001. Single adults began participating in both counties in August 2002. As of June 30, 2003, there were 49 families enrolled, including 156 children, and 83 single adults enrolled, for a total of 299 participants.

This report provides an update on the pilot after two years of working with families, and a year working with single adults. It gives a status report on the independent evaluation. It discusses the use of public funds, as well as leveraging of other public and private monies. All data reported herein is through the period ending June 30, 2003, unless otherwise noted.

This demonstration project continues to move forward as planned, and the mechanisms are in place to deliver information on long-term homelessness, housing and service interventions needed to break the cycle of homelessness, and the cost implications for government. Early findings from the evaluation indicate that the project is accomplishing its objectives.

1. Both the families and the individuals participating clearly have the characteristics of long-term homelessness the project intended to reach. A preview of data from the outcome study shows half of adult participants report being homeless for two years or more since age 18. They have experienced many acts of violence or trauma, have an average of at least two mental health disorders, two physical health conditions and long periods (over seven and a half years) of drug and alcohol dependency.
2. Families and children participating in the pilot have stayed in the program an average of almost one and one half years (529 days). Retention of families in the program has been better than expected; attrition has been 14% annually. Housing stability continues for most families. Just over 70% of families have stayed in the same home

since they moved in initially. For the first time, some participating families are exiting the program because they no longer need its support.

3. Single adults have been enrolled an average of 6 months (179 days), and attrition for single adults has been low, only 5% annually. Two-thirds (66%) of single adults have stayed in the same housing since they moved in initially. More needs to be understood about the small number of individuals (approximately 20%) who have been very difficult to house and keep housed.
4. Hearth Connection now administers two rental assistance programs. With no new Section 8 vouchers available, Hearth Connection and its partners have had to piece together many types of rental assistance to keep housing affordable for participants.
5. The pilot will increase the amount of federal Medicaid Targeted Case Management dollars being leveraged beginning July 2003.
6. The National Center on Family Homelessness evaluation is proceeding as planned. DHS has had an opportunity to review the cost study methodology and believes it has the statistical rigor needed to substantiate any cost offsets that might emerge. Outcome interviews with participants are also happening on schedule, and the data is painting a more detailed picture of long-term homelessness and who is in the pilot.
7. The second annual qualitative study report will be available early in 2004. Based on advance information from the National Center on Family Homelessness:
 - Participants continue to report positive impacts of the pilot, including a newfound sense of hope.
 - Participants report changes in service use patterns, including less hospital emergency room and detox use and increased access to physicians and clinics.
 - Collaborative partnerships have been strengthened where needed, and stakeholders continue to support the project.
8. Hearth Connection, Ramsey County and Blue Earth County are all members of the State Working Group on Supportive Housing for Persons Experiencing Chronic Homelessness. The design of the pilot, the experience to date, and the objectives of evaluation and replication can all be instructive to that process.

OVERVIEW

In 1999, the Minnesota Legislature authorized DHS to establish a Supportive Housing and Managed Care Pilot. The Legislature appropriated funds in 2000 for the pilot to work with families, and in 2001 to expand the pilot to singles. The 2003 Legislature appropriated funds to continue the program, with projections to continue funding the pilot at \$1.5 million per year through June 2007, pending completion of the next biennial budget.

The Supportive Housing and Managed Care Pilot operates through a collaboration between the Department of Human Services, Ramsey and Blue Earth counties, Hearth Connection, the Amherst H. Wilder Foundation, Mental Health Resources and Guild Incorporated.

The project works with families and single adults with long histories of homelessness, compounded by substance use, mental illness, trauma, violence and chronic health problems, including HIV and AIDS. The pilot combines a direct supportive service model, linked to housing, and a service coordination mechanism, at both participant and agency levels, that promotes efficiency among many housing, health, social service and employment providers.

The premise is that adults will have improved stability in housing, which will in turn promote the attainment of goals related to health and self-reliance. Children will have safe and stable environments that support the attainment of health, developmental and educational goals. Further, when people have stable housing and the opportunity to improve their health and well-being, there is a reduction in the use of costly, government-funded crisis and institutional services. Therefore, if the demonstration project is a success, there may be an argument, with data to back it, for expanding the model to meet the needs of people who experience long-term homelessness in Minnesota.

This report describes what is happening with the pilot, the status of the independent evaluation, the use of public funds and the leveraging of public and private monies. All statistics are reported for the period ending June 30, 2003, unless otherwise noted.

Characteristics of Participants

A total of 430 people from 170 households have enrolled in the pilot since it began operating in 2001. As of June 30, 2003, 299 people were enrolled, include 156 children from 49 families and 83 single adults. On average, families consist of 4.3 people, with 1.2 adults average age and 3.1 children who average 10 years of age. Families have stayed in the program an average of almost one and one half years (529 days). Retention of families in the program has been better than expected; attrition has been 14% annually.

Single adults, averaging 42 years of age, have been enrolled an average of almost 6 months (179 days). Attrition for single adults has been low, only 5% annually.

Families that exited the pilot stayed in an average of 8 months (251 days). Single adults who exited were in an average of 5 months (153 days). For the first time, some participating

families are exiting the program because they no longer need its support. Enrollment and exit statistics for the pilot are shown in the table below.

Table 1. Enrollment Summary

	SFY2001	SFY2002	SFY2003	Total
Enrolled				
Households	20	46	104	170
<i>Families</i>	20	45	18	83
Children	54	137	50	241
Adults	25	56	21	102
<i>Single Adults</i>	0	1*	86	87
Total Participants	79	194	157	430
Exited				
Households	0	18	20	38
<i>Families</i>	0	18	16	34
Children	0	49	36	85
Adults	0	23	19	42
<i>Single Adults</i>	0	0	4	4
Total Participants	0	72	59	131

*This single adult originally enrolled as a family but subsequently changed to single adult status.

Hearth Connection, the primary providers and the counties have observed that the family and single adult distinctions can be fluid. There have been some families where parental rights have been terminated, but both the parents and children have been supported through the process. There have been single adults who develop relationships with other adults, or who, once stable, are able to be reunited with their children.

As a part of the independent evaluation, adult participants are asked to do three outcome interviews during their involvement in the program, once when they enroll, another after nine months and another nine months later. A total of 156 baseline interviews have been conducted as of the writing of this report, with preliminary results available from 111 of these interviews. (The first interview was conducted in October 2002, therefore some participants' first interviews occurred after they had been in the pilot for some time.) These preliminary findings provide the following information about participants:

- **Homelessness.** Half of participants report being homeless for two years or more since age 18 (with an average of five years of homelessness since age 18). On average, participants report being homeless 3.4 times since age 18.
- **Traumatic events.** Participants reported experiencing many traumatic events, including experiencing physical violence from a family member or known individual (67%); having a family member, friend or domestic partner die violently (48%); being present when someone has been killed, assaulted or injured (46%); experiencing life-threatening accidents or illnesses (34%); and experiencing the death of a child (19%).
- **Mental health issues.** Participants report a high prevalence of a range of mental health conditions, including depression (82%), post-traumatic stress disorder (33%), other

anxiety disorders (33%), bipolar disorder (25%), and schizophrenia (17%). Participants indicate, on average, at least two mental health disorders.

- **Physical health issues.** Participants also report a high prevalence of physical health conditions, including hypertension (28%), asthma (23%), hepatitis (19%), anemia (19%), and bronchitis (18%). On average, participants have at least two physical health issues.
- **Alcohol and other drugs.** Participants describe long histories of alcohol use, with more than half of participants reporting using alcohol regularly to the point of intoxication for more than eight and a half years. Participants report having used at least one substance per day for, on average, seven and a half years.
- **Education.** Participants indicated their highest levels of schooling as follows: eighth grade or less (6%); some high school (29%); completed high school (26%); completed GED (14%); completed vocational, trade, business school or military (21%); some college (3%); and completed college (1%).
- **Race.** People of color are over-represented among pilot participants compared with Minnesotans generally, representing nearly half (47%) of participants. Participants identified as White/Caucasian (53%), African American (36%), multi-racial (6%), Native American (3%) and Asian/Pacific Islander (2%).
- **Satisfaction with services.** On average, participants report satisfaction with the services provided under the pilot (4.4 average on a 1-to-5 scale, with 5 being very satisfied).

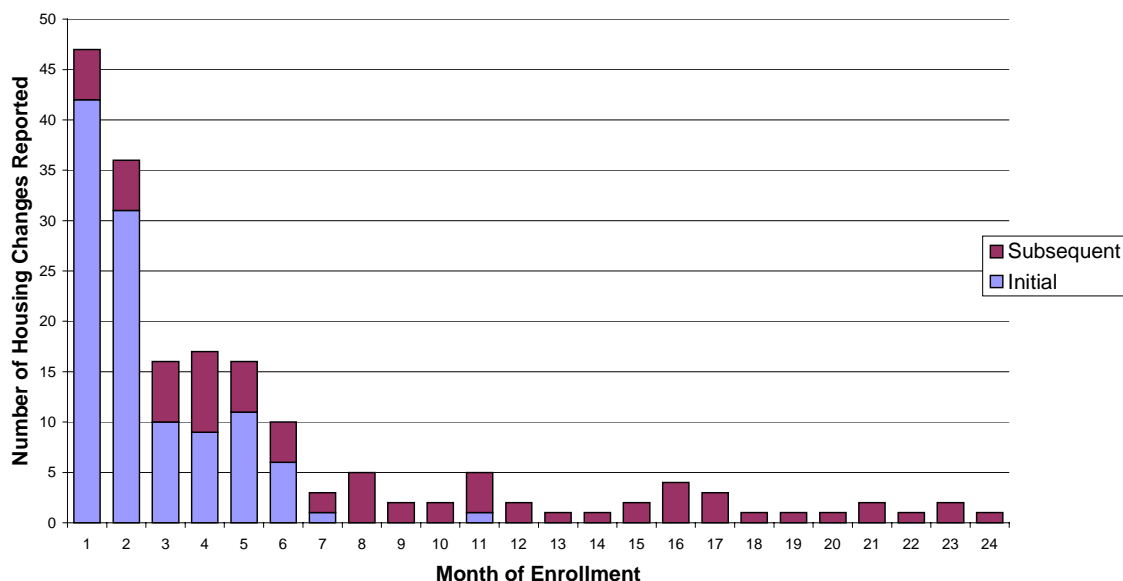
Housing Stability and Supportive Housing Development

Helping participants access housing is critical to the pilot's intervention and to interrupting the costly and damaging cycle of long-term homelessness. For many participants, acquiring and maintaining housing is an iterative process of improving housing stability and retention.

Initial housing placements take, on average, 80 days. Just over 70% of families have stayed in the same housing since they moved in initially. Families who have moved had been living in the same place for an average of 10 months (306 days). Two-thirds (66%) of single adults have stayed in the same housing since they moved in initially. Twenty-eight individuals had not yet been placed in housing.

Although there are housing changes (1.1 average for families and 0.3 for individuals), they generally decline with enrollment. The graph below shows the number of housing changes decreasing dramatically as the number of months of participant enrollment increases. Some of these changes are indicative of the long-term challenges associated with homelessness, such as physical or behavioral health issues. Anecdotally, service providers have reported that some of the housing changes occurring after a year or more represent participants able to acquire better housing based on improved rental histories and income.

Graph 1. Housing Changes By Month of Enrollment



In addition, there is a small group of single adult participants who have circumstances that have made them very difficult to house. The combination of mental illness, substance use and violent and illicit behavior has led to multiple evictions from housing and felony convictions. Since most participants live in scattered site housing, and since there are few if any site-based supportive housing communities designed for people with these histories and characteristics, there are not good housing options for this small subset.

Hearth Connection and its partners are exploring the question of what type of architecture, on-site supportive service model and other considerations would need to be understood to create a supportive housing project for this group. Marshalling both capital resources and neighborhood buy-in are also considerations that would impact how quickly such a supportive housing option could materialize as well as what it might look like.

Rental Assistance

Initially, Hearth Connection projected using pilot funds to cover the first six months of rental assistance while participants applied for and moved to mainstream rental assistance programs, like Section 8 or BRIDGES. Mainstream rental assistance is no longer a viable strategy for pilot participants because of the lack of new openings, especially in Ramsey County. There were over 5,000 households on the St. Paul Public Housing Authority Section 8 waiting list and almost 8,000 households on the Metropolitan Council Housing Authority waiting list on July 1, 2003.

The Minnesota Housing Finance Agency Housing Trust Fund rental assistance grant to Hearth Connection has been instrumental in filling this gap for families and singles in the Ramsey County pilot. The Housing Trust Fund provided rental assistance to 20 families and 14 individuals between July 1, 2002 and June 30, 2003. Many of those families were able to

transition to other rental assistance, including Shelter Plus Care administered by the Metropolitan Council. As of July 1, 2003, there were 8 families and 12 single adults using Housing Trust Fund rental assistance. The program has been especially helpful with this population because it has not had restrictions that screen out people with poor rental histories or criminal records.

HUD awarded the Shelter Plus Care grant to Ramsey County in December 2002. There is funding for five years to assist approximately 12 single adult participants with rent. The new award of Shelter Plus Care will also help, but it is also a good example of the complexity of patching together funding from disparate sources without compromising the core program goals and design.

HUD had concerns about the relationship between Shelter Plus Care funds and the state pilot funds being used as a stop gap source of rental assistance. HUD also claims that Minnesota has policies in place saying no person will be discharged from a state hospital, prison, or other state-operated institution without providing housing for them, so no person being discharged would be considered homeless. They therefore do not consider people being discharged from an institution to be eligible for Shelter Plus Care.

The pilot adopted a policy that mirrored the HUD definition of transitional housing, which covers a much longer period of time (24 months on average) than the pilot housing funds were intended to cover (6 months on average). The discharge planning issue is still unresolved. DHS does not have such a policy, but HUD has not accepted this.

In implementing both Housing Trust Fund and Shelter Plus Care, Hearth Connection has made compromises away from a pure policy of keeping housing completely separate from program participation. The scarce supply of rent assistance led Hearth Connection to link use of both Housing Trust Fund and Shelter Plus Care to pilot enrollment. It is critical to find ways to bring together service and rent financing to support an integrated housing and services model. The regulations and governance must be examined to make sure that these different types of programs and funding streams can be put into practice for this targeted population group in a way that supports policy objectives of tenant rights and portability.

Supportive Services

There are five *primary provider* teams working with participants. In Blue Earth County, Journey Home (3.25 FTEs) and STEP (2.5 FTEs) work with families and individuals respectively. Both are units within Blue Earth County Human Services. In Ramsey County, Amherst H. Wilder Foundation operates Project Quest (9.0 FTEs) for families. Mental Health Resources, Inc. has Project Homeward (5.5 FTEs) and Guild Incorporated has Delancey Street (6.0 FTEs) working with single adults.

Primary providers are responsible for supporting participants in finding and maintaining housing, and they also directly provide or coordinate a full continuum of services.

The service model is designed to meet the needs of the participants. Participants are not required to agree to seek or participate in any particular course of care or treatment in order to enroll or remain in the project. The primary provider's goal is to engage participants with flexibility and creativity, establishing effective working relationships over time, and to provide services where and when they are needed. The flexible financing structure promotes stewardship of resources while targeting service dollars to where each individual needs them most. A subset of the pilot's services includes Medicaid Targeted Case Management (MA-TCM). Blue Earth County has been billing for MA-TCM since the project began. The Ramsey County pilot begins accessing MA-TCM July 2003.

In addition to providing housing and primary support for all medical, mental health, chemical health and self-sufficiency goals, the project features collaboration among key stakeholders. The *support team* is the vehicle for ensuring seamless services at the participant level, resolving conflicts in planning, identifying systemic barriers to service coordination, and empowering participants to develop lasting support networks for meeting their needs and goals. A support team is made up of all the people that can give a participant support and guidance. Members might include family and friends, as well as professionals like psychiatrists, employers, or teachers.

While Hearth Connection brokers agreements among agency decision-makers to participate in the project, primary providers are responsible for identifying resources, coordinating the delivery of services and facilitating a support team with each participant. When barriers to effective service coordination are identified, Hearth Connection convenes parties to address them and to promote effective and efficient service coordination.

The primary provider teams are the focal point of the service delivery model. These staff are critical to the effectiveness of the program for participants. Therefore, the effective selection and support of these teams—by their supervisors, by their agencies, and by Hearth Connection—is paramount. These are very high pressure jobs, both because of the level of chaos in some participants' lives and the delicate negotiation of participant goals and accountability, but also because of the high visibility of this demonstration project. They are also "high reward" jobs when participants thrive with help from the primary provider teams.

The support team model for service coordination is one that primary providers have increasingly put into place. It is still uneven in practice, because of the individuality of participants and their social supports, but also because of the unevenness of effective cooperation among agencies. Improved service coordination is still a goal of the pilot in order to improve outcomes and maximize the efficiency of government-funded services.

PROGRESS TOWARDS DEMONSTRATION PROJECT GOALS

Evaluation

The statute for the Supportive Housing and Managed Care Pilot requires an evaluation that measures the pilot's effectiveness in achieving the following goals:

- Improving participant outcomes, including increasing employment and improving the housing status of participants;
- Increasing accountability for outcomes;
- Improving coordination among service providers; and
- Proving the cost-effectiveness of the model.

The National Center on Family Homelessness is conducting the evaluation. It has two components: a qualitative, process study and a quantitative cost and outcome study.

The first year report of the qualitative study was published in February 2003. It highlighted twenty findings from conversations with more than 90 stakeholders, including 10 participating families. (The program had not yet begun working with single adults.) The report is available from Hearth Connection, and is also available on the web at www.familyhomelessness.org/hearthconnection.html.

According to the evaluator, “the pilot is serving this difficult population and is achieving positive client outcomes.” Increased stability does appear to happen over time, but progress continues to be incremental and non-linear for many participants. There are unique concerns related to young children and older youth, challenges associated with domestic violence, other forms of violence, and trauma. Participants have a range of mental health concerns, and a range of relationships to the mental health system. Some adults have embarked on recovery from addiction, while others are trying to manage their use so that it does not return them to the streets. Other areas highlighted in the report include the importance of cultural competency and meaningful collaboration. Hearth Connection and its partners prioritized these areas in their 2003 work plans, but they are also the areas where one would expect to have challenges given the nature of the population and the model.

The National Center returned to Minnesota in July 2003 to conduct case studies and focus groups. They are also interviewing stakeholders by phone. A report will be published early in 2004 with those findings (additional reports will be published in 2005 and 2006). Based on advance information from their initial analysis of the conversations, the project appears to continue to be doing very well.

- Participants continue to report positive impacts of the pilot, including a newfound sense of hope. Hope is considered a necessary precondition for health and well-being, so this is an important indicator that the study might show improvements.
- Participants report changes in service use patterns, including less hospital emergency room and detox use and increased access to physicians and clinics. Although the cost study will ultimately quantify this, this is a promising indicator as well.
- Collaborative partnerships have been strengthened where needed, and stakeholders continue to support the project. Real collaboration is indeed difficult. It requires work on communication, commitment to a common vision, a constant review of roles and responsibilities, and accountability.

- Hearth Connection is managing the demonstration project effectively, bringing focus and attention to problem areas when they arise, and keeping stakeholders committed and engaged in the project.

Outcome improvements are measured through interviews with participants when they enroll, and after 9 and 18 months. The evaluator is having success completing interviews on schedule. Some characteristics of the participants were highlighted in an earlier section of the report. More information will be available in the coming months about who is in the program and what experiences they bring to the project. Information about improvements will not be available until near the completion of the demonstration project in order to maximize the number of people studied.

Similarly, findings from the cost component will not be available until near the end of the demonstration period, but the pieces are being put in place to ensure that the cost study can be successfully conducted in the future.

DHS has had input into the cost study design. The methodology should produce results that are credible. Cost offsets will need to be understood in terms of where they accrue, but Hearth Connection and the National Center on Family Homelessness have these considerations in mind. The evaluator has also met with DHS to define what information needs to be pulled from which systems, data integrity challenges, and data privacy concerns. The National Center on Family Homelessness will be going through the Department's Institutional Review Board to work out the details of data extrapolation for the cost study. DHS staff working on this project have expressed optimism that it is possible to do this and are very interested in the findings.

County data has been tested to confirm that it will be possible to construct a matched comparison group to pilot participants using administrative data. It appears to be possible. Similarly, health plans that support Minnesota's state health care programs have also expressed willingness to share data to support the evaluation.

A very sophisticated understanding of cost offsets is required to consider whether it is possible to reinvest savings into more housing and services for this population if it proves to be a successful intervention. Although it is expected that a large portion of cost offsets are from health and human services, some might be related to corrections or other areas.

In sum, the evaluation is proceeding as planned. Hearth Connection is in a position to deliver the agreed-to level of information to the State at the close of the demonstration project.

Use of Public Resources

In 2000, the Minnesota Legislature appropriated \$3 million from the state's Temporary Assistance for Needy Families (TANF) reserves to enroll homeless families in the pilot. One million dollars was made available for each of three state fiscal years, beginning July 1, 2000, and ending June 30, 2003. The 2001 Legislature appropriated an additional \$1 million from the general fund per year in fiscal years '02, '03, '04 and '05, to expand the program to

single adults. Therefore in fiscal year 2003, there was \$2 million available for the pilot, half TANF and half general fund.

In State fiscal year 2003, the Blue Earth County pilot budget included \$350,000 of TANF and \$170,000 of general funds, supplemented by Child Welfare Targeted Case Management (CW-TCM) and Mental Health Targeted Case Management (MH-TCM) funds totaling nearly \$100,000. Additionally, the project leverages rental assistance, including RAFS and Section 8, and housing capital for River Town Homes (discussed in last year's report).

The Ramsey County pilot budget included \$650,000 of TANF and \$830,000 of general funds. In addition, Hearth Connection has \$371,712 over two years from the MHFA Housing Trust Fund, which began July 1, 2002. Ramsey County and Hearth Connection were awarded \$513,360 over five years by HUD through the Continuum of Care process for Shelter Plus Care rental assistance, which began in September 2003.

Table 2. Financial Summary (July 2002- June 2003)

	Ramsey	Blue Earth	Families	Single Adults
DHS pilot revenue	\$1,407,955	\$520,000	\$943,963	\$983,992
MA-Targeted Case Management	\$0	\$93,406	\$91,018	\$2,388
County match for TCM	\$0	\$104,654	\$93,280	\$11,374
TOTAL REVENUE	\$1,407,955	\$718,060	\$1,128,261	\$997,754
County administration	\$0	\$32,041	\$31,127	\$914
Hearth Connection	\$129,893	\$26,373	\$100,431	\$55,835
Primary provider services	\$906,551	\$566,009	\$932,764	\$539,796
Primary provider housing	\$125,627	\$93,637	\$84,327	\$134,937
Primary provider housing reserve	\$245,884	\$0	(\$20,388)	\$266,272
TOTAL EXPENSES	\$1,407,955	\$718,060	\$1,128,261	\$997,754

Based on 634 months of family enrollment, the average cost per family per month is \$1,780, down 15% from \$2,080 last fiscal year. Based on 457 months of single adult enrollment, the average cost per individual per month is \$2,183. This includes the frontloading of housing expenses when the single adult program began, similar to the experience with families last year. Rental assistance again accounts for a considerable portion of the expenditures (22%), but use of the state appropriation for housing should decrease in the next year as participants move to mainstream subsidies or those managed by Hearth Connection.

Another critical component of the financial model is the ability to use funding flexibly to address unmet needs and to be responsive to individual situations. On average, \$67 per family per month and \$59 per individual per month was invested in flexible supports, down significantly from an average of \$205 reported for families only last year.

Table 3. Use of Pilot Flexible Funds

Category	Ramsey	Blue Earth	Families	Singles
Basic needs & housing supports (excluding rent)	\$13,350	\$28,403	\$36,610	\$5,143
Family and community building	\$7,859	\$22,543	\$28,498	\$1,904
Child care and respite	\$0	\$20,476	\$20,476	\$0
Participant transportation	\$2,836	\$17,302	\$17,927	\$2,211
Life skills & counseling	\$20	\$1,059	\$1,079	\$0
Education and tutoring	\$397	\$980	\$1,376	\$0
Miscellaneous	\$6,466	\$11,392	\$0	\$17,858
TOTAL	\$30,928	\$102,154	\$105,966	\$27,116
Household months for SFY03	684	407	634	457
Average per household per month	\$45	\$251	\$167	\$59

For the period beginning July 1, 2003, there is \$1.5 million available per year from the State. The pilot will use this to leverage approximately \$500,000 in federal Targeted Case Management revenue, as well as rental assistance from a variety of sources.

Leveraging Private Funds

Private philanthropic grants to Hearth Connection cover the costs of Hearth Connection staff (5 FTEs) who support and administer the pilot, as well as the cost of the evaluation. Since last year, new investments have been made by:

- Family Housing Fund
- Greater Minnesota Housing Fund
- The Bush Foundation

They join previous investors, totaling \$2.6 million in private investment since 1999:

- Robert Wood Johnson Foundation
- F.R. Bigelow Foundation
- Mardag Foundation
- St. Paul Foundation
- Katherine B. Andersen Fund (St. Paul Foundation)
- Anonymous (for Blue Earth County)
- Blue Cross Blue Shield of Minnesota
- Patrick and Aimee Butler Family Foundation
- Initiative Fund of Southeast and South Central Minnesota
- John S. and James L. Knight Foundation
- Sheltering Arms Foundation
- The Minneapolis Foundation
- Otto Bremer Foundation
- Corporation for Supportive Housing
- Allina Foundation
- Mankato area health care providers

Conclusion

Although the Supportive Housing and Managed Care Pilot is only halfway through its demonstration period, there is much being learned. The project has engaged families with children and individual adults who have long histories on the street and in shelter, and complex issues that include mental illness, chemical dependency, trauma and other chronic health conditions, including HIV and AIDS. It is successfully exploring and documenting the housing and service interventions required to break the cycle of long-term homelessness.

The pilot is instructive about the service intervention, the challenges of putting together housing and human service financing to create a holistic response for participants, the difficulties government systems have tracking the costs associated with homelessness and the opportunities for changing how public dollars are spent to get better results for both participants and systems.

The project appears to be making a difference for participants, and progress continues to be made putting in place the mechanisms for documenting the improvements in people's lives and the cost impacts of the pilot.

The experience of this demonstration project should be informative to the State and other stakeholders as plans are made for addressing long-term homelessness more broadly.