

Understanding Progress in Systems Reform Through the Lens of the Baseline Data

Mid-Initiative Assessment of the Washington Youth & Families Fund Systems Initiative



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Introduction

The Washington Youth and Families Fund Homeless Families Systems Initiative, developed by the Bill and Melinda Gates Foundation (BMGF) over the course of several years, officially launched in 2009 in response to the persistent number of families experiencing homelessness in the Puget Sound Area and the difficulty in helping families successfully exit homelessness. The overall goal of the Initiative is to reduce family homelessness in King, Pierce, and Snohomish Counties by reducing: the number of families who ever become homeless, the time families who do become homeless remain in that state, and returns to homelessness. Restated, the overall goal is to ensure that family homelessness is *rare, brief, and one-time*.

The Initiative's Theory of Change (Figure 1), crafted based on the best thinking and available research on what works for families, outlines five strategy initiatives believed to be important to provide a sustainable systemic response to reducing family homelessness. The first strategy initiative, ***Tools and Practices***, outlines key pillars of practice to prevent families from entering the homeless system when possible, help families experiencing homelessness access assistance, provide for rapid exits into housing in the community, and provide access to needed services and economic opportunities. The four additional strategy initiatives highlight support activity believed to be important for systems to change, including ***Organization Capacity and Collaboration, Data Quality and Utility, Advocacy, and Evaluation***.

This document provides a mid-initiative assessment of the ***Tools and Practices*** area based on Westat's longitudinal evaluation of the Theory of Change and the hypotheses that underlie its structure. With 18 months of data now available on the baseline cohort of 467 families served in the three homeless systems, we have an opportunity to reflect on the conditions of the systems before the Initiative was underway and how they affected families' experiences and outcomes. Moreover, these data provide a backdrop for examining the counties' progress in implementing the ***Tools and Practices*** and the extent to which shifts being made in the systems respond to the needs and challenges experienced by families. We end the document with a list of lessons being learned through the Initiative and challenges to the work.

Westat Evaluation

Ongoing assessment of implementation and systems change

- Annual site visits, document reviews, periodic interviews
- Comparison with in-state and out-of-state contrast counties

Assessment of system impact on selected organizations

- Annual site visits and document reviews

Assessment of system impact on families:

- Comparison of Baseline/early cohort of families with Intervention cohort of families using primary data collected at four points over 18 months and data from the State's integrated data base
- Comparison of each cohort with a constructed comparison group of families from balance of the State using the State integrated data base to understand the extent to which changes occur in families' experiences and outcomes without the systems intervention

Cost implications of systems change

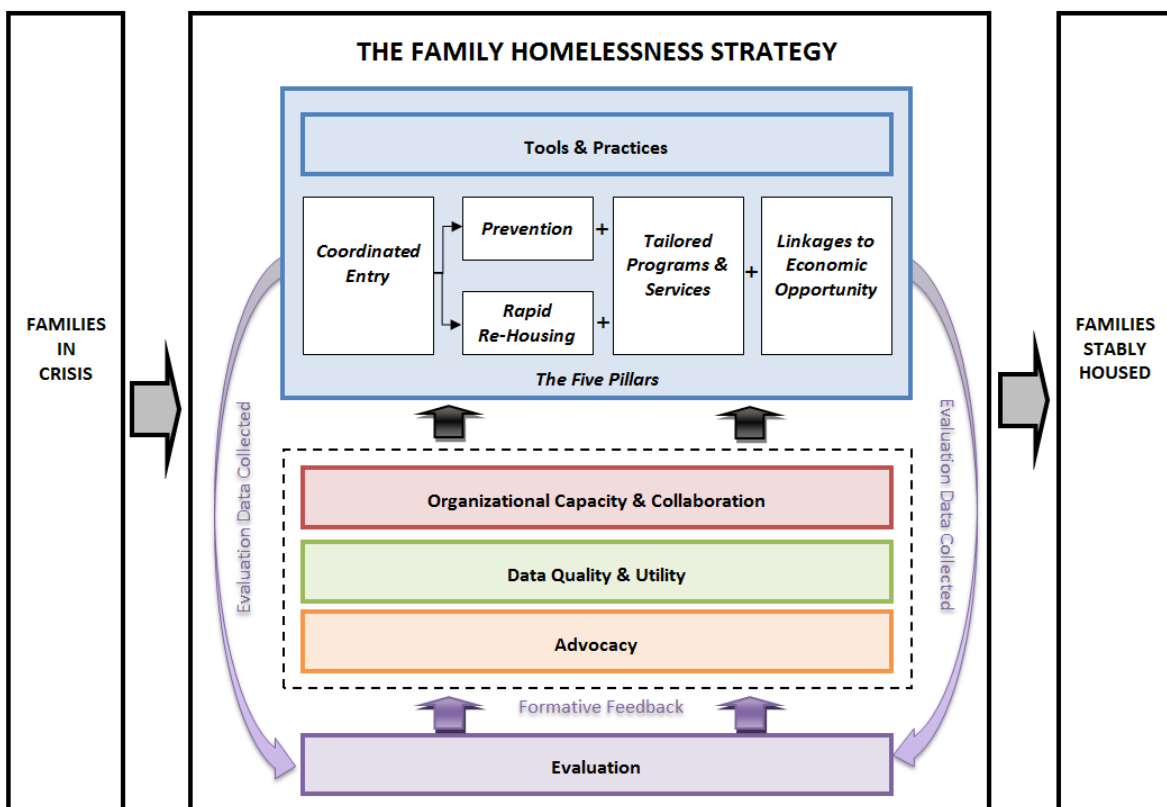
- Examination of cost shifts and cost savings following systems change

Baseline Conditions of the Systems and Their Effects on the Experiences and Outcomes of Families

PILLAR 1 – Entry into Shelter

The conditions across King, Pierce, and Snohomish Counties between late 2010 through 2012 (the recruitment period for the study) were remarkably similar to one another. In all three counties, families needed to contact each shelter on their own to determine if they were eligible and if there was space available in the shelter.¹ Many shelters maintained their own waiting lists, and 62% of the families indicated that they had their names on an average of two waitlists and as many as five or more. For many shelters, families needed to check in frequently to determine when and if a slot became available. Families reported making a median of 40 calls throughout the system and waiting a median of approximately three months between initially contacting the system and eventually entering shelter.

Figure 1. Washington Youth & Families Fund Homeless Families Systems Initiative Theory of Change



¹ Snohomish County had Coordinated Case Management (CCM), a central waiting list for shelter and housing that was dissolved by December 2010.

PILLAR 2 – Prevention of Homelessness

Within the broader social service systems, prevention services were available but not tied to or coordinated with homeless services or to the homeless experience. Seventy-five percent of the families received some type of prevention assistance in the twelve months prior to entering shelter. For 44% percent of the families, the assistance was financial help, including one-time payments for utilities (25%) or rent (22%), or money for a security deposit (16%). Non-financial assistance most commonly involved help in finding housing, received by 54% of the families. Small percentages of the families (less than 10% each) received help in avoiding an eviction, in negotiating with a landlord, with housing-related issues other than eviction, and with credit counseling. For all these families, however, the prevention assistance received was ultimately insufficient to prevent them from becoming homeless within the year.

PILLAR 3 – Exits from Shelter into Housing

Prior to the Initiative, there was not a widespread urgency across the three counties to have families exit the homeless system and return to some form of stable housing. The concept of rapid re-housing was new, largely limited to the Homeless Prevention and Rapid Re-Housing Program (HPRP)², and less familiar to systems and providers.

A perspective shared among many housing providers during this time was that their primary responsibility was to help families become “housing ready”. The predominant feeling among providers was that families would do better if they went through a continuum of housing assistance before moving into their own housing. The expectation was that families would go through shelter, and those who met the conditions for transitional housing would move on to that housing arrangement so that they could wait for housing subsidies. The stock of transitional housing in the three counties had grown significantly during the first decade of the 2000s, in part due to the federal push on this type of housing but in greater part due to the Sound Families Initiative. Once in transitional housing, families could typically stay *up to 24 months* and often the programs were described as 24 month programs, though the Sound Families evaluation reported that the average length of stay was a little more than a year.

Westat’s evaluation data on the first cohort of families demonstrate this emphasis on transitional housing prior to the Initiative. Families stayed in a combination of shelter and transitional housing an average of 309 of the 545 possible days in the 18 month period. The average number of days in the system is high primarily due to the large number of families (39%) who remained in the system the entire 545 day period, as well as another two percent who remained in the system at least 90% of the 545 day period (over 490 days) with just a brief interruption. Even among families who left the system within the time period, the stays were generally not brief. Among the 59% of families who exited the system, the average stay for families in Pierce County was around three and a half months (108 days), about six months in King County (187 days) and seven months in Snohomish County(209 days).

Little emphasis was placed on finding permanent housing prior to the Initiative. A little more than half of the families (58%) across the three counties reported looking for housing since entering shelter, more in King County (77%) and fewer in Snohomish County (27%). Of those who did look for their own housing,

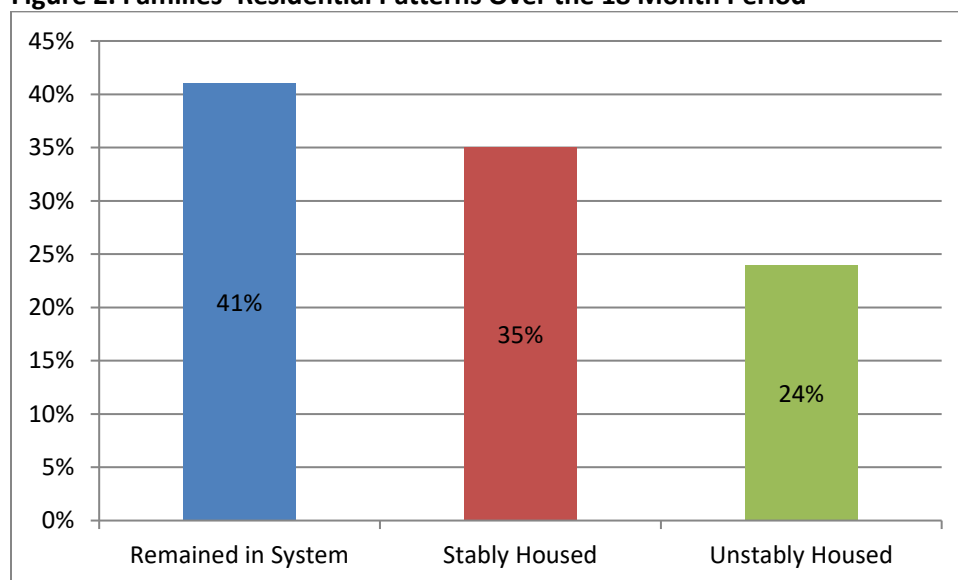
² HPRP funds, a component of the American Recovery and Reinvestment Act of 2009, were available in each of the three demonstration counties for three years from 2009 to 2012. The funds were used to provide time-limited supports to keep families stably housed (i.e., prevention) or to move families into permanent housing as quickly as possible (e.g., rapid re-housing). The funds were typically used for rental assistance and security deposits and could include case management services.

87% received some type of assistance from case managers or others, most commonly receiving help accessing household items (43%), a list of addresses (42%), and help in applying for a subsidy (38%). Only nine percent noted that someone helped them actually look for apartments.

Three dominant residential patterns (see Figure 2) emerged from an analysis of housing calendar data for 386 families that could be tracked for the entire 18 month period (83% of the entire sample). The patterns include: remaining in the homeless system for the entire 18 month period, exiting the system and becoming “stably housed” either in one’s own housing or in a consistent doubled-up situation, or moving between different housing and/or homeless situations throughout the 18 months. Within each pattern, there are some distinctions that are important to note. Figure 2 shows the percentages of families experiencing each type of residential pattern and these distinctions.

Remaining in the Homeless System: Across the three counties, the dominant residential pattern for families was remaining in the homeless system the entire 18 month period through a combination of shelter, transitional housing, and paid motel vouchers. Forty-one percent of the tri-county families remained in the homeless system the entire 18 months, with nearly 30% of the families in King and Pierce Counties and double that percentage (60%) in Snohomish. Two percent of these families spent all but two months or less of the time in system, generally unable to enter transitional housing directly from shelter and waiting for a brief period in another setting. As an example, in King County a single mother with two children, six and seven years old, entered shelter, stayed up to the 90 day shelter stay limit, spent a month with her parents before entering transitional housing and then remained in transition housing through the end of the 18 month period.

Figure 2. Families’ Residential Patterns Over the 18 Month Period



Stable in Housing: The second largest residential pattern across the three counties was maintaining stability in housing. Across the three counties, 35% of the families left the system and remained stably housed all or most of the follow-up period--31% of families left the system and became stably housed in their own housing throughout the remainder of the 18 month period and four percent had a single brief gap of two months or less in stability either after entering shelter or between housing situations.³ Most

³ Four percent of the families were stably housed in a doubled-up situation

of the families were living in market rate housing, with a little more than one-third of the stably housed families living in their own housing at 18 months with a tenant based or project-based permanent Housing Choice Voucher subsidy.

King County had the largest percentage of stably housed families was greatest in King County (40%) and Snohomish County (18%) had the lowest. On average, these families left the system after six months (183 days) and were in their own housing for about 12 months, moving less than once. About 19% of the families exited the system “quickly” (within six months of entering shelter) and remained in their own housing throughout the 18 months. As an example, a mother in in Pierce County with a four year old son stayed in shelter for a little more than three months. Having stayed longer than the program typically allowed, she left shelter to live with friends for a couple of weeks until she could get her own apartment. She remained in her own apartment for the remainder of the 545 day period.

Residentially Unstable: Close to a quarter (24%) of the families stayed in multiple types of housing situations after leaving the system, moving between their own housing, doubled-up situations, literally homeless situations, and/or institutional settings (e.g., behavioral health settings, jails/prisons). For example, one mother in Pierce County with two children left shelter after 51 days, moved in with her sister for about three months, then spent time in jail and a substance abuse treatment center. When she was discharged from the treatment center, she moved in with her mother for three weeks, and then spent a year living with her boyfriend. When that relationship ended, she moved in with her brother. Over the 545 days, she had six separate moves.

A subset of these families (9%) had multiple residential situations during the 18 month period, but were living in their own home at the end of the 18 month period, in some instances for a considerable period of time (up to 477 days and 251 days on average). For example, in Snohomish County, one couple with two children, ages seven and five, exited to their own apartment after staying in shelter for approximately four months. After almost five months in their own place, the couple broke up and the mother moved into a second shelter with her children. She moved from shelter to transitional housing but left transitional housing after two months because she felt that the program had too many rules and the staff were not helping her find her own housing. Having obtained a job while in transitional housing, she was able to exit to her own place, paying \$750 a month from the \$1,081 she received from earnings and TANF. At the 18 month interview, the family had been living in this apartment for a little over five months.

Among all families who exited the system, a significant subgroup returned to homelessness. Using the federal HEARTH measures established by the U.S. Department of Housing and Urban Development of homelessness returns, only three percent of the sample of families exited to permanent housing and returned to shelter (2% in King, 7% in Pierce, and 1% in Snohomish). However, we find that a much larger subgroup of families actually return to homelessness when all exit situations are included (i.e., not just exiting to permanent housing) as well as when returns include returns to the streets and other literally homeless situations in addition to shelter. When this broader measure is used, the number of returns is 22%--seven-fold larger than the HEARTH measure over the 18 month period. The percentage of returns was highest in Snohomish County (29%), followed by Pierce County (24%), and King County (16%). Families returned a median of 98 days (a little over 3 months) after they exited. The majority of families who returned to homelessness (69%) had relatively short initial shelter stays (four months in length or shorter).

PILLAR 4 – Tailored Services

Access to Services: At the time of entry into shelter, almost all (97%) of the families had a case manager, about a fourth of whom entered shelter with one and the others receiving one when they entered or shortly after entry. A little over half of the families (55%) had more than one case manager. At the six month interview, three quarters of the families (72%) continued to have a case manager, but only a quarter (26%) had more than one. The majority of families lacking case management at this time had left the homeless service system.

The majority of families had health insurance, primarily Medicaid, for themselves and their children when they entered shelter and maintained it throughout the study period. Sixty-two percent of the heads of household maintained insurance the entire study period of 18 months, and an additional six percent obtained it at some point during the time period and kept it for the remainder of the study period. Ninety percent of the families entered shelter with insurance for their children and maintained it throughout the study period; an additional one percent of families obtained insurance for their children following the baseline interview and kept it throughout the study period.

Access to health and related services was variable. For health services, 85% of the heads of household reported receiving health services at least one time following shelter entry and 10% reported an unmet physical health need at the 18 month interview. Similarly, 90% of the target children⁴ received health services at least once during the study period and only three percent reported an unmet mental health need at the 18 month interview. At the six month interview, less than 10% of the families received help from a case manager in accessing health services.

Dental services, which were not covered by Medicaid during this time period, were the least accessible service for both heads of household and their children. Over half (62%) of the heads of household did not receive dental services during the study period and 48% reported having an unmet dental need at the 18 month interview. For children, about a fifth (17%) did not receive any dental services during the 18 month period, and 20% reported an unmet dental need at the 18 month interview. About a quarter of the heads of household received help from a case manager in accessing dental services for themselves, and less than 10% of the households received case management assistance in accessing dental services for their children in the six month period after they entered shelter.

About half (48%) of families' heads of household received mental health services following shelter entry with only nine percent reporting an unmet need 18 months after shelter entry. Like health services, help in accessing mental health services came from a range of sources, although the primary case manager was often the source of help (in 24% of the cases) in the six month period after the family entered shelter. Approximately 18% accessed substance abuse services after entering shelter, with the majority (78%) receiving help in accessing the services, half of the time from the case manager. Two percent of the heads of household reported an unmet need for substance abuse treatment.

Over two-thirds of the children (67%) received developmental, behavioral/emotional, or learning related services, with 18% reporting an unmet need at some point during the 18 month interview.

Health Status: Overtime, the health status of the heads of household stayed relatively constant. At any given data collection point, across the counties, approximately 30% of the heads of household rated their health as very good or excellent, 53% as good or fair, and approximately 15% as poor or very poor.

⁴ A "target" child was randomly selected from each family to track over the 18 month period for service receipt and schooling.

For children, like their parents, health status remained stable, with approximately 76% having very good to excellent health, 22% having fair to good health, and one to two percent having poor health at each time point.

All indicators of mental health and substance abuse suggest that the behavioral health of families' heads of household improve over time, with the adults having the most symptoms at the point they enter the system. At entry, 52% of the adults had symptoms of severe or moderate anxiety and/or depression, decreasing to a rate of 37% at the 18 month interview. For substance abuse, the percentage of heads of household who had a positive screen for alcohol and/or drug use decreases steadily over the course of the 18 months, with a high of 22% at the baseline interview to a low of eight percent at the 18 month interview.

PILLAR 5 – Economic Opportunities

The type of economic opportunities offered to families were highly dependent on the shelter or transitional housing program in which a family stayed. Services provided included money management, credit repair, resume assistance, job search, and interview assistance, and were typically not connected to mainstream employment and education providers. Homeless providers had limited capacity to take these services to scale and the lack of coordination with mainstream employment services resulted in a key gap in assistance for families once they left the homeless system. Despite this lack of coordination, the rate of employment and education increased for families over the 18 month study period, though not at levels that provide for self-sufficiency (see sections below).

Employment: Approximately 25% of the households had one or more adults employed at the baseline interview (typically within two months of entering shelter), with the majority being the head of household. A fifth of the heads of household (19%) across the counties were employed at the baseline interview, with a high of 30% in King County and a low of 13% in Pierce County. A little more than half of those employed had been at their jobs for at least three months.

At 18 months, the heads of households' rate of employment increased to 37%, a statistically significant increase. However, over the course of the 18 month study period, families moved in and out of employment and few heads of household (7%) reported being employed at every interview.

Education: A small percentage of families increased their education level over the 18 months. Twenty-eight percent of families did not have a high school diploma or GED at the time of the baseline interview, a fourth of whom received a GED following the baseline interview. Only five people completed some type of college degree over the period reviewed. Sixteen percent of the heads of household earned a vocational certificate or job-related license after the baseline interview, about half of whom were building on an existing vocational certificate (e.g., adding a phlebotomy certificate to a CNA certificate). Vocational progress included earning CNA credentials, medical billing certificates, training for vehicle or forklift operation, caregiving, construction or flagging, and many others.

Income: Over the course of the 18 months, the average household income increased significantly from \$592 at baseline to \$957 at the 18-month interview, in large part due to increases in earned income (from an average of \$167 at baseline to \$584 at 18 months). Increases were realized in both the average wage earned (from \$10.63 to \$11.04) and the average hours worked per week (24.3 to 30.5). Families with the highest incomes were living in their own place versus other settings (e.g., doubled-up) at the 18-month interview.

Debt: The majority of families in the sample (88%) had at least one type of debt over the entire 18 month period. Debt increased over time, from an average of \$15,938 (median of \$3,780) at baseline to an average of \$21,649 (median of \$5,600) at 18 months. The most common sources of debt at 18 months (similar to those at previous data collection points) were cable, telephone, or cell phone bills (43%), medical expenses (41%), utilities (35%), student loans (31%), and rent (25%); the highest amount of debt among these sources was for student debt (median \$8,000).

System Reforms Underway in King, Pierce, and Snohomish Counties

All three counties are currently deep into systems reform, with shifts being made to respond to the problems and needs revealed by the 18 month data on the baseline cohort of families. Guided by the Theory of Change, all three counties have put into place a system for coordinated entry or access to the homeless system that continues to be tweaked and changed as challenges are confronted and new federal directives are handed down to the local authorities. The counties are working in ways to divert families from the system when possible and provide them with resources that can allow them to either strengthen the residential situation they are in or find another residential arrangement that allows them to avoid entering the homeless system. All three counties are also expanding the options for housing for families by including more resources for rapid re-housing and working to convert transitional housing into permanent housing with supports or permanent supportive housing. As one indication of this change in the three systems, of the first 264 families recruited for Westat's second cohort, 21% were served by diversion, 21% were served by rapid re-housing, 34% were served by shelter, 14% were served by transitional housing, and the remaining 9% were served by permanent supportive housing. This is in contrast to the first cohort in which shelter was the front door to the system for 90% of families. The counties are working with the mainstream service systems to increase service access for families while they are in the homeless system or newly into housing and to enhance their options for employment and education opportunities. All the systems are in a state of change, with lessons being learned as they pilot and adopt new practices, attempt to reallocate funding, and change the way providers and others do business. The sections below highlight lessons being learned at this stage in the Initiative from the perspective of the Westat evaluators.

Improving families' access the system

The benefits and downsides of different strategies: Of all the pillars of practice, coordinated entry has received the most attention. The different approaches being undertaken by the three counties to improve families' access to homeless services offer an opportunity to learn the features of the process that may work best for different contexts.

Snohomish County has taken a different route than the other two counties, moving from a centralized process that it had prior to the Initiative to a decentralized process (a "no wrong door" approach) using Housing Navigators working with organizations throughout the county. The county started its process as a pilot, working with a small number of centrally located housing organizations, and it has since expanded its reach to food banks, schools, social service organizations, and housing providers located in more rural areas in the county. Staff in each organization conduct brief (20 question) intakes with families to identify 1) families who are not homeless, but need a light touch (e.g., gas card, utility assistance, referral to a service organization); 2) families who are at risk of homelessness and need the assistance of a Prevention Navigator; and

3) families who are literally homeless and require a referral to a Housing Navigator. Housing Navigators conduct an assessment of families' housing and service needs, make referrals to shelter and housing providers, and try to address families' non-housing needs while they wait for housing to become available. Both Housing and Prevention Navigators have access to flexible funds that can be used to address family's immediate needs. The county is currently in the process of moving to a single priority wait list for housing (excluding shelter).

Both King and Pierce Counties initially shifted from "systems" that lacked any coordination among housing providers to systems with centralized intake operated by one organization. These two centralized systems, however, have proved to be difficult to operate nimbly and have resulted in significant delays in getting families into housing. Many families remaining on the housing roster for long periods of time. A major challenge for both systems is that providers continue to have distinct eligibility criteria, complicating and delaying the match of families to available units.

Due to the challenges experienced, both King and Pierce Counties commissioned outside expert reviews of their systems, and both are changing their systems based on recommendations provided. King County is exploring a hub system in which selected providers, rather than one organization, will conduct assessments and the county will have a system administrator manage the process. The hope is that, by having families come to these organizations, they can have immediate referrals to diversion, rapid re-housing, and employment services, if appropriate. Pierce County also is moving to a coordinated entry system, with providers using a consistent assessment tool and operating at multiple front doors to the system. Another key change that both King and Pierce Counties will make is instituting a prioritization process. Each will shift from taking families on a first-come first-served basis to prioritizing families based on a vulnerability index.

Several challenges remain for all three counties. Provider-specific eligibility criteria operate as the most formidable obstacle to housing families quickly. Providers' individualized criteria require a complicated process of matching families to different housing slots. Pierce County is tackling reducing or eliminating provider-specific eligibility criteria as part of its plan. King County continues to struggle with providers' criteria, having made several attempts to reduce the criteria (e.g., working with funders to eliminate criteria; highlighting Fair Housing concerns; instituting a Risk Mitigation Fund as an incentive for providers that reduce criteria), with mixed success. In large measure, the systems, especially in King County, continue to be provider-driven instead of family focused.

A final challenge shared by all three systems is the difficulty in merging the existing Homeless Management Information Systems (HMIS) with newly created coordinated entry data systems. All three systems face future difficulties in having fully functioning coordinated entry processes if the data systems cannot be merged and shared across all organizations. At this juncture in the Initiative, not having merged systems makes it difficult to assess the implementation of the systems and their progress in reducing wait times in entering shelter and other housing programs as well as time spent in the system.

The level of need and demand for housing assistance: An advantage of centralized intake for King and Pierce counties is that, for the first time, the counties are able to count the number of families needing housing assistance and distinguish those who need more urgent assistance from those who are not at imminent risk. They are able to understand the level of demand in the community as well as the nature of the needs families have to better design the portfolio of housing approaches

needed in the system. The renewed focus on centralized or coordinated intake in all three counties has highlighted the demand for housing and the need to focus the limited resources on families who are literally homeless.

Efforts to prevent or divert families from homelessness

Demand for prevention outstrips available resources: Prevention services have become a smaller part of the Initiative, at least in two of the counties. In Pierce County, homelessness prevention services and/or funding was a strong initial emphasis, provided to a wide range of families who sought the help. Within the first four months of providing the services, however, it became clear that the number of families requiring prevention resources outstripped the resources that could be sustained. Moreover, although many families were experiencing residential instability, it was likely that only a fraction of them would ultimately experience homelessness. Therefore, Pierce County concluded that using the funding to provide prevention services to families in need may not be the most efficient or effective way to reduce family homelessness. Based on Pierce County's experience, King County decided not to offer prevention services as part of the system reform. Both counties continue to have some prevention services available (e.g., eviction prevention) but they are not tied to the homeless service system.

Snohomish County, however, continues to have a strong focus on prevention services. In contrast to Pierce County that relied primarily on financial assistance, Snohomish County couples financial assistance with Prevention Navigators. Prevention Navigators work with families who are at imminent risk of homelessness to help them stay in their housing or move seamlessly to new housing. They provide case management, use flexible funds to address families' immediate needs, and access existing prevention services, including eviction prevention assistance, and dispute resolution services.

The promise of diversion: Homelessness diversion is replacing the emphasis on prevention in King and Pierce Counties. Diversion involves redirecting homeless families from the front door of the homeless system back into housing. Diversion involves providing flexible resources to families for any need they identify that is making it difficult for them to become remain stable. In some cases, a family may only need a light touch (something that is typically less than \$250, such as a car repair, or a bus ticket to return to a former place of residence). In other cases, the resources might be more substantial, up to typically \$2,500. Examples include help with paying groceries for several months in a doubled-up situation while a family is beginning new employment or paying for a security deposit on an apartment for a family who otherwise may be able to pay the rent. According to data compiled by Building Changes on several diversion pilots, the average amount of diversion assistance per family ranged from \$600 in Snohomish County to \$1,300 in King County. In King County, additional data indicate that 62% of the 371 families offered diversion before the grant ended exited to establish housing. Sixty-nine percent of the diversions involved families renting their own apartments without an ongoing housing subsidy. Diversion is not expected to be successful for all cases, but to provide an option for families to stay out of the homeless housing system as long as possible. Data are being collected in both counties to track whether diverted families return to the systems.

Broadening the permanent housing options for families

Rapid re-housing as the dominant housing approach: In all three counties, there has been an increasing focus on rapid re-housing. Although rapid re-housing models vary somewhat across the three counties (and across communities in the county), the basic strategy is to offer families rapid re-housing shortly after they enter shelter and work with them to gather the necessary documents, arrange the resources, and find a landlord that will rent to them. Rapid re-housing programs typically provide families with a graded subsidy for three to six months. The amount of the subsidy can be tailored to the family based on the families' other financial burdens. It can also be extended to nine or 12 months, if necessary. Building Changes and the counties are tracking the implementation and outcomes of families in the rapid re-housing programs. In King County, for example, as of August 31, 2015, of the 275 families enrolled in the county's Rapid Re-housing for Families (RRHF) Pilot, a little more than half (62%) had moved into housing, with an average of more than three months between enrollment and move-in. An additional 13% were looking for housing and 33% exited the program before entering housing.

Transitional housing being realigned and converted to permanent housing: All three counties have been de-emphasizing transitional housing, consistent with the strong federal slant away from transitional housing, and focusing on rapidly re-housing families in market rate housing. Moving from shelter to transitional housing is no longer the dominant path for families. All three counties are working to realign or convert their transitional housing stock. In Snohomish County, of the transitional housing programs not owned by housing agencies, two have been closed and two remain as transitional housing. The remaining 13 of the original 17 transitional housing programs are owned by housing agencies and account for more than 200 units. All of these units have been converted to permanent housing with optional services in which families are able to stay as long as they like under typical landlord-tenant law, but also have the option of leaving the project-based units after a year with a tenant-based voucher.

In Pierce and King Counties, re-alignment is occurring more slowly. In Pierce County, the process has been slow to get started but a newly awarded Systems Innovation Grant (SIG) is intended to jumpstart the process and help providers determine how to convert their programs. In King County, realignment is also happening slowly, with only 14% of the transitional programs either converted or removed from use in the homeless system. Building Changes awarded the county two SIGs to help facilitate the conversion process. One grant provides flexible funds to bridge the pathways from shelter into housing so that there would be less need for families to enter transitional housing. Funds could be used to obtain identification records, conduct background checks to identify potential housing barriers, and pay for rent arrears, utility debt, and/or move in assistance. The second SIG involves a risk mitigation fund to provide an incentive as well as safety net for providers participating in realignment, though few have yet to take advantage of the funds.

Tailoring services to families and linking with mainstream providers

Progressive engagement: In King and Pierce Counties, the county leads are working to shift the service philosophy among providers and administrators from one that is focused on providing families all the services possible to progressive engagement; that is, giving the minimal amount of services families need to regain footing and linking to mainstream services, and progressively adding more as needed. Training for front line staff in progressive engagement has occurred in both counties. Additional data are needed to track and fully understand the extent to which the shift is in place with providers.

Linking with mainstream services: Strides have occurred in linking the three counties' homeless systems with mainstream employment and education providers. Although many shelter and housing providers had their own employment efforts prior to the Initiative, the desired shift is to help families access and use the existing mainstream employment services. Employment navigation has been tested as a strategy in all three counties to help families access these services. In King and Pierce Counties employment navigation is connected with rapid re-housing. In Snohomish County, an Employment Navigator is employed by Workforce Snohomish to work with families referred by the Housing and Prevention Navigators to search and apply for jobs. In King and Snohomish Counties, 45% and 35%, respectively, of families served increased their incomes.

Less change has occurred in the three systems through the Initiative in how families access physical and behavioral health services. Some of the SIGs awarded by Building Changes have been designed to help foster linkages with these service providers, such as a grant in King County to broaden children's access to health services. However, the focus on improving service access has not occurred at the level or pace of coordinated entry, housing, and employment services.

Using data and evaluation to guide reform and strengthen decision-making

The remaining strategy initiatives in the Theory of Change— **Organization Capacity and Development, Data Quality and Utility, Advocacy, and Evaluation**—support the work in the counties. Perhaps the area that has been most central to the county work in the last year has been the focus on improving the availability and use of data in decision-making. The HMIS, intended to be the main source of data on homelessness, has historically had a number of issues and challenges in all three counties that inhibits its usefulness. All three systems were not operating at capacity prior to the Initiative. Data quality was cited as a problematic issue by stakeholders, including county staff, funders, and housing and service providers, and few, if any, providers or others noted using the data to drive service configuration, program evaluation or funding decisions.

Since the beginning of the Initiative, the foundation and Building Changes have invested significant time and resources into helping the counties improve their data systems. These efforts include: Convening the Data Solutions Workgroup, composed of HMIS program managers for each of the demonstration counties, data managers from the Department of Commerce and DSHS, representatives from the foundation and Building Changes; providing technical assistance and technological improvements from outside vendors; and earmarking additional funds specifically for data capacity building within the counties. This work to date has resulted in improvements in the availability of data, the ability and willingness of county staff to use data, and the identification of *rare, brief, and one-time* measures of homelessness. Currently, the goal of this work is to design an interactive tool that integrates the HMIS and coordinated entry datasets, to teach the counties to use and develop this tool for their own data, to increase the capacity of the counties to share and translate data to internal and external stakeholders throughout the system, and to engage leadership to use data to make decisions on practice, funding, and policy.

Challenges to System Reform and Achieving Outcomes

Despite progress in implementation of system changes, several formidable obstacles challenge the work. These include:

Increasing reliance on market rate housing in economic upturn: Increasingly, housing assistance in all three counties requires families to find and maintain market rate housing with time-limited supports. Unfortunately, this shift to relying on market rate housing is happening at a time when the Puget Sound is experiencing an economic boom with lower unemployment, greater job growth, and bigger increases in wages than the national average since early 2010. As the economy improves, rents are increasing and apartment vacancy rates are decreasing (currently about four percent for the Puget Sound region, and likely lower for affordable housing units). Under these conditions landlords can be more selective in whom they choose to rent to, excluding families with histories of eviction, bad credit, or unstable income or employment. Rapid re-housing providers report that the current housing climate serves as a barrier to serving families quickly, even when the financial resources are available. The economic upturn, therefore, has required additional efforts by the counties in working with landlords, trying to gain their participation and support in renting to families.

Understanding how best to meet the needs of immigrants, families experiencing domestic violence, and other special populations: With the movement towards centralized entry, agencies are becoming less able to specialize in serving specific populations, such as Latina or immigrant and refugee families. Providers are concerned that replacing families' direct access to their agencies with a centralized system is resulting in these families not accessing services at all because they do not know how to access the system through more traditional means (i.e., 211). Movement to coordinated entry systems (versus centralized systems) has the potential improve access for these families, if these issues are incorporated into the system designs.

Having functional and linked HMIS and coordinated entry data systems: All three counties are experiencing challenges with getting their HMIS and coordinated entry systems fully functional. They all use different data vendors and yet all are experiencing challenges in merging their coordinated entry and HMIS systems. Further strides may take place with the work of the Data Solutions Workgroup in bringing in outside resources and heightening the focus on the need for these systems to be operational in order reform to move forward and to evaluate the progress made.

Expediting families' exits from the system while recognizing the benefits of "time": Prior to the Initiative, families languished in the system, often spending over 18 months in a combination of shelter, motels, and/or transitional housing. Since the Initiative has been implemented, the counties are working to expedite families' exit from the system, and even diverting families from entering the system at all. One of the challenges of getting families into housing quickly is that families have significantly less time while in the homeless system to focus on other service and economic needs. Prior to the Initiative, families experienced small gains in employment and education over the 18 months. The challenge will be to help families continue these gains as they enter their own housing earlier. This will require successful linkages to aligned systems which themselves must function efficiently and effectively to meet the needs of newly re-housed families.

Determining sustainable sources of funding to replace the SIGs: Finally, as the funding available through SIGs is beginning to taper, the counties are taxed with determining which of the new components of their systems will be sustained, and how. The SIG grants include a match requirement of \$2.50 of public funds for each requested SIG dollar. The purpose of these grants was to foster the re-alignment of mainstream resources towards programming for homeless families.

However, with decreasing federal and state budgets it is not clear whether the resources will be available moving forward to sustain this work.