

Strengthening At Risk and Homeless Young Mothers and Children

The National Center on Family Homelessness

Partner Agencies:

Beacon Therapeutic Diagnostic and Treatment Center (*Lead Agency*)
Heartland Alliance for Human Needs & Human Rights (*Lead Partner*)

University of Illinois (*Evaluation partner*)

Goldie's Place

Inner Voice

Mercy Housing

Thresholds

Voices for Illinois' Children

REPORT ON COSTS

FACT: Family Assertive Community Treatment, Chicago, Illinois

October 2011



STRENGTHENING
At Risk and Homeless
Young Mothers and Children

EXECUTIVE SUMMARY

Homeless and at-risk young families face profound challenges because their needs typically extend beyond just housing to include mental and physical health, child development, education, and employment.¹ Traditionally, systems addressing these needs are fragmented, making it difficult for mothers to access a full range of resources for themselves and their children. The *Family Assertive Community Treatment* (FACT) program and the Conrad N. Hilton Foundation recognized that integrating services is key to improving the health and well-being of at-risk families. Over the three-year pilot period, the FACT program maximized Hilton's contribution by partnering with community agencies and leveraging resources to help 70 mothers and 136 children meet their goals and achieve greater stability.

FACT adapted the Assertive Community Treatment (ACT) evidence based model (originally intended for single homeless adults) to serve homeless families. The program mobilized a multi-disciplinary, highly coordinated team to provide intense services to young families while maintaining manageable caseloads. The program targeted families with the greatest need, especially those with difficulty maintaining stable housing, a high degree of family instability, and young mothers "aging out" of foster care. Children received regular developmental screenings from a child development specialist, and those with issues benefited from specialized early education programs to address their needs. Staff members also worked with mothers to maintain or regain custody of their children.

An integral component of FACT was its systems integration work, which helped identify gaps in and barriers to care for homeless families and then developed, coordinated, and improved, the availability and quality of resources for this population. FACT's planning coalition, for example, successfully advocated for homeless families to become a priority population for federal home visiting dollars in Illinois. Efforts such as this will help to ensure the sustainability of projects serving homeless families in Chicago.

Over the three years, FACT accessed \$2.6 million in funds to develop its collaboration and client intervention model, and to provide direct services to homeless and at-risk families. Though a significant investment, it offsets considerable societal costs of family homelessness, including costs associated with health care, long-term shelter stays, and low levels of educational achievement for children. Sheltering families long-term, for example, can cost between \$22,000 and \$55,000 per family depending on the cost of housing in a specific geographic area.² By contrast, the FACT program spent an average of \$33,440 per family,³ not only helping them find permanent, independent homes, but also providing them with an array of services to stabilize all areas of their lives.

1. An at risk family is one that has similar characteristics to other homeless families, is precariously housed, and is at risk of becoming homeless in the near future.

2. Culhane, Metraux, Park, Schretzman, and Valente (2007). Testing a typology of family homelessness based on patterns of public shelter utilization in four US jurisdictions: implications for policy and program planning. *Housing Policy Debate* 18(1): 1-28.

3. The typical enrollment period was one year and three months; this number is the average annual cost per family multiplied by the average enrollment duration for a family.

EXECUTIVE SUMMARY

The program was creative and effective in generating funding. The Hilton Foundation provided a solid base for the program over the three years, contributing \$684,000 (26 percent of the total resources). However, a greater proportion of FACT's operating budget consisted of matching funds and leveraged resources. FACT raised \$929,818 in matching funds (36 percent), exceeding the initiative's 1:1 matching fund requirements by 40 percent over the three years. The program also leveraged approximately \$1,006,570 (38 percent) in resources from the partner agencies in the collaboration. These leveraged contributions, which included additional programs and staff that benefitted FACT families but were not funded by the program, proved essential to the program's success and testify to these partner agencies' commitment to the well-being of families.

To ensure success of this innovative and ambitious project, FACT dedicated substantial resources to building a strong collaboration and robust service delivery model. The program devoted 23 percent of its total resources to start-up, which we define as the first year of the program. Start-up funds were used to ensure that the collaboration was sufficiently prepared to serve clients and to respond quickly and flexibly to families' needs. They also allowed the program to hire, train, and cross-train a qualified program management, clinical, and service staff. FACT enrolled families gradually during start-up, reaching 17 families by the end of the first year.

FACT devoted the bulk of its resources to serving families during the steady state period (the two years following start-up), using 77 percent of total resources available. FACT's average annual cost per family suggests that the program grew more efficient over time. From the second to the third year, the average annual cost per family in steady state decreased by seven percent (from \$27,769 to \$25,763) and the average annual cost per client in steady state decreased by eight percent (from \$9,277 to \$8,513). At the same time, program enrollment increased by about 4 percent, which is less than the decrease in the average annual cost per family and per client. FACT dedicated about 86 percent of its total resources to direct services and 14 percent to administration.

The program had a positive and measurable impact on the lives of homeless and at-risk families. The majority (80 percent) of the families enrolled found permanent housing—a primary goal of the initiative. Clients demonstrated improved mental health after one year, and many will continue to receive mental health services through other community sources due to referrals from program staff. Children benefitted as well; 87 percent (100 children) received developmental screens, and all 31 children with identified developmental delays or other issues gained supports ranging from trauma screens to enrollment in Head Start. Fifty eight percent of these children improved their scores on later screenings. FACT achieved a lasting impact on the local community through its work in both direct services and systems integration.

P R E F A C E

The National Center on Family Homelessness (“the National Center”) is pleased to provide the Conrad N. Hilton Foundation with this cost evaluation of the Family Assertive Community Treatment (FACT) project. The National Center hired BD Group to assist in preparing this report. The National Center would like to thank the FACT team for their assistance with this cost evaluation.

All numbers in this report represent a high-level presentation of the costs of the pilot program. Due to the significant support that FACT received in the community, we present two sets of estimates for FACT in this report. One set of estimates includes leveraged resources for FACT, as quantified by FACT; the other set of estimates excludes leveraged resources for FACT. Our approach underscores the importance of leveraged resources, while also recognizing that quantifying these resources can be a difficult exercise.

All numbers should be considered to be estimates of the cash and non-cash resources available to FACT. Unless otherwise noted, year refers to the period starting April 1 and ending March 30. Numbers presented in the tables and text may not add up to totals due to rounding.

All estimates contained in this report are based upon a review of the following sources of information: (1) financial and narrative reports submitted on a quarterly basis to the National Center; (2) financial and programmatic information maintained by the National Center; and, (3) the program’s responses to a survey focused on funding.

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Section I. Purpose of the Report

This report provides an overview of the funds directed to Families Assertive Community Treatment (FACT) project through *Strengthening At Risk and Homeless Young Mothers and Children*, an initiative of the Conrad N. Hilton Foundation. See Box 1 for a description of the Initiative. We include the following components in our overview: (1) a summary of the total resources available to the FACT program; and (2) a discussion about the value of the program to the community at large.

Total resources for the FACT program: In this report, we will provide a complete account of all resources that supported FACT, including: (1) the Hilton Foundation; (2) matching contributions; and (3) leveraged support for the pilot program from the community. This approach provides the reader with a solid understanding of the level of resources required to build and replicate the comprehensive service package offered by the program and the level of resources committed to achieve the outcomes for families enrolled in FACT. Note that our estimate of leveraged resources is based on information provided by the FACT program. The value of these resources should not be assigned the same degree of confidence as the value of the resources from the Hilton Foundation and the matching contributions, since it can be difficult to quantify leveraged resources.

Readers should note that this report does not include an analysis of the cost of FACT relative to other intervention models, which would be difficult to conduct because of the lack of comparable programs.

Box 1. *Strengthening At Risk and Homeless Young Mothers and Children*

Strengthening At Risk and Homeless Young Mothers and Children (the Initiative) seeks to improve the housing, health, and development of homeless and at-risk young families. The Initiative focuses on families headed by a mother ages 18-25 with at least one child age five or under. Services are provided through collaborations or partnerships of community agencies with expertise in housing, child development and family support services. FACT is one of four pilot programs funded through this Initiative.

Section II. The Family Assertive Community Treatment Program

The FACT program is one of four pilot programs funded through *Strengthening At Risk and Homeless Young Mothers and Children* to improve the housing, health, and development of homeless and at-risk young families. See Box 2 for a description of the program, as articulated by FACT.

FACT reflects the collaborative effort on the part of the grantee, Beacon Therapeutic Diagnostic and Treatment Center (lead agency); and its partners - Heartland Alliance for Human Needs and Human Rights (lead partner), and the other partners: the University of Illinois, Voices for Illinois Children, and Inner Voice.⁴ In addition, to these Mercy Housing,⁵ Threshold's and Goldie's Place⁶ also served in the collaboration for a limited period of time.

Box 2. FACT's Program Description

“FACT is an innovative project providing integrated, family-focused treatment and support services for young, homeless, at-risk mothers, who have at least one child less than five years of age and a co-occurring mental health and/or substance abuse disorder. The complete family's needs are met ensuring long-term stability. It is a replicable model receiving local and national recognition as a promising initiative to work with this highly vulnerable population.”⁷

FACT provided services to homeless and at-risk young mothers and their children to help stabilize families. The FACT pilot program ran for three years: from July 2008 to June 2011. FACT began enrolling clients into the program in the second quarter of the first year. Over the course of the initiative, the program served 70 adults and 136 children for a total of 206 clients. On average, FACT families were enrolled in the program for about 1 year and 4 months or 488 days. Table 1 provides a description of the relative expertise of each of the partners and the program's primary service components. FACT's core service components are displayed in Figure 1.

4. Official partners as of July 31, 2011.

5. Served as partners during the first year

6. During year two of partnership

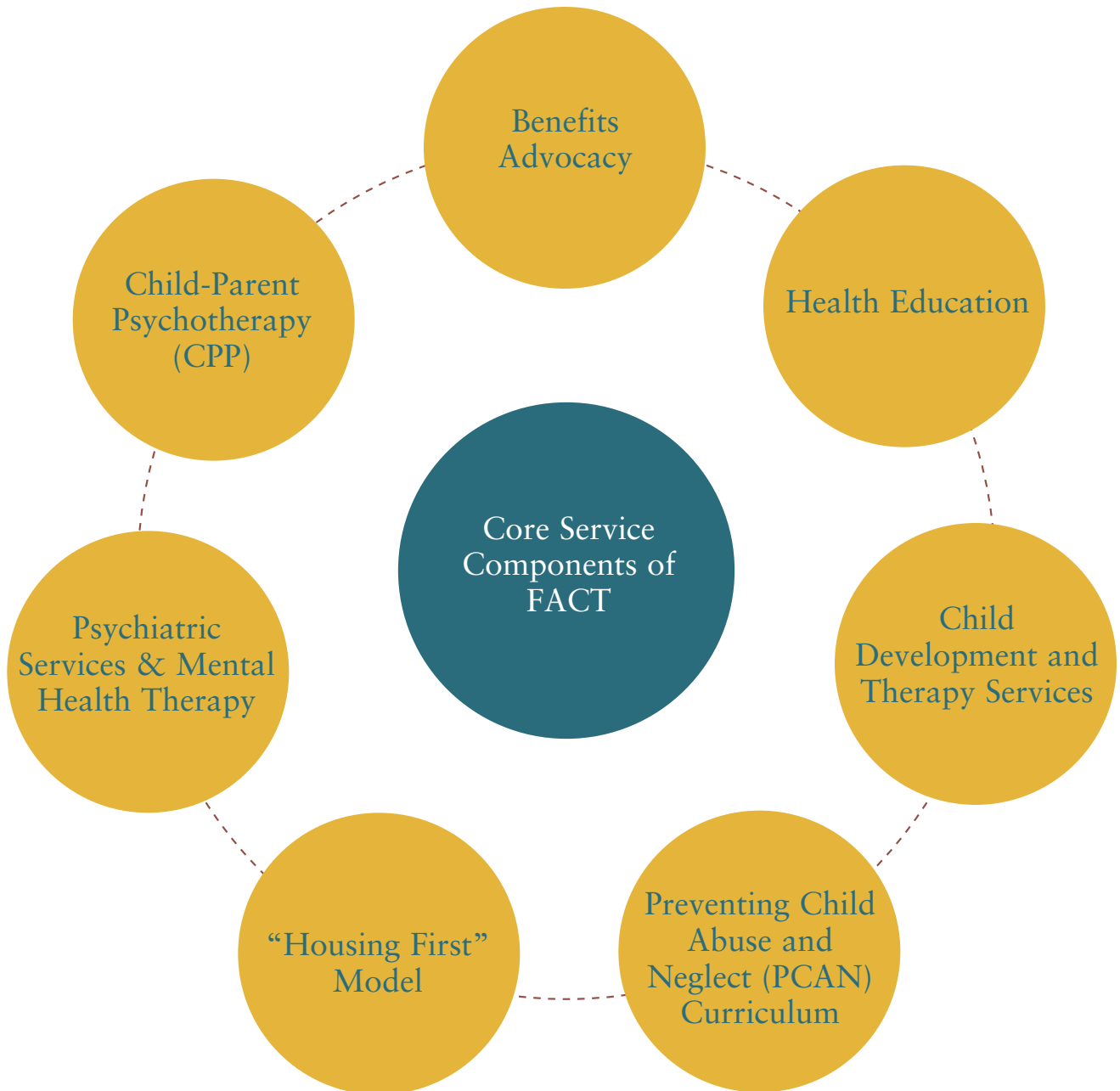
7. FACT Final Report to the National Center on Family Homelessness (2011).

Table 1. Features of the FACT Program

<i>Partners</i>	<i>Relative role and expertise</i>
Beacon Therapeutic Diagnostic and Treatment Center	Family homelessness, Child development and Mental health
Heartland Alliance for Human Needs and Human Rights	Homelessness, systems integration, housing
University of Illinois	Program Evaluation
Voices for Illinois Children	Leading child advocate proponent, policy expert
Inner Voice	Largest provider of family homeless shelters

Source: The National Center on Family Homelessness, based on information provided by FACT.

Figure 1. Core Components of the FACT Program



Section III. Social & Economic Conditions in Chicago

Chicago's economy is large, with over four million workers in the civilian labor force. The city has a stubborn level of unemployment, between 8.5 percent and 9.5 percent, for example, from November of last year and April of this year. The pool of unemployed people in Chicago is accordingly very large—currently over 350,000.⁸

- **Economic conditions** – Conditions before the current recession were already difficult in Chicago. From the mid-1990s to the middle of this decade, Chicago saw a significant increase in population and housing stock, but the new units added failed to address the needs of low-income people. In addition, the real estate boom resulted in many condo conversions that reduced the stock of rental units.⁹ As a consequence, the barriers to finding affordable housing became more acute. In addition, Chicago's Cook County had the highest poverty rate in the Chicago region, at 14.6 percent by 2004. These factors combined to create a worsening background of housing shortage.¹⁰ One measure of the difficulty for very-low income households (income below 30 percent of average) is that a majority (72 percent) were paying over 30 percent of their income for housing.¹¹
- **Homeless Population** – Estimates of the number of people experiencing homelessness in Chicago at this period were over 73,000, including 26,000 children in families, 12,000 adults in families, 32,000 single adults and 7,000 unaccompanied homeless youth. About 19,000 were served in shelters, and 54,000 were living on the street, doubled-up, or some other location not considered a fixed residence. Among homeless families, 9,000 were served in shelters and 29,000 were living doubled-up.¹²

A 2007 single-night survey of homeless people found a 12 percent decline in their numbers, from 6,700 to 5,900. The number of homeless families also declined, by 24 percent from 785 to about 600, and most homeless families were finding help in shelters, with only 22 of the 600 judged as unsheltered.¹³

Most recent data on numbers of people experiencing homelessness in Chicago suggests that 89,000 residents were homeless at some point in the 2009-10 school year. This number represents a 20 percent increase from the previous school year. The Chicago Public Schools counted 15,000 homeless students in 2009-10. Families constituted 46 percent of the homeless population, including 28,000 children and 12,000 adults.¹⁴

8. United States Department of Labor, Bureau of Labor Statistics. (2011). Economy at a glance: Chicago-Joliet-Naperville, IL. Retrieved from: http://www.bls.gov/eag/eag.il_chicago_md.htm.

9. Chicago Coalition for the Homeless. (2006). Creating sustainable funding for affordable housing in Illinois. Retrieved from: <http://www.chicagohomeless.org/what/housing>.

10. UIC Natalie P. Voorhes Center (2006). Affordable housing conditions and outlook in Chicago: An early warning for intervention. College of Urban Planning and Public Affairs, University of Illinois at Chicago. Retrieved from: <http://www.uic.edu/cuppa/voorheesctr/Publications/Woods%20Short%20Report%20%28Final%20Design%29.pdf>

11. Voorhes Center (2006), p. 2.

12. Chicago Coalition for the Homeless. (2007). How many people are homeless in Chicago?: A fiscal year 2006 analysis. (Note: some double-counting causes the subgroups numbers to exceed the total).

13. Chicago Alliance to End Homelessness. (2007). Homeless in Chicago: 2007 numbers and demographics, point-in-time analysis. Retrieved from: http://www.thechicagoalliance.org/documents/2007_Homeless_Count_Summary_Report.pdf

14. Chicago Coalition for the Homeless. Frequently asked questions about homelessness. Retrieved from: <http://www.chicagohomeless.org/learn/what>

Section IV. Total Resources for the Initiative

The purpose of this section is threefold: (1) to provide an overview of the total resources for the FACT program for the three years of the program from 2008-2011; (2) to report on the program's compliance with meeting the matching fund requirement under the *Strengthening At-Risk and Homeless Young Mothers and Children* grant agreement; and (3) to discuss the program's success in obtaining leveraged resources in the community. Leveraged resources were secured by FACT to augment resources from the Hilton Foundation and matching contributions. We are uncertain, however, of the precise value of these leveraged resources. For this reason, we provide a best estimate of total resources for FACT with and without the leveraged resources.

Total Resources

Over the course of the pilot period, FACT secured approximately \$2.6 million dollars to support the program's operations and to provide services to young families at risk of homelessness. That number includes leveraged resources in the amount of \$1,006,570. FACT was developed with initial funding from the Hilton Foundation in partnership with matching investments from local public and private funders. FACT was also successful in securing leveraged resources from the community that exceeded the initiative's 1:1 matching requirement.

As the numbers in Table 2 show, the Hilton Foundation invested \$684,000 over the three years, representing 26 percent of total FACT resources. Matching contributions and leveraged resources totaled approximately \$1.9 million, accounting for 74 percent of the total. Table 2 also shows the relative contribution of each resource without consideration of leveraged resources.

See also Figure 2 for a visual depiction of the relative contribution of each source of resources.

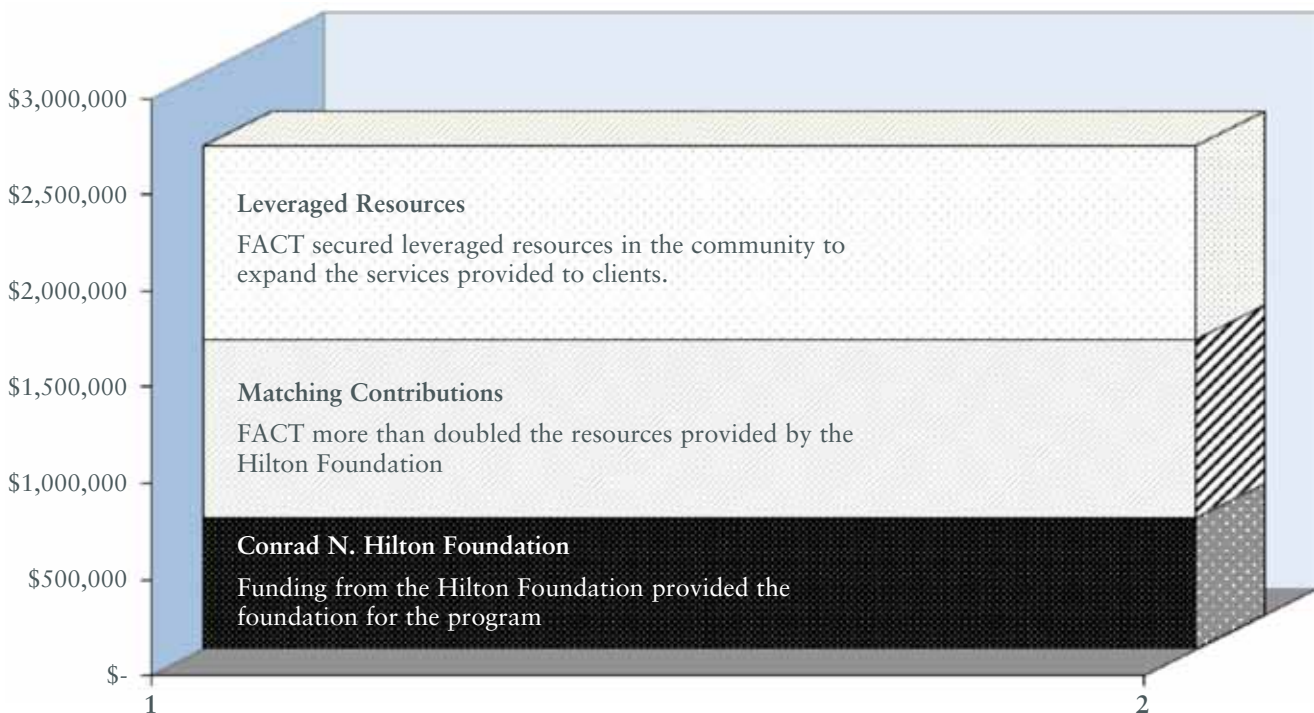
Table 2. Estimate of Total Cash and Non Cash Resources for FACT with and without Leveraged Resources

<i>Source</i>	<i>Total Resources with Leveraged Resources</i>	<i>Total Resources without Leveraged Resources</i>
Conrad N. Hilton Foundation	\$684,000	\$684,000
Matching Contributions	\$929,818	\$929,818
Leveraged Resources	\$1,006,570	-
Subtotal Matching and Leveraged	\$1,936,388	\$929,818
Total Resources	\$2,620,388	\$1,613,818
<i>Percentage distribution of resources by source</i>	<i>Total Resources with Leveraged Resources</i>	<i>Total Resources without Leveraged Resources</i>
Conrad N. Hilton Foundation	26%	42%
Matching Contributions	36%	58%
Leveraged Resources	38%	0%
Subtotal Matching and Leveraged	74%	58%
Total Resources	100%	100%

Source: The National Center on Family Homelessness.

Notes: Estimate of leveraged resources, developed based on an estimate of leveraged resources from FACT.

Figure 2. Total Resources for the FACT Program with “Best Estimate” of Leveraged Resources



Conrad N. Hilton Foundation

The Hilton Foundation provided a stable and steady stream of funding for FACT over the course of the pilot program. These funds were used to create and develop the FACT program. Participating programs received \$228,000 on an annual basis from the Hilton Foundation.

Matching Requirements

The grant agreement requires the Initiative pilot programs to achieve a 1:1 matching ratio between the annual grant funds of \$228,000 provided by the Hilton Foundation and the matching contributions. Matching funds are defined in the agreement as: “direct contributions or a legally enforceable pledge; non-cash contributions must be new and must supplement, not supplant already-existing resources. The match may not be met by such in-kind contributions as space, equipment, supplies or computers, nor may it be met by shifting existing resources.”¹⁵

The FACT program met the 1:1 annual matching fund requirement of the grant agreement. FACT secured annual cash and non-cash contributions in the amount of \$929,818. That amount represents 35 percent of the total resources for the pilot. Two local funders – the McCormick Foundation and Polk Bros. Foundation provided 64 percent of all matching contributions. See Table 3 for a summary of the annual matching contributions received by FACT. This year-by-year analysis demonstrates that the annual matching contribution was greater than \$228,000 in the second and third year.

15. Agreement between the grantee(s) and the Coordinating Center.

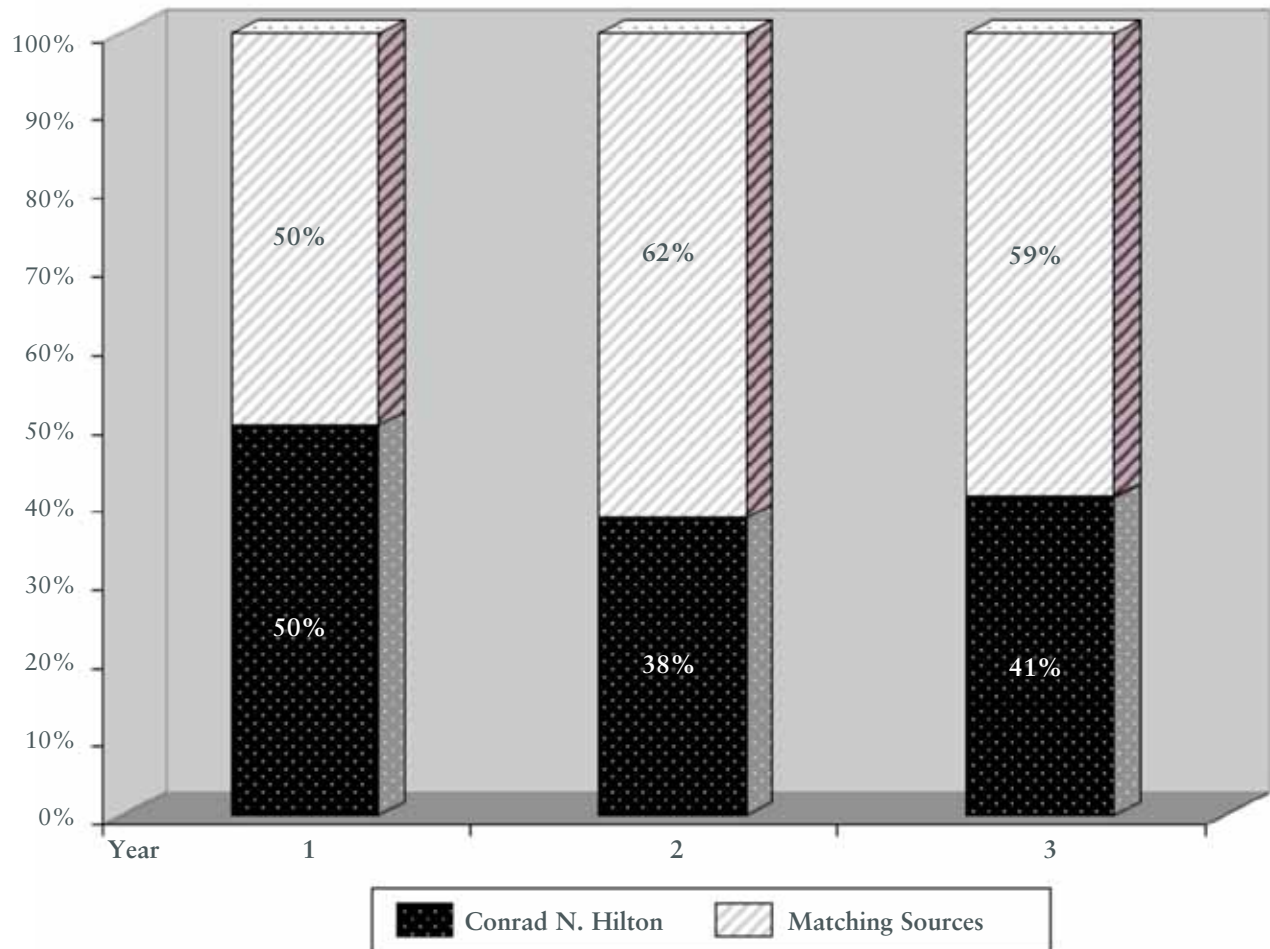
Table 3. Matching Contributions for the FACT Program

	<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>	<i>All Years</i>
<i>Cash</i>				
McCormick Foundation	\$128,000	\$117,000	\$52,000	297,000
Polk Bros. Foundation	\$100,000	\$100,000	\$100,000	300,000
Chicago Community Trust	-	-	\$16,667	\$16,667
Field Foundation	-	-	\$15,000	\$15,000
Medicaid Revenues	-	\$45,151	\$122,000	167,151
State of Illinois Department of Human Services	-	\$25,000	-	\$25,000
Subtotal for Cash	\$228,000	\$287,151	\$305,667	820,818
<i>Non-Cash</i>				
City of Chicago Department of Housing Vouchers		\$84,000	\$25,000	\$109,000
Subtotal for Non-Cash	-	\$84,000	\$25,000	\$109,000
Total Matching Contributions	\$228,000	\$371,151	\$330,667	\$929,818
Percentage Non-Cash	0%	23%	8%	12%
Hilton Matching Requirement	\$228,000	\$228,000	\$228,000	\$684,000
Amount Above/Below Requirement	-	\$143,151	\$102,667	\$245,818
Ratio of Matching Funds to Hilton Funds	1.0	1.6	1.5	1.4
<i>Matching Contributions by Cash and Non-Cash</i>				
Cash contributions (share of total matching contributions)	100%	77%	92%	88%
Non cash contributions (share of total matching contributions)	0%	23%	8%	12%

Source: The National Center on Family Homelessness

Figure 3 depicts the relative relationship between the Hilton Foundation and matching funds, excluding leveraged resources. As the figure shows, matching contributions accounted for 50 percent or more of the total resources obtained by FACT in each year, excluding leveraged resources.

Figure 3. Ratio of Conrad N. Hilton Foundation Funding and Matching Contributions for the FACT Program



Leveraged resources

FACT considered leveraged resources to be important to the program, because they provided another source of support for the program and enrolled clients. For the purposes of this evaluation, leveraged resources are defined as services and other resources that were required in order to provide wrap-around services to these young families, but that were not reported as matching contributions or revenue by the program.

The National Center estimated the value of leveraged resources to be worth \$1,006,570, recognizing, however, that there is a range of uncertainty around this number.¹⁶ See Table 4 for a summary of the annual value of leveraged resources to FACT. Despite a challenging fiscal climate, the program's leveraged resources increased by 17 percent between year one and year three, demonstrating the partner agencies' commitment to serving young families.

Table 4. Leveraged Resources for the FACT Program

<i>Leveraged Resources</i>	<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>	<i>All Years</i>
Beacon a/				
Little Intensive Outpatient Program (LIOP)	\$100,000	\$100,000	\$100,000	\$300,000
Beacon Early Head Start	-	-	\$50,000	\$50,000
Subtotal Beacon	\$100,000	\$100,000	\$150,000	\$350,000
Heartland b/				
Program expenses	\$57,956	\$57,956		\$115,912
FBC Housing		\$270,329	\$270,329	\$540,658
Subtotal Heartland	\$57,956	\$328,285	\$270,329	\$656,570
Total Leveraged Resources	\$157,956	\$428,285	\$420,329	\$1,006,570
Total Resources for FACT	\$613,956	\$1,027,436	\$978,996	\$2,620,388
Leveraged as % of Total Resources	26%	42%	43%	38%

Source: The National Center on Family Homelessness.

Notes:

Leveraged resources that could be quantified by FACT were listed on this table.

a/ Leveraged resources that Beacon Therapeutic Diagnostic and Treatment Center quantified for the National Center.

b/ Leveraged resources that Heartland Alliance for Human Needs and Human Rights quantified for the National Center.

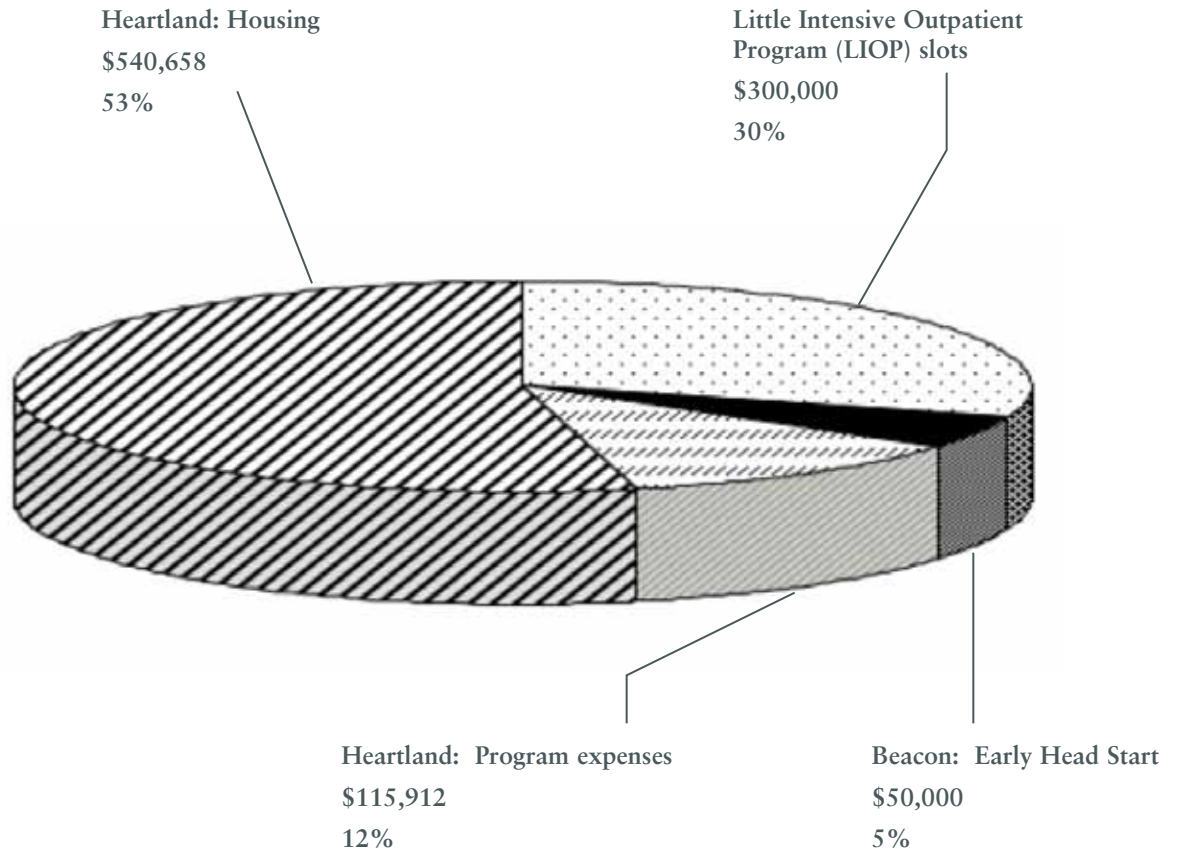
Allocation across years estimated.

¹⁶ The estimates of leveraged resources should be viewed as ballpark estimates. Many leveraged resources can only be quantified with difficulty; and other leveraged resources are not quantified at all.

Sources of leverage

Figure 4 provides a visual depiction of the sources of leverage for FACT, as reported for Beacon. As the figure shows, \$350,000 represents the value of the leveraged resources that FACT could quantify for this report from Beacon, while the largesse of the leveraged resources was quantified by Heartland.

Figure 4. Composition of Leveraged Resources for the FACT Program



Section V. Enrollment Trends

The purpose of this section is to provide: (1) the total number of families served in FACT and the average duration of enrollment; (2) trends in quarterly enrollment for all three years; and, (3) an analysis of enrollment in FACT, including the levels achieved during startup, in steady state, and at peak enrollment. The start-up period is defined for this evaluation as the first year of the program. The steady state period is defined as the second year and beyond. Peak enrollment varies by pilot program. This approach is consistent with the framework used to analyze the costs for start-up separately from those for steady state in Section VII.

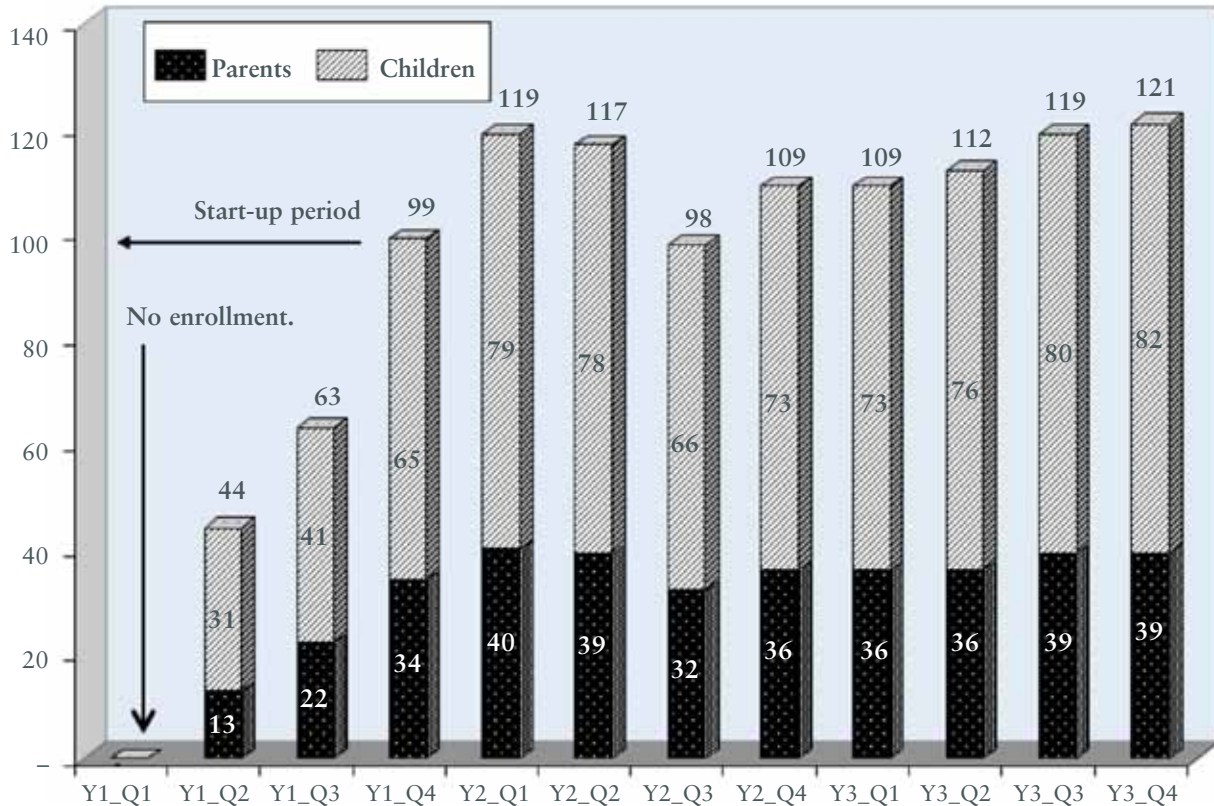
Families served

FACT served a total of 70 families over the course of the three years. On average, each family was enrolled for about 1 year and 4 months or 488 days.

Enrollment trends for FACT

See Figure 5 for a visual that depicts the fast climb in enrollment over time. As the figure shows, FACT attained an enrollment level of close to 100 by the fourth quarter of the first year. With the exception of the third quarter of the second year, FACT maintained an enrollment level of 100 and above in the second and third year of the program.

Figure 5. Total Clients Enrolled by Year and by Quarter for FACT



Enrollment across periods

Three perspectives on enrollment are offered: (1) the average enrollment achieved during startup; (2) the average enrollment achieved during steady state; and, (3) peak enrollment level. See Table 5 for a summary of these three perspectives, which we describe as follows:

- **Start-up enrollment:** During start-up, the average annual enrollment level was 51 clients, including 34 children and 17 adults.
- **Steady state enrollment:** During steady state, the average annual enrollment level was 114 clients, including 76 children and 38 parents. These numbers reflect the average of enrollment across the steady state period of enrollment for FACT.
- **Peak enrollment:** At peak enrollment, the program had 121 clients, including 82 children and 39 adults. FACT's peak enrollment occurred in the last quarter of the program.

Table 5. FACT Enrollment

	<i>Start-up a/</i>	<i>Steady State b/</i>	<i>Peak c/</i>	<i>Growth Index d/</i>
Children	34	76	82	2
Parents	17	38	39	2
Total Clients	51	114	121	2

Source: The National Center on Family Homelessness.

Notes:

a/ Average enrollment during the start-up period, which we define as year 1.

b/ Average enrollment during steady state, which we define as year 2 and beyond.

c/ Peak enrollment for the pilot program.

d/ Growth measured between start-up and steady state.

Section VI. Cost Trends

The purpose of this section is to present the cost trends for FACT. We present costs for start-up separately from those for steady state. Two separate calculations were made for the pilot for each year of the program's steady state: (1) the average annual cost per family; and (2) the average annual cost per client. Please take note that we did not calculate the average annual cost per family (and per client) for the start-up period of the program, because program enrollment during start-up was about less than half the enrollment level attained during steady state. Calculating the average annual cost per family and per client for the start-up year would create a misleading picture of costs for those interested in building a similar model.

Resource allocation across start-up v. steady state periods

See Table 6 for an overview of how FACT distributed resources between start-up and steady state. Note that 23 percent of the total resources, including leveraged resources, were allocated to start-up. Excluding leveraged resources, however, start-up costs would increase to 28 percent.

Table 6. Allocation of Total Resources between Start-Up and Steady State for FACT

	<i>Average Enrollment</i>		Total Resources with Leveraged Resources	Total Resources w/o Leveraged Resources
	Families	All Clients		
A. Start-up period	17	51	\$613,956	\$456,000
B. Steady state period	38	114	\$2,006,432	\$1,157,818
C. Total a/	31	93	\$2,620,388	\$1,613,818
D. Start-up as a % of Total	55%	55%	23%	28%

Source: The National Center on Family Homelessness.

Note:

a/ Total families and all clients is based on the weighted average of the numbers for the start-up period and the steady state period.

Start-up costs for FACT

Start-up costs represented 23 percent of total resources available to the FACT program from all sources. These resources were used in the first year to support the development of the program and to serve clients. First-year expenses related to development included the collaboration, hiring and training of staff, cross-training, the in-take process, and rent and utilities related to the program.

Steady state cost trends for FACT

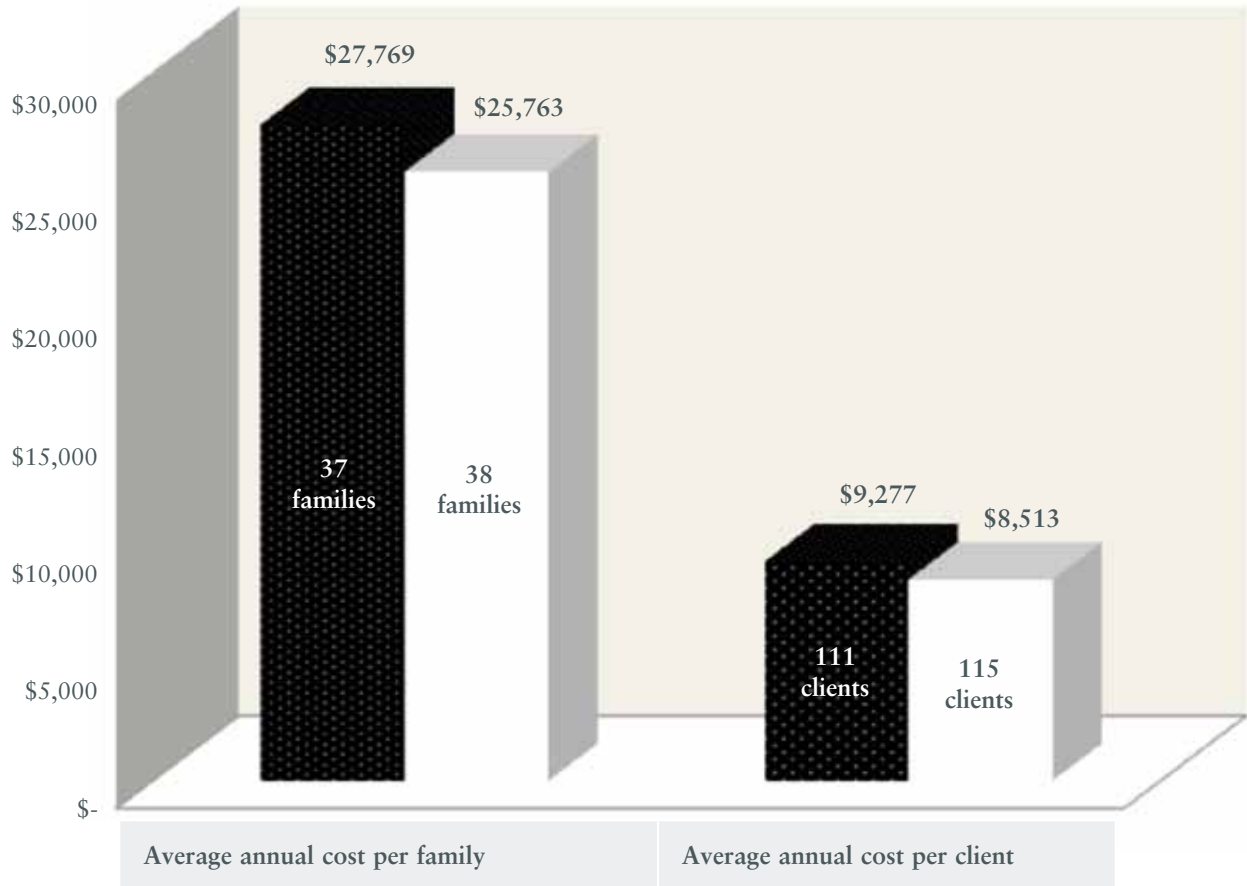
Average annual costs declined between the second and the third year of the FACT program. Table 7 shows the average annual cost per family and per client for steady state by year. The average annual cost per family declined by 7 percent and the average annual cost per client declined by 8 percent, while enrollment increased by 3 and 4 percent, respectively. Figure 6 shows a comparison of the annual trends during steady state with and without the value of leveraged resources.

Table 7. Steady state cost trends for FACT with and without Leveraged Resources

Total Resources with “Best” Estimate of Leveraged Resources	Average Enrollment		Total Resources with Leveraged Resources	Average Annual Cost	
	Families	All Clients		Per Family	Per Client
Steady state period					
Year 2	37	111	\$1,027,436	\$27,769	\$9,277
Year 3	38	115	\$978,996	\$25,763	\$8,513
Steady state total	75	226	\$2,006,432	\$26,752	\$8,878
Change between Years 2 and 3	3%	4%	-5%	-7%	-8%

Total Resources without Leveraged Resources	Average Enrollment		Total Resources without Leveraged Resources	Average Annual Cost	
	Families	All Clients		Per Family	Per Client
Steady state period					
Year 2	37	111	\$599,151	\$16,193	\$5,410
Year 3	38	115	\$558,667	\$14,702	\$4,847
Steady state total:	75	226	\$1,157,818	\$15,438	\$5,123
Change between Years 2 and 3	3%	4%	-7%	-9%	-10%

Figure 6. The Average Annual Cost Per Family and Per Client



Year 2 with Lev.

\$27,769

\$9,277



Year 2 without Lev.

\$25,763

\$8,513

Section VII. Allocation of Resources

The purpose of this section is to summarize how FACT allocated its resources to support the program outcomes for FACT families. FACT's pattern of allocation reflects its underlying availability of cash resources. Over the three-year period, 62 percent of FACT's total resources were in cash form, (see Appendix).

Staffing costs for FACT

FACT built a core team of employees with responsibility for both for program management and service provision. FACT spent \$897,544 in cash on building its core team over the three years of the pilot. These staffing costs accounted for 55 percent of all cash expenditures yet only 34 percent of its total resource pie. See Table 8 for a summary of the cost of building FACT's core team. Figure 7 provides an overview of the relative cost of each position included in the core team.

Table 8. Costs for Staffing FACT

	<i>Percent of cash resources</i>	<i>Percent of all resources</i>
Staffing costs	\$897,544	\$897,544
Total	\$1,620,730	\$2,620,388
Percent of total	55%	34%

Source: The National Center on Family Homelessness.

Allocation of funds for the core FACT team

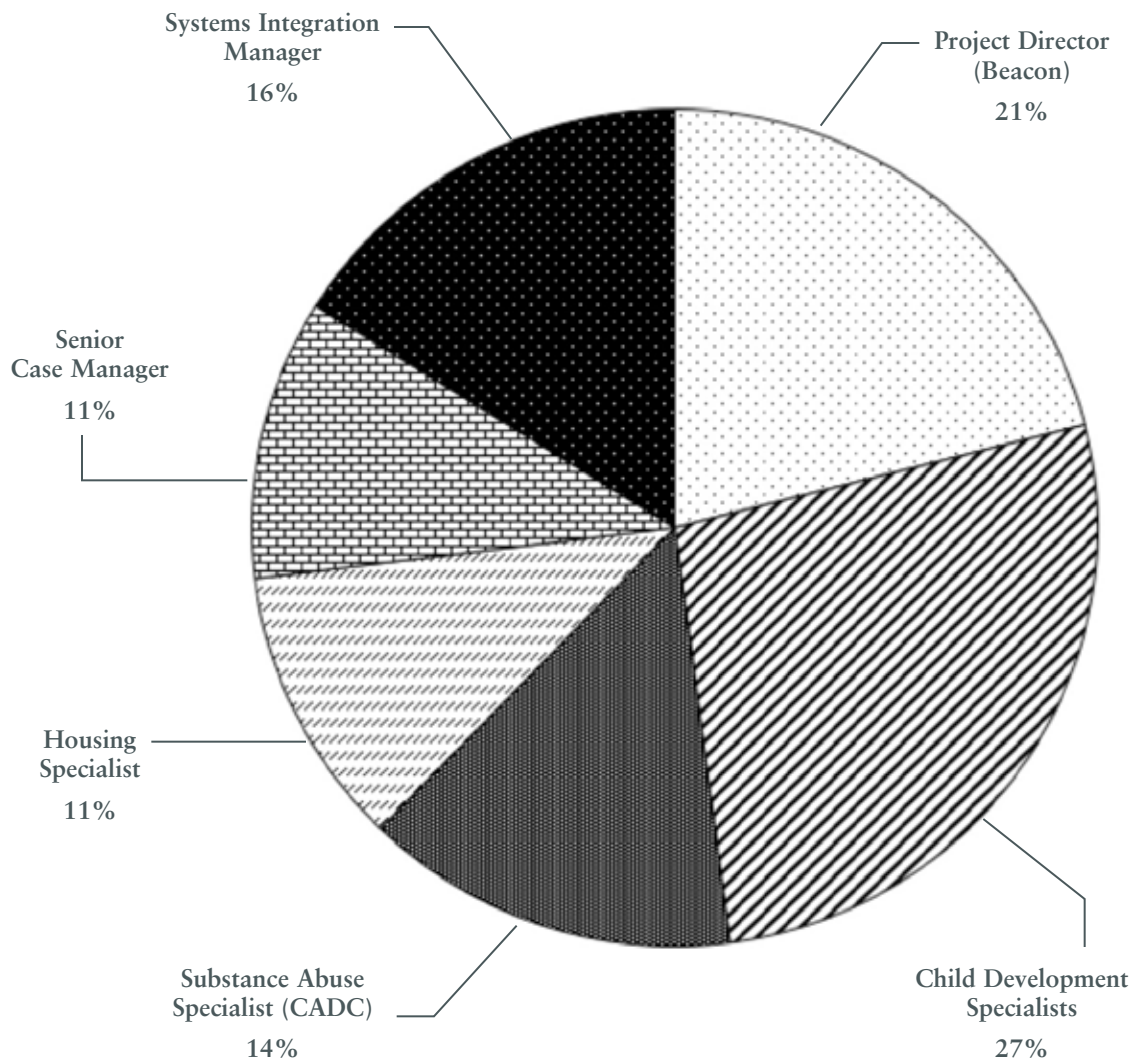
Table 9 provides a summary of the allocation of FACT costs between core FACT team (including the System Integration Specialist) and administration. The vast majority of FACT's resources supported the provision of direct services to enrolled families, and the System Integration Specialist. FACT allocated 14 percent of its resources to support the administrative functions of the program. Such administrative functions were closely aligned with program needs. Spending on administrative needs included staff training, program supplies, and program evaluation. Figure 7 provides an overview of the relative cost of each position included in the core team.

Table 9. Costs for Direct Services for FACT Families

	<i>Direct Services</i>	<i>Administrative</i>	<i>Total</i>	<i>Direct Services</i>	<i>Administrative</i>
Conrad N. Hilton Foundation	\$590,586	\$93,414	\$684,000	86%	14%
Matching Contributions	\$761,311	\$168,507	\$929,818	82%	18%
Subtotal	\$1,351,897	\$261,921	\$1,613,818	84%	16%
Leveraged Resources	\$890,658	\$115,912	\$1,006,570	88%	12%
Total Resources	\$2,242,555	\$377,833	\$2,620,388	86%	14%

Source: The National Center on Family Homelessness.

**Figure 7. Staffing Model for the FACT Team
Distribution of Staffing Costs in Steady State**



Highlights of program outcomes

FACT provided services to 206 mothers and children over the course of three years. The average family size was 2.9 including 1 adult. The average duration of enrollment was 1 year and 4 months.

FACT families received a range of services including housing support, child and maternal mental health supports psychiatric services, employment assistance, benefit advocacy, health education, developmental and therapeutic services, day treatment services, and Early Head Start programs. Table 10 provides an overview of the supports provided to families through FACT.

Table 10. FACT Program Highlights

<i>Unduplicated Clients</i>	
Adults	70
Children	136
Total	206
Average Family Size (includes 1 adult)	2.9
Average length of enrollment in years	1yr 4 months
<i>Housing</i>	
Number of families “stably housed”	56
Number of families served in program	70
Percent of families benefiting	80%
Maintained housing for 1 or more years	27
Number of families “stably housed”	56
Percent of families benefiting	48%
<i>Family Reunification</i>	
Number of reunifications	3
Family separations	2
<i>Developmental Screens</i>	
Children receiving ASQ screens	100
Children in program	136
Percent of children receiving screens	74%

Source: The National Center on Family Homelessness.

Section VIII: The Value of FACT

We estimate that the average annual cost per family enrolled in FACT was about \$26,752 per family. That calculation reflects the cost of providing support to a typical family on an annual basis, adjusted to reflect the average duration of family enrollment. Understanding the costs and budgeting decisions required to operate FACT is valuable information for future programs aiming to offer a similar service model. Inherent in this understanding is an acknowledgment of the immeasurable value that FACT offered to both enrolled families and the community at-large.

Value to Families

The FACT program provided essential services to promote better outcomes for mothers and children. Using its innovative adaptation of the Assertive Community Treatment (ACT) evidence-based model, the program assembled a multi-disciplinary, highly coordinated team who provided intense services to stabilize young mothers with the greatest need. In the previous section, we reviewed a list of the program's achievements in service provision. As a result of FACT, more families are in permanent housing. The majority of children received developmental screenings and improved their developmental scores on follow-up tests. Furthermore, preliminary outcome results demonstrate improved mental health among mothers across the initiative as a whole, as well as increases in income and other positive changes in the lives of the FACT families.

Any problems that you have, you can talk to them. Like me, I don't trust a lot of people. But everybody that's working with the [FACT] staff, I have confided in all of them. I speak to all of them about things that I go through on a daily basis. And my housing, thanks to [the program], I got it.

—A FACT client, 2009

Value to the Community

We might reasonably conclude from the program scope and the supporting data that FACT also provided value to the community. In effect, communities benefit in numerous ways when fewer of their resident families are homeless. In keeping with this report's focus on funding, we limit our review to the implications of homelessness that are economic or financial in nature. Three such economic implications of homelessness are shared below.

- **High health care costs** – Persons who are homeless experience higher than average levels of emergency room utilization and mental-health inpatient hospitalizations than those who are not homeless. In another study about the average cost of a hospital stay for patients who were homeless, the authors found that persons who were homeless cost, on average, about \$2,500 more than patients who had permanent housing.¹⁷ This is the result of many factors, including the difficulty in conducting discharge planning for the person who is homeless.
- **Lower levels of achievement among children** – Children who are homeless experience lower levels of achievement than children who are not homeless.¹⁸ The literature indicates that these gaps seem to be related to the higher need for special educational services among homeless children relative to their grade peers who are not homeless.
- **High costs for a family with long-term shelter stay** – Finally, the high costs for a family with a long-term shelter stay could range from \$22,000 to \$55,000 or more.¹⁹ In contrast, the FACT program spent an average of \$33,440 per family and provided them with an array of additional services not traditionally associated with shelter care.²⁰

FACT's unique systems integration component brought together stakeholders and representatives across service sectors to achieve a significant positive impact on the Chicago community. Agencies from previously fragmented service areas have gained resources and information to better help homeless families. One achievement was the creation of a checklist of documents for the Department of Children and Family Services to use with youth aging out of the system. This checklist ensures that young women in foster care will be provided with their birth certificate, medical records, and other necessary materials, so that they can successfully access community resources to meet their needs.

17. Shepherd, Leslie. Study: Homeless patients cost \$2,500 more than the average patient for each hospital stay. St. Michael's Hospital. Retrieved from: http://www.stmichaelshospital.com/media/detail.php?source=hospital_news/2011/20110308_hn

18. United States Interagency Council on Homelessness. (2011). Education for homeless children and youth program: data collection summary. Retrieved from: http://center.serve.org/nche/downloads/data_comp_0708-0910.pdf

19. Culhane, Parker, Poppe, Gross, Sykes (2007). Accountability, cost-effectiveness, and program performance: Progress since 1998. Prepared for the National Symposium on Homelessness Research, March 1-2, 2007. Retrieved from: <http://aspe.hhs.gov/hsp/homelessness/symposium07/culhane/>

20. The typical enrollment period was one year and three months; this number is the average annual cost per family multiplied by the average enrollment duration for a family.

Value to Future Program Design

Overall, we conclude that the FACT program offers important value to the broader community of policy and program managers, particularly for those who are interested in producing similar outcomes for homeless and at-risk families. FACT successfully provided services to enrolled families in a holistic manner as a direct result of the integrated design of the program. We credit the incentives facing partnering agencies under the matching grant agreement for leading to this integrated program design. We hope that the lessons learned from FACT can help influence future programs and initiatives, with the goal of improving the well-being of homeless and at-risk young families.

Appendix A

Appendix. Total Cash Resources for FACT

	<i>Cash</i>	<i>Total</i>	<i>Cash as a % of Total</i>
Conrad N. Hilton Foundation	\$684,000	\$684,000	100%
Matching Contributions	\$820,818	\$929,818	88%
Leveraged Resources	\$115,912	\$1,006,570	12%
Total Resources for FACT	\$1,620,730	\$2,620,388	62%

Source: The National Center on Family Homelessness.

Appendix B

Appendix. Lessons Learned from FACT Relative to Securing Resources

<i>Question</i>	<i>Summarized Responses</i>
<p>Matching Contributions What are the three to four key lessons relative to identifying, securing and keeping matching funds?</p>	<ol style="list-style-type: none"> 1. Articulate clearly the goals and objectives of the project. 2. Maintain regular communications on the project development and implementation including challenges. 3. Remain flexible and open to suggestions from the funder. 4. Remain alert to new opportunities and strategies that would allow for new funding opportunities.
<p>Leveraged Resources What are the three to four lessons learned relative to securing leverage?</p>	<p>It is essential to be creative in accessing the needed services that FACT families require; and to look for opportunities to provide the wraparound services that FACT families require.</p>

Source: The National Center on Family Homelessness, based on the program’s responses to a set of survey questions prepared by the National Center’s consultant.

Appendix C

Appendix. Average Enrollment in the Program for FACT Families

<i>Line</i>		<i>Adults</i>	<i>Children</i>	<i>Total Clients</i>
1	Unduplicated clients <i>a/</i>	70	136	206
2	Program duration <i>b/</i>	11	11	11
3	Full enrollment <i>c/</i>	770	1,496	2,266
4	Sum of quarterly enrollments <i>d/</i>	366	744	1110
5	Full enrollment <i>c/</i>	770	1496	2266
6	Average length of enrollment <i>e/</i>	48%	50%	49%
7	Program duration <i>b/</i>	11	11	11
8	Duration of enrollment <i>f/</i>	5.2	5.5	5.4
9	Average number of months of enrollment <i>g/</i>	15.7	16.4	16.2
10	Average number of years of enrollment <i>h/</i>	1.3	1.4	1.3

Source: The National Center on Family Homelessness, based on data submitted to the Center from the pilot program.

Notes about the calculations shown on the table.

a/ Unduplicated count of adults and children served over the course of the initiative.

b/ Program duration = the number of quarters the program was enrolling clients.

The program actually ran for 12 quarters (or 3 years), but did not enroll clients until the second quarter of the first year.

c/ Sum of unduplicated clients over 11 months of the program's enrollment, based on the assumption that all unique clients were enrolled in the program for all 11 months of the program's period of enrollment. 11 was used to reflect the start-up of enrollment.

d/ Enrollment in each quarter summed across quarters, based on data submitted on a quarterly basis by the program.

e/ Average length of enrollment measured in percent terms. This is the percent of time that a family is enrolled in the FACT program across the 11 quarters or entire enrollment period in the program.

f/ The duration of enrollment represents the number of quarters during which the average family is enrolled in the FACT program. This was calculated by multiplying line 6 by line 7.

g/ The average number of months of enrollment represents the average length of enrollment for a FACT family, based on multiplying line 7 by line 8.

h/ The average number of years of enrollment represents the average length of enrollment for a family, based on dividing line 9 by 12.

Strengthening At Risk and Homeless Young Mothers and Children is generating knowledge on improving the housing, health and development of young homeless and at-risk young mothers and their children.

This *Report on Costs for Families Assertive Community Treatment* (FACT) was written by The National Center on Family Homelessness. The primary author was Ellen Davidson, President, BD Consulting, with support from Sonia Suri, Senior Research Associate, Annabel Lane, Research Associate, and Ellen Bassuk, President, The National Center on Family Homelessness. The *Report on Costs for Families Assertive Community Treatment* (FACT) is a product of The National Center on Family Homelessness on behalf of the *Strengthening At Risk and Homeless Young Mothers and Children* Coordinating Center, which is a partnership of The National Center on Family Homelessness, National Alliance to End Family Homelessness and ZERO TO THREE. The Coordinating Center provides technical assistance to program sites, conducts cross-site process and outcome evaluations and develops a range of application products from the study sites.

Strengthening At Risk and Homeless Young Mothers and Children is an *Initiative* of the Conrad N. Hilton Foundation.



For more information on this *Initiative*, please contact The National Center on Family Homelessness, 200 Reservoir Street, Suite 200, Needham Heights, Ma; (617) 964-3834 or at www.familyhomelessness.org



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