
Homelessness Programs in HHS

The Department of Health and Human Services offers a multitude of programs, grants, and services. Many of these programs help persons who have become homeless. Other programs are targeted to a much wider population. Listed below are the programs which *specifically* target homeless individuals and families.

-  Health Care for the Homeless
 -  PATH --Projects for Assistance in Transition from Homelessness (PATH)
 -  ACCESS -- Access to Community Care and Effective Services and Supports (ACCESS)
 -  Homelessness Prevention Program (substance abuse and mental illness)
 -  Housing Initiative for homeless persons with mental illness
 -  Runaway and Homeless Youth
 -  Head Start for the Homeless
 -  Special Projects of National Significance (SPNS)
 -  Basic Centers Program
 -  Transitional Living Program for Homeless Youth
 -  Education and Prevention Grants to Reduce Sexual Abuse of Runaway and Street Youth
 -  Battered Women's Shelters
 -  Title V Surplus Properties
 -  Military Base Reuse
-

Programs



Health Care for the Homeless (HCH)

More Information

The Health Care for the Homeless (HCH) Program seeks to improve access by homeless individuals to primary health care, mental health and substance abuse treatment. HCH awards grants to

community-based organizations including community health centers, local health departments, and community coalitions located in both rural and urban areas. The total FY 97 appropriation for the HCH program was \$69.4 million. The 123 Health Care for the Homeless grantees, located in 48 States, the District of Columbia and Puerto Rico, are serving more than 450,000 homeless persons annually through more than 500 delivery sites. Services include primary care, substance abuse treatment, case management and eligibility assistance. HCH Program is run through the Bureau of Primary Health Care in the HHS' Health Resources and Services Administration.

You may also view a list of HCH grantees across the nation through the Health Care for the Homeless Information Resource Center.

The Outreach and Primary Health Services for Homeless Children Program is a subset of HCH, which seeks to address the needs of the homeless families with children who make up approximately twenty-nine percent of the population served.



Projects for Assistance in Transition from Homelessness (PATH)

PATH Formula Grant Program funds community-based programs to combat homelessness in every American state and territories. PATH provides a variety of treatment formula grant awards to States for homeless people with mental illnesses and co-occurring substance abuse problems, including treatment, support services in residential settings, and coordination of services and housing.

Using formula grants, the PATH program provides funds to each State, the District of Columbia, Puerto Rico, and four U.S. Territories to support service delivery to individuals with serious mental illnesses, as well as individuals with serious mental illness and substance use disorders, who are homeless or at risk of becoming homeless. PATH funds may be used for:

- Outreach
- Screening and diagnostic treatment services
- Habilitation and rehabilitation services
- Community mental health services
- Alcohol or drug treatment services
(for mentally ill individuals with co-occurring substance use disorders)
- Staff training
- Case management services
- Supportive and supervisory services in residential settings
- Referrals for primary health services, job training, and education services
- A limited set of housing services

During FY 1996, approximately 76,000 persons received outreach or other PATH-supported services. In FY 1997, 56 states and territories received \$20 million in PATH formula grant funds. They also receive technical assistance in the administration and design of service programs funded under PATH, including workshops and on-site assistance.

For more information contact the HHS Center for Mental Health Services at (301) 594-2497.



Access to Community Care and Effective Services and Supports (ACCESS)

The Center for Mental Health Services awarded ACCESS cooperative agreements to 9 states in FY 1993.

This innovative interdepartmental effort--with input from key components of HHS and the Departments of Labor, Education, Veterans Affairs, Agriculture, and Housing and Urban Development (HUD) -- tests one of the principal recommendations of the Federal Task Force on Homelessness and Severe Mental Illness: that integration of fragmented services will substantially contribute to ending homelessness among persons with serious mental illnesses. One site in each State is implementing systems integration strategies in addition to outreach and case management, while a comparison site provides only the outreach and case management. A national evaluation managed by the Branch is assessing the impact on client outcomes and the nature of any realignments occurring within the delivery systems during each of the 5 years of the demonstration (FY 1993 - FY 1997).

For more information contact the HHS Center for Mental Health Services at (301) 594-2497.



Homelessness Prevention Program

The Homeless Programs Branch and the Center for Substance Abuse Treatment are collaborating in the funding, administration, and evaluation of a two-phased, 3-year program to document and evaluate the effectiveness of homelessness prevention interventions. The interventions are focused on individuals with serious mental illnesses and/or substance use disorders, who are formerly homeless or at-risk for homelessness, and who are engaged with the mental health and/or substance abuse treatment systems.

In Phase 1 (FY 1996) grantees are developing manuals documenting a specific homelessness prevention intervention with the target population. In Phase 2, a two-year process that began in FY 1997, grantees will conduct an evaluation of their documented homelessness prevention interventions.

For more information contact the HHS Center for Mental Health Services at (301) 594-2497.



Housing Initiative

Housing Initiative The "Cooperative Agreements to Evaluate Housing Approaches for Persons with Serious Mental Illness" is a new three year demonstration program (FY '97 - '99) to examine the effectiveness of different housing approaches for persons with serious mental illness. The program is divided into two phases. During Phase 1, grantees will be required to conduct a process evaluation of at least two distinctly different and fully operational housing approaches and to design an outcome evaluation that will compare the effectiveness of the different housing approaches. During Phase 2, study site grantees will implement an outcome evaluation of the housing approaches described during

Phase 1 and participate with the coordinating center in conducting the cross-site study.

For more information contact the HHS Center for Mental Health Services at (301) 594-2497.



Runaway and Homeless Youth

More Information

The Runaway and Homeless Youth Program provides grants to local public and private organizations to establish and operate local runaway and homeless youth centers to address the crisis needs of these youth and their families. Funds support the Basic Center Program which supports youth shelters that provide emergency shelter, food, clothing, outreach services and crisis intervention for runaway and homeless youth. The shelters also offer services to help reunite youth with their families. The Transitional Living Program for Homeless Youth assists older homeless youth in developing skills and resources to promote independence and prevent future dependency on social services. Housing and a range of services are provided for up to 18 months for youth age 16 - 21 who are unable to return to their homes.

A small portion of the program funding (approximately ten percent) supports a national toll-free hotline; training and technical assistance activities; various research and demonstration projects on topics including teenage prostitution and chronic runaways; and increasing utilization of the centers by minority youth.



Head Start for the Homeless

More Information

Head Start and Early Head Start are national comprehensive child development programs which serve children from birth to age five, pregnant women, and their families. They are child-focused programs, and have the overall goal of increasing the social competence of young children in low-income families. Head Start and Early Head Start services are family-centered, following the tenets that children develop in a context of their family and culture and that parents should be respected as the primary educators and nurturers of their children. Head Start grantees and delegate agencies provide a range of individualized services in the areas of education and early childhood development, medical, dental, and mental health, and nutrition. All Head Start programs are committed to meeting the needs of homeless children and families. Sixteen Head Start programs participated in a demonstration from 1993 - 1996. These demonstrations focused on homelessness and these approaches continue as a part of their local Head Start programs.



Special Projects of National Significance (SPNS)

More Information

The Ryan White Program at HHS, and HUD's Housing Opportunities for Persons with AIDS (HOPWA) have collaborated in FY 1996 and FY 1997 to address the special housing and service needs of homeless persons living with HIV/AIDS who are also experiencing mental illness or substance abuse problems. This collaboration seeks to bring greater coordination of Federal homeless funding and integrate the delivery of housing and supportive services.

In 1996, Baltimore and San Francisco received grants from both the Ryan White program and the HOPWA program. In addition, HUD has used the HHS Evaluation and Technical Assistance Center to evaluate HOPWA grantees.



Basic Centers Program

More Information

The purpose of the Basic Center Program is to support agencies that provide crisis intervention services to runaway and homeless youth outside the traditional juvenile justice and law enforcement systems. The overall goal of the Program is to reunite youth with their families whenever possible, or to arrange for other suitable placements. To achieve this purpose, the Family and Youth Services Bureau (FYSB) of HHS awards discretionary grants annually on a competitive basis. The Agency solicits applications through a Federal Register announcement. Applications are competitively reviewed by peer panels and successful applicants generally receive three-year grants.



Transitional Living Program for Homeless Youth

More Information

The purpose of the Transitional Living Programs (TLP) is to help homeless youth, ages 16 through 21, make a successful transition to self-sufficient living and avoid long-term dependency on social services. The Family and Youth Services Bureau (FYSB) funds local agencies that provide young people with comprehensive services in a supervised living arrangement for up to 18 months. To achieve this purpose, FYSB awards discretionary grants on a competitive basis. Successful applicants receive three-year grants. In fiscal year 1996, the \$14.9 million appropriation allowed FYSB to fund over 75 TLP projects.



Education and Prevention Grants to Reduce Sexual Abuse of Runaway and Street Youth

More Information

This program provides street-based outreach and education, including treatment, counseling, and provision of information and referrals to runaway, homeless, and street youth who have been subjected to or are at risk of sexual abuse. These services are being coordinated with existing services for runaway

and homeless youth, namely emergency shelter and transitional living efforts. The coordination of resources and programs will increase the capacity of service providers to provide outreach to street youth.



Battered Women's Shelters

Domestic Violence Hotline

This program provides grants to states and Indian tribes to provide immediate shelter and related assistance for victims of family violence and their dependents. Federal funding for battered women's shelters is made through the Family Violence/Battered Women's Shelters program, which was \$72.8 million in FY 97, a portion of this grant goes toward funding shelters. In FY 97, approximately \$66 million went to fund battered women's shelters.



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last modified August, 1998

Webmaster



National Coalition for the Homeless

The Impact of the McKinney Act's PATH Program Projects for Assistance in Transition from Homelessness

In FY 1996, over 127,000 homeless persons with chronic mental illness received outreach, clinical services, case management services, and some housing through the McKinney Act's Projects for Assistance in Transition from Homelessness. For some, the PATH program is the connection to employment. For others, whose illness is more severe, the PATH program provides stability through housing and vocational programs and consistent access to needed and relevant mental health treatment.

The PATH program helps to close the revolving door of the crisis response to homelessness and mental illness. Psychiatrically disabled persons can become a danger to themselves or others when the added burden, trauma, and fear that homelessness brings is forced on them. Typically, they then need to be taken care of at the most expensive point of care - emergency rooms and acute hospitals - and too often then they wind up back on the streets after these hospital stays. The PATH program stops this revolving door. For example, in one PATH program, 83% of their clients did not have to re-enter the hospital after receiving PATH services, saving enormous human and financial costs. The cost of the PATH program, per person, per year, is \$265. Daily costs in acute hospitals average \$450 per person.

Seventy-three percent of clients served in the PATH program have schizophrenia and other psychotic disorders. They are, therefore, some of our most vulnerable citizens. Without assistance from the PATH program, these persons are left abandoned, excluded, hearing the voices no one else hears, sorting through the trash of dumpsters, feeling as little regard as the trash itself. This represents incredible human disregard and very poor fiscal planning. The PATH program, by contrast, represents the long term outcomes of housing, illness stability, and high cost-effectiveness. Sixty-five percent of persons served by PATH outreach efforts were homeless for less than 90 days. Prior to the PATH program, mentally ill persons were on the streets for years.

Funding for PATH is matched by state or local funds. States and localities are required to provide a one dollar match for every three dollars in Federal funds. In 1994, states and localities provided \$20 million in match for the \$29 million in Federal allocation - \$10 million more than required - in order to help get the job done. Federal and state PATH funds are often the only resources available to communities to support the services that are necessary for homeless people with severe mental illnesses: outreach to those outside the mental health system, engagement in treatment and services, and transition to mainstream mental health treatment, housing, and support services.

The PATH program allows providers to accommodate the particular needs of mentally ill homeless people, who would otherwise be left to wander the streets untreated, risking hospitalization or jail. It deserves the full support of Congress, the President, and communities across the nation.

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Committees with Jurisdiction over Housing & Homeless Programs in the 105th Congress

House Appropriations Committee - Full Committee

Determines yearly funding for all discretionary programs.

Subcommittee on Labor, Health and Human Services, and Education

This House Appropriations Subcommittee has jurisdiction over funding for the Health Care for the Homeless program, the Projects for Assistance in Transition from Homelessness (PATH) program, and the Education for Homeless Children and Youth program.

Subcommittee on Veterans Affairs, Housing and Urban Development, and Independent Agencies

This House Appropriations Subcommittee has jurisdiction over funding for the McKinney Homeless Assistance Programs administered by the Department of Housing and Urban Development and the Emergency Food and Shelter Program administered by the Federal Emergency Management Agency (FEMA).

Senate Appropriations Committee - Full Committee

Determines yearly funding for all discretionary programs.

Subcommittee on Labor, Health and Human Services, and Education

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Subcommittee on Veterans Affairs, Housing and Urban Development, and Independent Agencies

This Senate Appropriations Subcommittee has jurisdiction over funding for the McKinney Homeless Assistance Programs administered by the Department of Housing and Urban Development and the Emergency Food and Shelter Program administered by the Federal Emergency Management Agency (FEMA).

The House Banking and Financial Services Committee

Authorizing jurisdiction over banking, finance, housing, and urban development matters.

Subcommittee on Housing and Community Opportunity

This House Subcommittee has jurisdiction over housing and homeless programs administered by the U.S. Department of Housing and Urban Development, including the HUD McKinney Homeless Assistance Programs. Recent legislation includes the HUD McKinney Consolidation (H.R. 217) and public housing legislation (H.R. 2).

Senate Banking, Housing, and Urban Affairs Committee

Authorizing jurisdiction over banking, finance, housing, and urban development matters.

Subcommittee on Housing Opportunity and Community Development

This Senate Subcommittee has jurisdiction over housing and homeless programs administered by the U.S. Department of Housing and Urban Development, including the HUD McKinney Homeless Assistance Programs. Recent legislation includes public housing legislation (S. 462).

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The FY99 Budget and Homelessness

October 24, 1998

Note: Congress has adjourned for the year. Please take advantage of the Congressional recess to meet with your Representatives and Senators and educate them about homelessness in your community. Congress will reconvene in January 1999.

This page summarizes the most recent budget and appropriations legislation and provides NCH's recommended funding levels for federal homeless programs. For a chart of past funding levels for homeless programs, click [here](#).

FY99 Budget and Homelessness

Housing and Shelter Programs

On October 6 (House) and 8 (Senate), Congress passed the VA-HUD FY99 appropriations bill, H.R. 4194. This legislation includes public housing legislation, The Quality Housing and Work Responsibility Act of 1998 (Title V of the VA-HUD FY99 appropriations bill).

H.R. 4194 restructures public and assisted housing programs in ways that are very likely to increase homelessness. Most significantly, it reduces housing assistance for the people who need it the most by allowing housing authorities to favor more applicants with moderate incomes for admission to public housing and the tenant-based voucher program, without providing housing opportunities for those with the lowest incomes.

While providing housing for mixed income populations is appropriate, the question of biggest concern is where the lowest income Americans will be able to live to once even fewer public housing units and Section 8 vouchers are available to them. H.R. 4194 requires that only 40% of public housing units be occupied by households with annual incomes of 30% or less of area median incomes (AMI), and that 75% of Section 8 vouchers to go to households with annual incomes of 30% or less of AMI. Currently, however, 84% of the resident households living in public housing have annual incomes of 30% or less of AMI, and 60% have incomes of 18% or less of AMI.

Thus, while H.R. 4194 is an improvement over previous versions of public housing legislation, it still represents a loss of up to 150,000 housing units for those with the lowest incomes. These households are at greatest risk of becoming homeless and have the greatest need for housing assistance.

H.R. 4194 also includes:

- \$975 million for HUD McKinney Homeless Assistance programs, which is \$175 million less than the President recommended, and \$600 million less than NCH, state, and local coalitions called for in the FY99 budget. No less than 30% of McKinney funds are to be used for permanent housing, and the bill requires 25% matching funds for all services.
- \$100 million for the FEMA Emergency Food and Shelter Program; this program has not received an increase for four years in a row.
- \$283 million for incremental "welfare to work" housing vouchers (approximately 50,000 vouchers). Approximately 7,000 vouchers will go to welfare to work initiatives in seven designated demonstration sites (Los Angeles, Cleveland, Kansas

City, MO, Charlotte, Miami / Dade County, Prince Georges County, MD, Anchorage and New York City).

- Eliminates the 90-day delay in the reissuance of Section 8 vouchers, which has denied approximately 40,000 families access to housing each year.

For a chart of past, present, and proposed funding levels for all homeless programs, click [here](#).

A more detailed analysis of the impact of the new public housing legislation on homelessness will be posted here shortly.

Health, Human Service, and Education Programs

Last week Congress passed an omnibus FY99 budget bill, H.R. 4328. This bill includes FY99 appropriations for the Departments of Labor, Health and Human Services, and Education.

Funding levels for homeless programs include:

- \$79.6 million (estimate) for the Health Care for the Homeless program; which is \$8.6 million more than last year.
- \$26 million for the PATH Homeless Mental Health Program, which is \$3 million more than last year.
- \$28.8 million for the Education for Homeless Children and Youth Program, which is the same as last year.
- \$3 million for the Homeless Veterans Reintegration Program, which is \$500,000 more than last year.
- \$73.602 million for the Runaway and Homeless Youth Act (Basic Centers, Transitional Living, Street Outreach), which is the same as last year.

For a chart of past funding levels for all homeless programs, click [here](#).

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NCH's RECOMMENDED FY99 APPROPRIATIONS LEVELS

Department of Housing and Urban Development

- Homeless Assistance Programs - \$1.6 billion
- Proposed fund for capitol costs for affordable housing for persons with incomes below \$10,000 - \$50 billion over 5 years

Department of Health and Human Services

- Consolidated Health Centers - \$926 million, including \$79.6 million for the Health Care for the Homeless (HCH) program
- Projects for Assistance in Transition from Homelessness (PATH) - \$40 million
- Proposed substance abuse treatment initiative targeted toward homeless persons - \$50 million

Department of Education

- Education for Homeless Children and Youth - \$50 million
- Adult Education for the Homeless - \$50 million

Department of Labor

- Veterans Reintegration Project - \$10 million

Federal Emergency Management Agency (FEMA)

- Emergency Food and Shelter Program - \$155 million

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*Biennial Evaluation Report - FY 93-94***Chapter 133**

Education for Homeless Children and Youth

(CFDA No. 84.196)

I. Program Profile

Legislation: Title VII, Subtitle B of the Stewart B. McKinney Homeless Assistance Act, as amended (42 U.S.C. 11431 et seq.) (expires September 30, 1999).

Purpose: To provide formula grants to State education agencies (SEAs) to ensure that homeless children and youth have access to a free, appropriate public education. Funds are distributed to SEAs in the same proportions as under Part A of Chapter 1 of Title I of the Elementary and Secondary Education Act, except that no State receives less than \$50,000, and 0.1 percent of the appropriation is allocated to the Outlying Areas. The Secretary is authorized to reserve up to 1 percent of the appropriation for the Bureau of Indian Affairs.

Funding History

Fiscal Year	Appropriation
1987	\$4,600,000
1988	4,787,000
1989	4,834,000
1990	7,404,000
1991	7,313,000
1992	25,000,000
1993	24,800,000
1994	25,470,000

II. Program Information and Analysis

Population Targeting

The target population is homeless children and youth, especially those who may not be receiving a free, appropriate public education. Because the eligibility of preschoolers is unclear, the Department's reauthorization proposal encourages services to preschool children.

Services

This program provides assistance to States to: (1) establish or designate an Office of Coordinator of Education of Homeless Children and Youth; (2) prepare and carry out a State plan for the education of homeless children; (3) develop and implement programs for school personnel to heighten awareness of the specific problems of homeless children and youth; (4) provide activities for and services to homeless children and youth that enable them to enroll in, attend, and achieve success in school; and (5) award subgrants to local education agencies to facilitate the enrollment, attendance, and success of homeless children and youth in schools.

Program Administration

Each State may reserve up to 5 percent of its allocation, or an amount equal to its 1990 allocation, whichever is greater, to conduct authorized State-level activities. The remainder is awarded to local districts.

Management Improvement Strategies

An FY 1990 case study report describes 15 particularly promising or innovative education-related activities being conducted by projects that serve homeless children (III.1). In addition to illustrating promising practices, these case studies highlight ways in which schools and agencies are mobilizing existing community resources to support homeless students. All of these programs, in addition to providing educational instruction, are also working to address school access and placement issues, as well as working with other service providers to develop more comprehensive community service networks for homeless students and their families.

In FY 1991, the Department of Education (in consultation with the Departments of Health and Human Services, and Housing and Urban Development) contracted to conduct a study on methods of locating, counting, and identifying homeless children and youth--as required by Section 724(b)(2) of the McKinney Act. The final report of the study was sent to Congress on August 14, 1991. The report found that:

- A reanalysis of HUD and other available survey data would cost, at a minimum, \$320,000. This option, however, would not yield valid information in the areas that Congress has requested.
- A "stand-alone" study to determine the aggregated count of homeless children and youth nationally would cost \$2.06 to \$2.44 million to conduct and only provide national figures.
- A "stand-alone" study to determine aggregate national data of homeless children and youth in each of the 50 states and in the 30 largest cities would cost \$12.35 million. This would dwarf the \$7 million 1991 budget for P.L. 101-645 programs related to homeless children and youth.

Based on the costs, the Secretary recommended that a further independent study not be pursued.

The report also contains a schedule for obtaining and analyzing the required data no sooner than August 1994, which is more than one year later than the date set in the statute. However, the Congress did not appropriate additional FY 1992 funds for the authorized study.

III. Sources of Information

1. *Education and Community Support for Homeless Children and Youth: Profiles of 15 Innovative and Promising Approaches* (Washington, DC: U.S. Department of Education, 1990).
2. Program files.
3. Urban Institute, *Alternative Methods to Estimate the Number of Homeless Children and Youth* (Washington, DC: U.S. Department of Education, 1991).

IV. Planned Studies

The Department has begun a study of the program, and a report is due early 1995.

V. Contacts for Further Information

Program Operations:
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- Program Studies:
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[Magnet Schools Assistance Program]



[School Dropout Demonstration Assistance Program]

*Biennial Evaluation Report - FY 93-94***Chapter 412**

Adult Education for the Homeless Program

(CFDA No. 84.192)

I. Program Profile

Legislation: Title VII-A of the Stewart B. McKinney Homeless Assistance Act, as amended (42 U.S.C. 11421) (expires September 30, 1999).

Purpose: To provide discretionary grants to State education agencies to enable them to implement, either directly or through contracts or subgrants, programs of basic skills remediation and literacy training for homeless adults.

Funding History

Fiscal Year	Appropriation
1987	\$ 6,900,000
1988	7,180,000
1989	7,094,000
1990	7,397,000
1991	9,759,000
1992	9,759,000
1993	9,584,000
1994	9,584,000

II. Program Information and Analysis

Performance Indicators

In 1992, the Adult Education for the Homeless (AEH) program served 50,000 clients, a marked increase from the 18,000 homeless adults in the first year of program operation.

Three in five States seek additional State-level funding and one in five seek additional local-level funding. Approximately 44 percent of local AEH programs receive supplementary funds from non-AEH sources, averaging \$30,000.

All States coordinate services with various other Federal programs, including the Adult Education Program, Homeless Children and Youth, JTPA, JOBS, Even Start, and Head Start.

Population Targeting

Services are provided to adult homeless individuals who are 16 years of age or over and not enrolled in school. The Department encourages applicants to target a subpopulation of homeless individuals sharing common characteristics, such as homeless mothers with children, homeless alcoholic men, or the chronically mentally ill homeless.

Services

In the past year, approximately 50,000 homeless adults were served. Adult education services are provided to help homeless adults increase their employability, earn a GED or some other type of adult diploma, or reach personal or economic objectives. In FY 1993, 28 grants were awarded.

Examples of funded services include basic literacy training, English-as-a-Second-Language training, family literacy, life-coping skills, and employability training (such as reading want ads, preparing resumes, and filling out application forms).

Programs are required to develop cooperative relationships with other service agencies to provide an integrated package of support services addressing the most pressing needs of homeless individuals at or through the project site. Examples of appropriate support services provided through coordination include: assistance with food and shelter, alcohol and drug abuse counseling, individual and group mental health counseling, child care, case management, job skills training, and job placement. Outreach services to recruit homeless persons to participate in the program must also be included in each project.

Program Administration

By statute, only State education agencies are eligible to apply for the program. States compete for funds, and those that are funded make awards to local education agencies, community colleges, and shelter providers to provide literacy training to homeless adults. An evaluation component is built into each project.

Outcomes

A study on participant outcomes (III.3) showed the following results:

Typically, four in five program participants accomplish one or more personal goals, three in five improve basic skills competencies, one in five enters another educational program, and approximately one in 50 receives an adult secondary education diploma. Among clients enrolling in ESL programs, 54 percent moved up one or more ESL levels.

For program participants in GED instructional programs, average scores increased significantly -- by about five points -- in each of the five GED subject areas.

Two in five participants obtained or improved their employment, and about one in 10 got off welfare. In addition, about one in 10 registered to vote for the first time.

Management Improvement Strategies

A number of States are producing materials on how best to provide literacy and basic skills services to the homeless. These manuals and curriculums developed specifically for use with homeless adults are shared among States.

Two workshops are conducted each year by the Department of Education's Division of Adult Education and Literacy for State coordinators of adult education for the homeless.

III. Sources of Information

1. Program files.
2. Summary information prepared by Department staff on the first four years of program operations is available.
3. *Review of the Adult Education for the Homeless Program* (Washington, DC: U.S. Department of Education, 1994).

IV. Planned Studies

None.

V. Contacts for Further Information

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Health Care and Homelessness



NCH Fact Sheet #8

Published by the National Coalition for the Homeless, October 1997

Poor health is closely associated with homelessness. For families struggling to pay the rent, a serious illness or disability can start a downward spiral into homelessness, beginning with a lost job, depletion of savings to pay for care, and eventual eviction. Thirteen percent of homeless patients surveyed in a national study published in the 1980s stated that poor physical health was a factor in their becoming homeless. Of those patients, half said health was a "major factor" and 15% stated that it was the "single most important" factor (Wright and Weber, 1987). The problem has become much worse in the last decade, as the number of uninsured Americans continues to increase. In 1996, 41.7 million people in the United States lacked health insurance, and more than a third of persons living in poverty had no health insurance of any kind (U.S. Bureau of the Census, 1997). The coverage held by many others would not carry them through a catastrophic illness. A recent analysis of Health Care for the Homeless (HCH) projects found that the number of uninsured persons seeking treatment is increasing: overall, HCH programs report a 35% increase in the numbers of patients who are uninsured (O'Connell, J., Lozier, J., and Gingles, K., 1997).

The rates of both chronic and acute health problems are extremely high among the homeless population. With the exception of obesity, strokes, and cancer, homeless people are far more likely to suffer from every category of chronic health problem. Conditions which require regular, uninterrupted treatment, such as tuberculosis, are extremely difficult to treat or control among those without adequate shelter.

Many homeless people have multiple health problems. For example, frostbite, leg ulcers and upper respiratory infections are frequent, often the direct result of homelessness. Homeless people are also at greater risk of trauma resulting from muggings, beatings, and rape. Homelessness precludes good nutrition, good personal hygiene, and basic first aid, adding to the complex health needs of homeless people. In addition, some homeless people suffering from mental illness may use drugs or alcohol to self-medicate, and those with addiction disorders are also often at risk of HIV and other communicable diseases.

PROGRAM AND POLICY ISSUES

People who are homeless are overwhelmingly uninsured and often lack access to the most basic health care services for their complex health care needs. At present, there is one federally funded program, Health Care for the Homeless (HCH), that is designed specifically to provide health care to homeless persons. Recent evaluations of the HCH programs have found that HCH projects provide primary health care in a cost-effective and efficient manner (Cousineau, 1995). HCH projects are successful because they are designed and controlled by local communities to fill significant gaps in existing health care delivery systems. Health and social service workers in HCH projects provide comprehensive care in accessible clinics. No other indigent care system provides this service. In Fiscal Year 1997, the HCH program awarded grants to 123 community-based organizations who, in turn, expanded their service network through arrangements with over 300 service contractors. As a result, the HCH program serves more than 450,000 clients in 48 states, the District of Columbia and Puerto Rico. For the people served by Health Care for the Homeless programs, the restoration of physical health is often a first step toward reentry into stable housing and mainstream society.

However, the crumbling indigent care network, the development of managed care, stagnant program funding, and the increase in homelessness have made it impossible for HCH programs to reach the majority of homeless people in America. A 1997 study by the Bureau of Primary Health Care found that HCH projects are experiencing a significant growth in homelessness in their communities, and that at the same time, financial support for HCH programs is diminishing (O'Connell, J., Lozier, J., and Gingles, K., 1997). As a result, HCH projects have been forced to reduce program staffing, and waiting lists and turnaway rates have increased. Lack of affordable housing also impacts efforts to provide health care to homeless persons: housing is the first form of treatment for homeless people with medical problems, preventing many illnesses and making it possible for those who remain ill to recover. Health care reform to provide greater access to affordable services is also essential in the fight to end homelessness. A good health care reform plan could reduce homelessness and, more significantly, help to prevent future episodes of homelessness, as well as ease the pain -- and even prevent unnecessary deaths -- of those on the streets. A reformed health care system could also reduce the impact and cost of communicable diseases and other illnesses.

Establishing health care as a right would correct a fundamental social problem. It is imperative that health care reform be based upon three basic principles: 1) universal coverage by a date certain; 2) guaranteed access to the health care delivery system; and 3) comprehensive benefits.

RESOURCES

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Wright, James and Eleanor Weber. **Homelessness and Health**, 1987. Out of Print. McGraw Hill, 1221 Avenue of the Americas, New York, NY 10020; 212/512-2000.

ADDITIONAL RESOURCES

HHS Homelessness Web Site Information on homelessness through the U.S. Department of Health and Human Services, including programs, funding, resource centers, documents and links related to homelessness in America.

Health Care for the Homeless Information Resource Center, c/o Policy Research Associates, 262 Delaware Avenue, Delmar, NY 12054-1123; 888/439-3300, ext. 246; Email: nbrady@prainc.com

The Health Care for the Homeless Information Resource Center publishes free annotated bibliographies and other information on many aspects of health care and homelessness (tuberculosis, HIV/AIDS, dental needs, child development, etc.).

National Health Care for the Homeless Council, P.O. Box 68019, Nashville, TN 37206 8019; 615/226-2292; email: hch@nashville.net.

The National Health Care for the Homeless Council advocates on federal health care policy issues, coordinates the staffing of an HCH clinicians network, and provides support to local projects.

National Resource Center on Homelessness and Mental Illness, c/o Policy Research Associates, 262 Delaware Avenue, Delmar, NY 12054-1123; 800/444-7415, ext. 232; Email: nrc@prainc.com.

The National Resource Center on Homelessness and Mental Illness

maintains and updates a bibliographic database on homelessness and mental illness. The Center publishes a series of free, annotated bibliographies and an information packet on financing.

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Mental Illness and Homelessness



NCH Fact Sheet #5

Published by the National Coalition for the Homeless, October 1997

Approximately 20-25% of the single adult homeless population suffers from some form of severe and persistent mental illness (Koegel et al., 1996). Despite the disproportionate number of severely mentally ill people among the homeless population, the growth in homelessness is not attributable to the release of severely mentally ill people from institutions. Most patients were released from mental hospitals in the 1950s and 1960s, yet vast increases in homelessness did not occur until the 1980s, when incomes and housing options for those living on the margins began to diminish rapidly (see "Why Are People Homeless?," NCH Fact Sheet #1).

Severe mental illness prevents people from carrying out essential aspects of daily life, such as self-care, household management and interpersonal relationships. Homeless people with severe mental illness remain homeless for longer periods of time and have less contact with family and friends. They encounter more barriers to employment, tend to be in poorer physical health, and have more contact with the legal system than homeless people who do not suffer from mental illness. All people with severe mental illnesses, including those who are homeless, require ongoing access to a full range of treatment and rehabilitation services to lessen the impairment and disruption produced by their condition. However, most people with mental illness do not need hospitalization, and even fewer require long-term institutional care. According to the Federal Task Force on Homelessness and Severe Mental Illness, only 5-7% of homeless persons with mental illness need to be institutionalized; most can live in the community with the appropriate supportive housing options (Federal Task Force on Homelessness and Severe Mental Illness, 1992). Unfortunately, there are not enough community-based treatment services, nor enough appropriate, affordable housing, to accommodate the number of people disabled by severe mental illnesses in the U.S.

Federal demonstration programs have produced a large body of knowledge on the service and treatment needs of homeless individuals with serious mental illnesses. Findings indicate that homeless persons with mental disorders are willing to use services that are easy to enter and that meet their perceived needs (Oakley and Dennis, 1996). Findings also reveal that persons with severe mental illness and persons with substance abuse problems share many of the same treatment needs, including carefully designed client engagement and case management, housing options, and

long-term follow-up and support services. Studies also emphasize the importance of service integration, outreach and engagement; the use of case management to negotiate care systems; the need for a range of supportive housing and treatment options that are responsive to consumer preferences; and the importance of meaningful daily activity. When combined with supportive services, meaningful daily activity in the community (including work), and access to therapy, appropriate housing can provide the framework necessary to end homelessness for many individuals.

POLICY ISSUES

People with mental illness are at increased risk of becoming homeless and a variety of approaches must be employed to help them obtain and retain stable housing. First, programs that provide community-based services for homeless people with serious mental illness, such as the Projects for Assistance in Transition from Homelessness (PATH) program, should be expanded. At its current funding level, the PATH program is unable to meet the needs of many people with serious mental illness who are homeless or at risk of becoming homeless.

Second, Supplemental Security Income (SSI) benefit levels must be increased so that disabled Americans are not forced to live in poverty. In 14 states and 69 metropolitan areas, the entire maximum SSI grant does not cover the Fair Market Rent for a one-bedroom apartment (Kaufman, 1997). In most states, even if the SSI grant does cover the rent, only a few dollars remain for other expenses. Benefit levels have not kept up with increases in the cost of rent and therefore do not provide disabled individuals with adequate allowances for housing.

Finally, the commitment to making deinstitutionalization work as it was intended must be renewed. People with mental illness must be able to live as independently as possible with the help of expanded comprehensive, community-based mental health services and other supports. It is crucial that policies be pro-active rather than reactive. Services such as crisis intervention, landlord-tenant intervention, continuous treatment teams and appropriate discharge planning in jails and inpatient facilities must be made available in all communities.

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National Resource Center on Homelessness and Mental Illness, Policy Research Associates, Inc., 262 Delaware Ave., Delmar, NY 12054; 1-800-444-7515; email: nrc@prainc.com.

The National Resource Center on Homelessness and Mental Illness maintains and updates a bibliographic database on homelessness and mental illness. The Center publishes a series of annotated bibliographies, an information packet on financing services for homeless people with mental illness, and an organizational referral list. These materials are available free of charge.

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**HRSA****HEALTH RESOURCES AND SERVICES ADMINISTRATION • HHS****BPHC • BUREAU OF PRIMARY HEALTH CARE**

OUTREACH AND PRIMARY HEALTH SERVICES FOR HOMELESS CHILDREN

The Outreach and Primary Health Services for Homeless Children Program (Homeless Children's Program) was established as an amendment to the Steward B. McKinney Homeless Assistance Act in 1992. The Homeless Children's Program addresses the health and social service needs of homeless children and their families. Ten unique projects are being funded through this program to deliver outreach, health care, and referral services to homeless children, and children at risk for homelessness, along with their families. Creating linkages among providers of health care, mental health services, social services, and educational programs, the Homeless Children's Program strives to effectively address the needs of homeless and at-risk children. Programs are expected to work closely with other programs that serve homeless and at-risk children and their families. Programs are encouraged to participate in coalitions of service groups, including those from the public, private, and volunteer sectors, to assist with clothing, food, housing and advocacy services. The Homeless Children's Program grantees also work to establish linkages with such community resources as churches, schools, and local organizations to foster acceptance of the program among community residents and as a means of identifying persons in need of program services. In Fiscal Year (FY) 1995, the Outreach and Primary Health Services for Homeless Children Program awarded \$2.3 million to 10 community-based organizations, nine of which are also Health Care for the Homeless Program grantees.

ADDITIONAL INFORMATION

[Homeless Children Program Services](#)
[Homeless Children Program Data](#)



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For additional information, contact the Outreach and Primary Health Services for Homeless Children Program Coordinator at (301) 594-4430 or click on feedback@hrsa.dhhs.gov



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Last revised September 25, 1996

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HEALTH CARE FOR THE HOMELESS PROGRAM

The Federal Health Care for the Homeless (HCH) Program was established under the Stewart B. McKinney Homeless Assistance Act of 1987. The HCH Program seeks to improve access by homeless individuals to primary health care and substance abuse treatment. The Outreach and Primary Health Services for Homeless Children Program is a subset of HCH, which seeks to address the needs of the homeless families with children which makes up approximately twenty-nine percent of the population served.

HCH grantees are encouraged to develop, or actively participate in, local coalitions of health care providers and social service agencies. This involvement has been important in identifying community resources for the provision of shelter, food, clothing, employment training, and job placement for homeless individuals.

In Fiscal Year 1995, the HCH program awarded grants to 122 community-based organizations. Grantees include community health centers, local health departments, and community coalitions located in both rural and urban areas. To maximize grant dollars, grantees are required to provide \$1 in nonfederal matching funds for every \$2 in federal funds received. The total FY 95 appropriation for the HCH program was \$65 million, \$58.2 million went to support HCH grantees. Of the remainder, \$5.1 million was provided to the Healthy Schools, Healthy Communities Program, for children at-risk for homelessness. Approximately \$2 million was allocated for technical assistance for HCH grantees as well as for special initiatives.

ADDITIONAL INFORMATION

HCH Program Services

HCH Program Data



Bureau of Primary Health Care Supported Health Centers

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The McKinney Act



NCH Fact Sheet #18

Published by the National Coalition for the Homeless, November 1997

The Stewart B. McKinney Homeless Assistance Act (PL100-77) was the first -- and remains the only -- major federal legislative response to homelessness. This fact sheet provides a brief history of the McKinney Act, describes its content and evolution, and summarizes recent trends in McKinney Act legislation and funding. A list of resources for further reading is also provided.

HISTORY

In the early 1980s, the initial responses to widespread and increasing homelessness were primarily local. Homelessness was viewed by the Reagan Administration as a problem that did not require federal intervention. In 1983, the first federal task force on homelessness was created to provide information to localities on how to obtain surplus federal property; this task force did not address homelessness through programmatic or policy actions.

In the years which followed, advocates around the country demanded that the federal government acknowledge homelessness as a national problem requiring a national response. With this goal in mind, the Homeless Persons' Survival Act was introduced in both houses of Congress in 1986. This act contained emergency relief measures, preventive measures, and long term solutions to homelessness. Only small pieces of this proposal, however, were enacted into law. The first, the Homeless Eligibility Clarification Act of 1986, removed permanent address requirements and other barriers to existing programs such as Supplemental Security Income, Aid to Families with Dependent Children, Veterans Benefits, Food Stamps, and Medicaid. Also in 1986, the Homeless Housing Act was adopted. This legislation created the Emergency Shelter Grant program and a transitional housing demonstration program; both programs were administered by the Department of Housing and Urban Development (HUD).

In late 1986, legislation containing Title I of the Homeless Persons' Survival Act -- emergency relief provisions for shelter, food, mobile health care, and transitional housing -- was introduced as the Urgent Relief for the Homeless Act. After an intensive advocacy campaign, the legislation was passed by large bipartisan majorities in both houses of Congress in 1987. After the death of its chief Republican sponsor, Representative Stewart B. McKinney of Connecticut, the act was renamed the Stewart B. McKinney

Homeless Assistance Act. It was signed into law by a reluctant President Ronald Reagan on July 22, 1987.

CONTENT

The McKinney Act originally consisted of fifteen programs providing a range of services to homeless people, including emergency shelter, transitional housing, job training, primary health care, education, and some permanent housing. The McKinney Act contains nine titles:

- Title I of the McKinney Act includes a statement of six findings by Congress and provides a definition of homelessness.
- Title II establishes and describes the functions of the Interagency Council on the Homeless, an independent entity within the Executive Branch composed of the heads of 15 federal agencies.
- Title III of the McKinney Act authorizes the Emergency Food and Shelter Program, which is administered by the Federal Emergency Management Agency (FEMA).
- Title IV authorizes the emergency shelter and transitional housing programs administered by the Department of Housing and Urban Development, including the Emergency Shelter Grant program (expanded from the program created by the Homeless Housing Act in 1986), the Supportive Housing Demonstration Program, Supplemental Assistance for Facilities to Assist the Homeless, and Section 8 Single Room Occupancy Moderate Rehabilitation.
- Title V of the McKinney Act imposes requirements on federal agencies to identify and make available surplus federal property, such as buildings and land, for use by states, local governments, and nonprofit agencies to assist homeless people.
- Title VI authorizes several programs administered by the Department of Health and Human Services to provide health care services to homeless persons, including the Health Care for the Homeless program, a Community Mental Health Services block grant program, and two demonstration programs providing mental health and alcohol and drug abuse treatment services to homeless persons.
- Title VII of the McKinney Act authorizes four programs: the Adult Education for the Homeless Program and the Education of Homeless Children and Youth Program, both administered

by the Department of Education; the Job Training for the Homeless Demonstration Program, administered by the Department of Labor; and the Emergency Community Services Homeless Grant Program, administered by the Department of Health and Human Services.

- Title VIII amends the Food Stamp program to facilitate participation in the program by persons who are homeless, and also expands the Temporary Emergency Food Assistance Program, administered by the Department of Agriculture.
- Title IX of the McKinney Act extends the Veterans Job Training Act.

EVOLUTION

The McKinney Act has been amended four times: in 1988, 1990, 1992 and 1994. These amendments have, for the most part, expanded the scope and strengthened the provisions of the original legislation.

In 1988, Congress amended the McKinney Act with relatively minor changes. The 1988 amendments mostly served to expand eligible activities and to modify the distribution of McKinney funds.

The 1990 amendments were more far reaching, altering the majority of programs authorized by the original act. In addition to expanding eligible activities for several McKinney Act programs, a few new programs were created. These included the Shelter Plus Care program, which provides housing assistance to homeless individuals with disabilities, mental illness, AIDS, and drug or alcohol addiction, and a demonstration program within the Health Care for the Homeless program to provide primary health care and outreach to at-risk and homeless children. Also in 1990, the Community Mental Health Services program was amended and given a new name: the Projects for Assistance in Transition from Homelessness (PATH) program. The 1990 amendments also specified in greater detail the obligations of states and local educational agencies in assuring the access of homeless children and youth to public education. The amendments also increased the Education of Homeless Children and Youth program's authorization and required states to make grants to local educational agencies for the purpose of implementing the law.

The 1992 amendments modified and expanded Title IV of the McKinney Act, the shelter and housing provisions. Included in these amendments were the creation of "safe havens," or very low-cost shelter for persons unwilling or unable to participate in supportive services; the creation of a Rural Homeless Housing

Assistance grant program; and the consolidation of the mental health services demonstration program and the alcohol and drug abuse treatment demonstration program into the Access to Community Care and Effective Services and Support (ACCESS) program. The ACCESS demonstration program was designed to fund projects that integrate services for severely mentally ill people.

In 1994, Congress amended the Education of the Homeless Children and Youth program and the Surplus Property Program. The amendments to the Education of Homeless Children and Youth program provided local educational authorities with greater flexibility in the use of funds; specified the rights of homeless preschoolers to a free and appropriate public preschool education; gave parents of homeless children and youth a voice regarding their children's school placement; and required educational authorities to coordinate with housing authorities. The 1994 amendments also removed military bases closed under base-closure laws from the McKinney Act process and created a new process under which service providers could apply to Local Redevelopment Agencies to use property at closed bases to assist homeless persons.

RECENT TRENDS AND CURRENT STATUS

Since the passage of the McKinney Act in 1987, the McKinney Act programs have been expanded, and funding has significantly increased. However, McKinney programs have suffered setbacks in recent years. These programs now face new challenges as homelessness persists unabated across the country.

Congress authorized just over \$1 billion in expenditures for McKinney Act programs for 1987 and 1988; however, a total \$712 million was appropriated for those years. In subsequent years, overall funding levels increased from \$350.2 million in FY87 to the all-time high of \$1.49 billion in FY95. Recently, however, support for McKinney Act programs has decreased. In FY94, the Interagency Council on the Homeless lost its funding and was made part of the White House's Domestic Policy Council. In FY95, funding for the Job Training for the Homeless program was terminated. In FY96, funding for McKinney programs was cut by a total of 27%. Several McKinney programs saw their funding eliminated entirely. These programs included the Adult Education for the Homeless program, the Homeless Veterans Reintegration Project, the Emergency Community Services Homeless Grant Program, and the Family Support Centers. Although funding was recently partly restored to the Homeless Veterans Reintegration Project and was restored to FY95 levels for the Education for Homeless Children and Youth program, several other McKinney programs, including the HUD Homeless Assistance programs and the PATH program, remain at levels significantly below their FY95

levels.

In addition to funding reductions, attempts have been made in the past few years to repeal the authorization for some McKinney Act programs. In 1995, legislation was proposed to repeal the Adult Education for the Homeless program, the Job Training for the Homeless program, the Education of Homeless Children and Youth program, and the Surplus Federal Property program. While none of these attempts were successful, jobs consolidation legislation currently pending in Congress would repeal the Job Training for the Homeless program. Another current legislative proposal would consolidate the shelter and housing programs administered by HUD. If adopted, the proposal would distribute the bulk of the HUD Homeless Assistance funds through block grants to cities and states, with another portion distributed through national competition; limit the authorized funding level to \$1 billion; and gradually decrease the amount of HUD money spent on supportive services.

CONCLUSION

The McKinney Act has created valuable programs that have saved lives and helped hundreds of thousands of Americans to regain stability. A 1995 evaluation of the HUD McKinney programs concluded that the programs "have assisted significant numbers of homeless persons to regain independence and permanent housing and at reasonable costs." A 1996 evaluation of the HUD McKinney programs' Continuum of Care process noted that this approach to implementing the programs has "given localities and states new tools for addressing the problem of homelessness" (Fuchs and McAllister, 1996). Similarly, a 1995 evaluation of the Health Care for the Homeless (HCH) program found that HCH programs "represent innovative and effective efforts to improve access to health and health-related services for homeless people in the United States" (Cousineau, 1995). And a 1995 evaluation of the Education for Homeless Children and Youth program found that homeless children's access to school has improved significantly since passage of the McKinney Act, and that "state coordinators and local school district administrators have worked hard, with limited resources, to ensure homeless children's and youth's access to a free, appropriate education" (Anderson et al., 1995). All of these evaluations noted, however, that the resources allocated to the McKinney programs are insufficient to meet demand, and that lack of adequate funding limits the programs' success.

While inadequate funding clearly impedes the effectiveness of the McKinney Act programs, the McKinney Act's greatest weakness is its focus on emergency measures -- it responds to the symptoms of homelessness, not its causes. The McKinney Act was intended as a first step toward resolving homelessness; in the absence of

legislation containing farther reaching measures, homelessness can only be expected to increase. In speaking on the floor of the Senate when the McKinney Act was first introduced, then Senator Albert Gore (D-TN), one of the bill's chief sponsors, said:

"(McKinney) is an essential first step towards establishing a national agenda for action to eradicate homelessness in America... No one in this body should believe that the legislation we begin considering today is anything more than a first step towards reversing the record increase in homelessness" (Congressional Record, p. S3683, March 23, 1987).

The McKinney Act was, and remains, landmark legislation. The programs created by the McKinney Act are needed now more than ever, as homelessness shows no signs of abating. However, after ten years of an emergency response to a long-term crisis, it is clear that only by addressing the causes of homelessness -- lack of jobs that pay a living wage, inadequate benefits for those who cannot work, lack of affordable housing, and lack of access to health care -- will homelessness be ended.

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10 YEARS
STEWART B. MCKINNEY
HOMELESS ASSISTANCE ACT

Joint Federal Policy Proposals

On any given night, at least 775,000 Americans have nowhere to call home. As many as three million men, women and children experience homelessness each year. Any successful effort to address this crisis must focus upon the fundamental causes of homelessness: public policies and private practices which produce a lack of affordable housing, inadequate incomes, deficient health and social services systems, and discrimination based upon disability, race, gender, and housing status.

First enacted on July 22, 1987, the Stewart B. McKinney Homeless Assistance Act has provided important emergency measures to address some of the urgent needs of homeless persons: millions have received food, shelter, health care, job training and other important services. But these programs were meant only as a first, emergency response and can only ameliorate an intolerable situation for those fortunate enough to secure these limited services. Ten years later, more comprehensive relief has yet to be enacted. The underlying causes of homelessness must be addressed.

We call for a renewed federal commitment to address the structural causes of homelessness through:

I. The appointment of a White House Commission to address homelessness.

During the 1992 campaign for the White House, candidate Clinton made a promise to hold a White House Conference on Homelessness a part of his plan to address homelessness. Five years later, there has been no White House Conference and homelessness has increased. The President should establish a White House Commission to examine the policies which reproduce homelessness and develop a strategic plan to ensure that adequate housing, incomes, health and social services are available in a nondiscriminatory fashion to our most vulnerable neighbors.

II. The adoption of the following policies:

Housing - The supply of affordable housing must be increased.

To eliminate homelessness:

The federal government should ensure adequate, affordable housing for all low-income persons who are unable to work because of age, disability or other significant barriers to employment.

The government should implement a set of policies and programs utilizing direct subsidies and the tax code to ensure that all low-income Americans have access to housing which does not cost them more than 30% of their income.

Interim measures:

The McKinney Act program that converts vacant federal property to homeless assistance should be expanded.

Federal programs to provide emergency shelter, transitional and permanent housing to homeless persons should be reauthorized, with funding set at \$1.6 billion annually.

Employment and Income - Poor persons must have income sufficient to afford housing.

To eliminate homelessness:

Federal disability payments should be at least enough to bring recipients' incomes up to the poverty line.

The federal minimum wage should lift the average family out of poverty.

Elderly and disabled poor people should be eligible for federal welfare benefits adequate to meet their basic needs.

Interim measures:

No one who is unable to find work should lose Food Stamps.

The Federal government, including the Social Security Administration and the Department of Veterans' Affairs should conduct outreach to help homeless persons obtain those benefits, such as food stamps, Temporary Aid to Needy Families (TANF) disability and veterans benefits, for which they may qualify.

The IRS should conduct outreach to working homeless persons to inform them about the Earned Income Tax Credit - a refundable tax credit for working homeless persons.

Services - Adequate services should be available to help poor persons achieve long-term stability.

Education:*To eliminate homelessness::*

Federally funded adult education programs should be available and accessible to those in need.

Adequate Federal funding, including transportation dollars, should be provided to eliminate barriers for children to participate in Head Start, primary and secondary school programs.

Interim measure:

The government should ensure that all public schools provide access to a free, appropriate public education for homeless children, including pre-school age children.

Health Care:

To eliminate homelessness:

Comprehensive health care services must be available to all poor persons, without regard to age, employment status, ability to pay or nature of disability.

Substance abuse and mental health disorders must be treated on the same basis as other diseases. Treatment must always include provision for housing.

Disability benefits must not be withheld on account of the nature of the disability.

Interim measures:

The entitlement to Medicaid must be preserved and expanded. Medicaid managed care arrangements must accommodate the difficult circumstances of homeless persons, and health care providers must be paid the reasonable costs of providing appropriate care for populations with special needs.

The McKinney Act Health Care for the Homeless Program and the related Consolidated Health Center Programs, must receive a 10% increase in its Fiscal Year 1998 (FY98) funding.

The funding for the McKinney Act Projects in Assistance for Transition from Homelessness (PATH) mental health program must be increased from \$20 million to \$40 million in FY98.

A federal substance abuse treatment program for homeless people must be created and funded.

Federally funded institutions must include housing in their residents' discharge plans.

The VA should not deny health care to homeless veterans who are not enrolled in the VA managed care system.

Non-Discrimination - Discrimination against homeless persons must be eliminated.

To eliminate homelessness:

The federal government should encourage local governments to adopt measures to address the causes of homelessness. E.g. raise local monies to fund housing, job programs and health care; support the siting of housing and services for low-income persons.

Interim measures:

The government should prohibit discrimination against homeless persons -- such as anti-sleeping ordinances and other laws that punish homeless persons for being in public spaces even though the persons have no other alternative -- and facilities that provide housing or services to homeless persons.

Barriers to voting and registration of homeless persons should be removed.

These federal policy proposals are supported by:

the National Alliance to End Homelessness;
the National Coalition for Homeless Veterans;
the National Coalition for the Homeless;
the National Health Care for the Homeless Council;
the National Law Center on Homelessness and Poverty; and
the Stewart B. McKinney Foundation.

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FUNDING AVAILABILITY FOR CONTINUUM OF CARE HOMELESS ASSISTANCE PROGRAMS

SUPPORTIVE HOUSING PROGRAM (SHP), SHELTER PLUS CARE (S+C), SECTION 8 MODERATE REHABILITATION SINGLE ROOM OCCUPANCY PROGRAM FOR HOMELESS INDIVIDUALS (SRO)

PROGRAM DESCRIPTION: The process of developing a Continuum of Care system to assist homeless persons is part of the community's larger effort of developing a Consolidated Plan. For a community to successfully address its often complex and interrelated problems, including homelessness, the community must marshal its varied resources--community and economic development resources, social service resources, housing and homeless assistance resources--and use them in a coordinated and effective manner. The Consolidated Plan serves as the vehicle for a community to comprehensively identify each of its needs and to coordinate a plan of action for addressing them.

For this competition, approximately \$640 million is available in FY 1998, and it is anticipated that up to an additional \$60 million may be made available in FY 1999, subject to appropriations. This total of approximately \$700 million is now being competed for the Continuum of Care Homeless Assistance Programs. Any unobligated funds from previous competitions or additional funds that may become available as a result of deobligations or recaptures from previous awards may be used in addition to 1998 appropriations to fund applications submitted in response to this program section of this SuperNOFA.

The funds available under this program section of this SuperNOFA can be used under any of three programs that can assist in creating community systems for combating homelessness. The **three programs** are: (1) **Supportive Housing**; (2) **Shelter Plus Care**; and (3) **Section 8 Moderate Rehabilitation for Single Room Occupancy Dwellings for Homeless Individuals**. The chart in the **Attachment** to this program section of this SuperNOFA summarizes key aspects of the programs. Program descriptions are contained in the applicable regulations cited in the chart.

As in previous funding availability announcements for the Continuum of Care Homeless Assistance Programs, amounts for each of the three programs will not be specified this year. Instead, the distribution of funds among the three programs will depend on locally determined priorities and overall demand. HUD reserves the right to fund less than the full amount requested in any application to ensure the fair distribution of the funds and to ensure the purposes of these homeless programs are met.

APPLICATION DUE DATE: Completed applications (an original containing the original signed documentation and two copies) are due before **12:00 midnight, Eastern time, on August 4, 1998** to the addresses shown below. See the **General Section** of this SuperNOFA for specific procedures governing the form of application submissions (e.g., mailed applications, express mail, overnight delivery, or hand carried).

ELECTRONIC SUBMISSION: Applicants are highly encouraged to use a special supplement to HUD's new Community Planning Software to prepare the application. The special supplement has been programmed to produce the charts and narratives that will meet both the requirements of the homelessness sections of the Consolidated Plan and the identical requirements of the Continuum of Care application. The supplement will also produce the necessary project-specific information. If you choose to use the supplement to prepare your Continuum of Care application, you will submit the required information on 3 1/2" computer diskettes, together with a paper copy of the entire application including the signed cover sheet (SF-424), all required certifications and other signed documentation, by the deadline. Please submit three copies of these materials, as directed in the **ADDRESSES FOR SUBMITTING APPLICATIONS** section below. The supplement may be obtained at no charge by contacting the SuperNOFA Information Center by phone or internet as specified below.

ADDRESSES FOR SUBMITTING APPLICATIONS:

To HUD Headquarters. The original completed application (containing the original signed documentation) must be submitted to: Special Needs Assistance Programs Office, Room 7270, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410, Attention: Continuum of Care Programs.

To the Appropriate CPD Field Office. Two copies of the completed application must also be submitted to the Community Planning and Development Division of the appropriate HUD Field Office for the applicant's jurisdiction. Field Office copies must be received by the deadline date as well, but a determination that an application was received on time will be made solely on receipt of the application at HUD Headquarters in Washington.

When submitting your application please refer to **Continuum of Care Programs**, and include your name, mailing address (including zip code) and telephone number (including area code).

FOR APPLICATION KITS, FURTHER INFORMATION, AND TECHNICAL ASSISTANCE: Application Kits.

For a copy of the application package, please call the SuperNOFA Information Center at 1-800-HUD-8929 (voice) or 1-800-483-2209 (TTY), or contact by Internet at <http://www.HUD.gov>.

For Further Information. For answers to your questions, you may call the HUD Field Office serving your area, at the telephone number shown in the application kit for this program, or you may contact the Community Connections Information Center at 1-800-998-9999 (voice) or 1-800-483-2209 (TTY) or by Internet at: <http://www.comcon.org/ccprog.html>.

Technical Assistance. Prior to the application deadline, HUD staff will be available to provide general guidance, but not guidance in actually preparing the application. HUD field office staff will also be available to help identify organizations in your community that are involved in developing the Continuum of Care system and, in the case of renewals, to determine the HUD final year amount (e.g., leasing, supportive services and operations for SHP, and rental assistance for S+C). Following conditional selection, HUD staff will be available to assist in clarifying or confirming information that is a prerequisite to the offer of a grant agreement or Annual Contributions Contract by HUD. However, between the application deadline and the announcement of conditional selections, HUD will accept no information that would improve the substantive quality of the application pertinent to the funding decision.

ADDITIONAL INFORMATION:

I. Authority; Purpose; Prioritizing

(A) Authority.

The **Supportive Housing Program** is authorized by title IV, subtitle C, of the Stewart B. McKinney Homeless Assistance Act (McKinney Act), 42 U.S.C. 11381. Funds made available under this program section of the SuperNOFA for the Supportive Housing Program are subject to the program regulations at 24 CFR part 583.

The **Shelter Plus Care** program is authorized by title IV, subtitle F, of the McKinney Act, 42 U.S.C. 11403. Funds made available under this program section of the SuperNOFA for the Shelter Plus Care program are subject to the program regulations at 24 CFR part 582.

The **Section 8 Moderate Rehabilitation Program for Single Room Occupancy Dwellings for Homeless Individuals (SRO)** is authorized by section 441 of the McKinney Act, 42 U.S.C. 11401. Funds made available under this NOFA for the SRO program are subject to the program regulations at 24 CFR part 882, subpart H.

(B) Purpose: Develop Continuum of Care Systems.

The purpose of the Continuum of Care Homeless Assistance Programs is to fund projects that will fill gaps in locally developed Continuum of Care systems to assist homeless persons move to self-sufficiency and permanent housing. A Continuum of Care system consists of four basic components:

- (1) A system of outreach and assessment for determining the needs and conditions of an individual or family who is homeless;
- (2) Emergency shelters with appropriate supportive services to help ensure that homeless individuals and families receive adequate emergency shelter and referral to necessary service providers or housing finders;
- (3) Transitional housing with appropriate supportive services to help those homeless individuals and families who are not prepared to make the transition to permanent housing and independent living; and
- (4) Permanent housing, or permanent supportive housing, to help meet the long-term needs of homeless individuals and families.

A Continuum of Care system is developed through a community-wide or region-wide process involving nonprofit organizations (including those representing persons with disabilities), government agencies, other homeless providers, housing developers and service providers, private foundations, neighborhood groups, and homeless or formerly homeless persons. It should address the specific needs of each homeless subpopulation: the jobless, veterans, persons with serious mental illnesses, persons with substance abuse issues, persons with HIV/AIDS, persons with multiple diagnoses, victims of domestic violence, youth, and any others.

The community process used in developing a Continuum of Care system must include interested veteran service organizations, particularly veteran service organizations with specific experience in serving homeless veterans, in order to ensure that the Continuum of Care system addresses the needs of homeless veterans.

High scores under the Continuum of Care scoring criteria will be assigned to applications that demonstrate the achievement of two basic goals:

- Have maximum participation by non-profit providers of housing and services; homeless and formerly homeless persons; state and local governments and agencies; veteran service organizations; organizations representing persons with disabilities; the private sector; housing developers; foundations and other community organizations.
- Create, maintain, and build upon a community-wide inventory of housing and services for homeless families and individuals; identify the full spectrum of needs of homeless families and individuals; and coordinate efforts to obtain resources, particularly resources sought through this program section of the SuperNOFA, to fill gaps between the current inventory and existing needs. This inventory **must** appropriately address all aspects of the continuum, especially permanent housing.

In deciding the geographic area to be covered by a Continuum of Care strategy, applicants should be aware that the single most important factor in receiving funding under this competition will be the strength of the Continuum of Care strategy when measured against the Continuum of Care criteria described in this SuperNOFA. In determining what jurisdictions to include in a Continuum of Care strategy area, the applicant should include only those jurisdictions that are involved in the development and implementation of the Continuum of Care strategy.

Applicants should also be aware that the more jurisdictions included in a Continuum of Care strategy area, the larger the pro rata need share that will be allocated to the strategy area (as described in Section III(A)(4) of this program section of the SuperNOFA). However, it would be a mistake to include jurisdictions that are not fully involved in the development and implementation of the Continuum of Care strategy since this would adversely affect the Continuum of Care score. Because most rural counties have extremely small pro rata need shares, they may wish to consider working with larger groups of contiguous counties to develop a region-wide or multi-county Continuum of Care strategy covering the combined service areas of these counties.

Since the basic concept of a Continuum of Care strategy is the creation of a single, coordinated, inclusive homeless assistance system for an area, the areas covered by Continuum of Care strategies should not overlap. If there are cases where the Continuum of Care strategies geographically overlap to the extent that they are essentially competing with each other, projects in the applications/Continuum of Care that receive the highest score out of the possible 60 points for Continuum of Care will be eligible for up to 40 points under Need. Projects in the competing applications/Continuum of Care with the less effective Continuum of Care strategies will be eligible for only 10 points under Need. In no case will the same geography be used more than one time in assigning Need points. The local HUD field office can help applicants determine if any of the area proposed for inclusion by one Continuum of Care system is also likely to be claimed under another Continuum of Care system in this competition.

(C) **Prioritizing.** Priority decisions are best made through a locally-driven process and are key to the ultimate goal of reducing homelessness. As was done in 1997, this year's application (1998) instructs that all projects proposed for funding under this program section of the SuperNOFA be listed in priority order from the highest priority to the lowest. Generally, this priority order will mean, for example, that if funds are only available to award 8 of 10 proposed projects, then funding will be awarded to the first eight projects listed. HUD expects nonprofit organizations to be given a fair role in establishing these priorities.

This priority list will be used in awarding up to 40 points per project under the "Need" scoring criteria. Higher priority projects will receive more points under Need than lower priority projects. If a complete project priority chart is not submitted for the continuum, then all projects will receive the lowest score for Need.

Project renewals. Consistent with the Continuum of Care approach, HUD funds that are needed to continue grants that will be expiring in 1999 (Supportive Housing grants, Supportive Housing Demonstration Program grants, SAFAH grants, and Shelter Plus Care grants, as described below) will only be available through the

competitive process described in this program section of the SuperNOFA.

The need for the continuation of previously funded projects must be considered in the local needs analysis process and a decision should be made locally on the priority to assign to the continuation of a project. HUD will not fund renewals out of order on the priority list. It is important that the applicant, regardless of the priority assigned to expiring projects, has fully considered how persons currently being served by those projects will continue to be served, and has addressed this issue in its gap analysis. In last year's competition, numerous renewal projects that were not assigned top priority by a locality did not receive funding. To the extent a community desires to have such projects renewed, it should give them the top priorities on the priority projects listing in the application. Since renewal projects receive no special consideration during the review, it is important that they meet minimum project eligibility, capacity, and quality standards identified in this program section of the SuperNOFA or they will be rejected. For the renewal of a Supportive Housing Program project, Supportive Housing Demonstration Program project or SAFAH project, you may request funding for one (1), two (2) or three (3) years. The amount of this request can be up to the total of HUD grant funds for leasing, operations, and supportive services approved for the final year of the expiring grant's term. For the renewal of a Shelter Plus Care project, the grant term is fixed at five (5) years as required by statute. You may request up to the amount determined by multiplying the number of units under lease at the time of application for renewal funding under this SuperNOFA by the applicable current Fair Market Rent(s) by 60 months. While full funding of existing grants may be requested, there is no guarantee that the entire amount will be awarded.

This program section of the SuperNOFA is not applicable to the renewal of funding under the SRO program. For further guidance on SRO renewals, please contact your local HUD Field Office.

Applicants eligible to apply for renewal of a grant are **only** those that have executed a grant agreement for the project directly with HUD. Project sponsors or subrecipients who have not signed such an agreement are not eligible to serve as applicant for renewal of these projects. The local HUD field office can provide assistance in determining eligibility to apply for project renewal. To be considered an applicant when applying as part of a consolidated application, the eligible applicant must submit an originally signed HUD Form SF-424 and the necessary certifications and assurances.

II. Application Requirements

The application kit provides the application materials, including Form SF-424 and certifications, that must be used in applying for homeless assistance under this SuperNOFA. These application materials substitute for the forms, certifications, and assurances listed in Section II(G) of the **General Section** of the SuperNOFA.

The application requires a description of the Continuum of Care system and proposed project(s). It also contains certifications that the applicant will comply with fair housing and civil rights requirements, program regulations, and other Federal requirements, and (where applicable) that the proposed activities are consistent with the HUD-approved Consolidated Plan of the applicable State or unit of general local government, including the Analysis of Impediments to Fair Housing and the Action Plan to address these impediments. Projects funded under this SuperNOFA shall operate in a fashion that does not deprive any individual of any right protected by the Fair Housing Act (42 U.S.C. 3601-19), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) or the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) Section II(D) of the **General Section** of this SuperNOFA regarding Affirmatively Furthering Fair Housing does not apply to the Continuum of Care Homeless Assistance programs.

There are three options for submitting an application under this program section of the SuperNOFA.

One: A "Consolidated Application" is submitted when a jurisdiction (or a consortium of jurisdictions) submits a single application encompassing a Continuum of Care strategy and containing all the projects within that strategy for which funding is being requested. Individual projects are contained within the one consolidated application. Grant funding may go to one entity which then administers all funded projects submitted in the application, or under this option, grant funding may go to all or any of the projects individually. Your application will specify the grantee for each project.

Two: "Associated Applications" are submitted when applicants plan and organize a single Continuum of Care strategy which is adopted by project sponsors or operators who choose to submit separate applications for projects while including the identical Continuum of Care strategy. In this case, project funding would go to each successful applicant individually and each would be responsible to HUD for administering its separate grant.

Three: A "Solo Application" is submitted when an applicant applies for a project exclusive of participation in any community-wide or region-wide Continuum of Care development process.

Options one and two are not substantively different and will be considered equally competitive. Applicants are advised that projects that are not a part of a Continuum of Care strategy will receive few, if any, points under the Continuum of Care rating criteria.

III. Application Selection Process

(A) Review, Rating and Conditional Selection.

HUD will use the same review, rating, and conditional selection process for all three programs (**S+C**, **SRO**, and **SHP**). The standard factors for award identified in the **General Section** of this SuperNOFA have been modified in this program section as described below. Only the criteria described in this program section--Continuum of Care and Need--will be used to assign points. To review and rate applications, HUD may establish panels, including persons not currently employed by HUD, to obtain certain expertise and outside points of view, including views from other Federal agencies. Two types of reviews will be conducted. Paragraphs (1) and (2) below describe threshold reviews and paragraphs (3) and (4) describe criteria--Continuum of Care and Need--that will be used to assign points. Up to 104 points (including bonus points and points for the court-ordered consideration described in Section III(C)(1) and (2) of the **General Section** of the SuperNOFA) will be assigned using these criteria.

(1) Applicant and sponsor eligibility and capacity. Applicant and project sponsor capacity will be reviewed to ensure the following eligibility and capacity standards are met. If HUD determines these standards are not met, the project will be rejected from the competition.

- The applicant must be eligible to apply for the specific program;
- The applicant must demonstrate that there is sufficient knowledge and experience to carry out the project(s). With respect to each proposed project, this means that in addition to knowledge of and experience with homelessness in general, the organization carrying out the project, its employees, or its partners, must have the necessary experience and knowledge to carry out the specific activities proposed, such as housing development, housing management, and service delivery;
- If the applicant or project sponsor is a current or past recipient of assistance under a HUD McKinney Act program or the HUD Single Family Property Disposition Homeless Program, there must be no project or construction delay, HUD finding, or outstanding audit finding of a material nature regarding the administration of HUD McKinney Act programs or the HUD Single Family Property Disposition Homeless Program; and
- The applicant and project sponsors must be in compliance with applicable civil rights laws and Executive Orders, and must meet the threshold requirements of Section II(B) of the **General Section** of the SuperNOFA.

(2) Project eligibility and quality. Each project will be reviewed to determine if it meets the following eligibility and threshold quality standards. If HUD determines the following standards are not met by a specific project or activity, the project or activity will be rejected from the competition.

- The population to be served must meet the eligibility requirements of the specific program, as described in the application instructions;
- The activity(ies) for which assistance is requested must be eligible under the specific program, as described in the program regulations;
- The housing and services proposed must be appropriate to the needs of the persons to be served. HUD may find a project to be inappropriate if:
 - The type and scale of the housing or services clearly does not fit the needs of the proposed participants (e.g., housing homeless families with children in the same space as homeless individuals, or separating members of the same family, without an acceptable rationale provided);
 - Participant safety is not addressed;
 - The housing or services are clearly designed to principally meet emergency needs rather than helping participants achieve self-sufficiency;
 - Transportation and community amenities are not available and accessible; or
 - Housing accessibility for persons with disabilities is not provided as required by applicable laws;
- The project must be cost-effective in HUD's opinion, including costs associated with construction, operations, and administration, with such costs not deviating substantially from the norm in that locale for the type of structure or kind of

activity;

- Supportive services only projects, and all others, must show how participants will be helped to access permanent housing and achieve self-sufficiency;
- For the Section 8 **SRO** program, at least 25 percent of the units to be assisted at any one site must be vacant at the time of application; and
- For those projects proposed under the **SHP** innovative category: Whether or not a project is considered innovative will be determined on the basis that the particular approach proposed is new to the area, is a sensible model for others, and can be replicated.

(3) Continuum of Care. Up to **60 points** will be awarded as follows:

(a) Process and Strategy. Up to **30 points** will be awarded based on the extent to which the application demonstrates:

- The existence of a quality and inclusive community process, including organizational structure(s), for developing and implementing a Continuum of Care strategy which includes nonprofit organizations (such as veterans service organizations, organizations representing persons with disabilities, and other groups serving homeless persons), State and local governmental agencies, other homeless providers, housing developers and service providers, private foundations, local businesses and the banking community, neighborhood groups, and homeless or formerly homeless persons, as articulated in Section I(D) of this program section of the SuperNOFA; and
- That a quality and comprehensive strategy has been developed which addresses the components of a Continuum of Care system (i.e., outreach, intake, and assessment; emergency shelter; transitional housing; permanent and permanent supportive housing) and that strategy has been designed to serve all homeless subpopulations in the community (e.g., seriously mentally ill, persons with multiple diagnoses, veterans, persons with HIV/AIDS), including those persons living in emergency shelters, supportive housing for homeless persons, or in places not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

(b) Gaps and Priorities. Up to **20 points** will be awarded based on the extent to which the application:

- Describes the gap analysis performed, uses reliable information and sources that are presented completely and accurately, and establishes the relative priority of homeless needs identified in the Continuum of Care strategy; and
- Proposes projects that are consistent with the priority analysis described in the Continuum of Care strategy, describes a fair project selection process, explains how gaps identified through the analysis are being addressed, and correctly completes the priority chart.

In reviewing a community's Continuum of Care and determining the points to assign, HUD will consider whether the community took its renewal needs into account in preparing its project priority list.

(c) Supplemental Resources. Up to **10 points** will be awarded based on the extent to which the application demonstrates leveraging of funds requested under this program section of the SuperNOFA with other resources, including private, other public, and mainstream services and housing programs.

(d) EZ/EC bonus points. As provided for in Section III(C)(1) of the **General Section** of this SuperNOFA, a bonus of up to **2 points** will be added to the Continuum of Care score when some proposed homeless assistance projects will be located within the boundaries and/or will principally serve the residents of a federal Empowerment Zone, Enterprise Community or Enhanced Enterprise Community (collectively "EZ/EC") if priority placement will be given by the project to homeless persons living on the streets or in shelters within the EZ/EC, or whose last known address was within the EZ/EC. In order for a Continuum of Care system to receive any of the bonus points, the applicant must specifically state how it meets the EZ/EC bonus criterion, and provide a narrative describing the extent of the linkages and coordination between proposed projects and the EZ/EC. The greater the extent of EZ/EC involvement in and coordination with the implementation strategy for the Continuum of Care

system and projects, the greater the likelihood that bonus points will be awarded.

(e) Court-ordered consideration. Section III(C)(2) of the **General Section** is applicable to this program.

(4) **Need**. Up to **40 points** will be awarded for need. There is a three-step approach to determining the need scores to be awarded to projects:

(a) Determining relative need: To determine the homeless assistance need of a particular jurisdiction, HUD will use nationally available data, including the following factors as used in the Emergency Shelter Grants program: data on poverty, housing overcrowding, population, age of housing, and growth lag. Applying those criteria to a particular jurisdiction provides an estimate of the relative need index for that jurisdiction compared to other jurisdictions applying for assistance under this program section of the SuperNOFA.

(b) Applying relative need: That relative need index is then applied to the total amount of funding estimated to be available under this program section of the SuperNOFA to determine a jurisdiction's pro rata need. HUD reserves the right to adjust pro rata need, if necessary, to address the issue of project renewals.

(c) Awarding need points to projects: Once the pro rata need is established, it is applied against the priority project list in the application. Starting from the highest priority project, HUD proceeds down the list to include those projects whose total funding equals that jurisdiction's pro rata need. Those priority projects which fall within that pro rata need each receive the full 40 points for need. Thereafter, HUD proceeds further down the priority project list until two (2) times the pro rata need is reached and each of those projects receive 20 points. Remaining projects each receive 10 points. If a project priority chart is not submitted for the continuum, then all projects will receive 10 points for Need.

In the case of competing applications from a single jurisdiction or service area, projects in the application that received the highest score out of the possible 60 points for Continuum of Care are eligible for up to 40 points under Need. Projects in the competing applications with lower Continuum of Care scores are eligible for only 10 points under Need.

(5) **Ranking**. The score for Continuum of Care will be added to the Need score in order to obtain a total score for each project. The projects will then be ranked from highest to lowest according to the total combined score.

(6) Conditional Selection and Adjustments to Funding.

(a) Conditional Selection. Whether a project is conditionally selected, as described in Section IV below, will depend on its overall ranking compared to others, except that HUD reserves the right to select lower rated eligible projects that are part of comprehensive, coordinated, and inclusive Continuum of Care systems that would not otherwise receive funding if necessary to achieve geographic diversity.

When insufficient funds remain to fund all projects having the same total score, HUD will break ties by comparing scores received by the projects for each of the following scoring factors, in the order shown: Need, Overall Continuum of Care (COC) score, COC Process and Strategy, COC Gaps and Priorities, and COC Supplemental Resources. The final tie-breaking factor is the priority number of the competing projects on the applicable COC priority list(s).

(b) Adjustments to Funding. HUD may adjust funding of applications in accordance with the provisions of Section III(E) of the **General Section** of the SuperNOFA. HUD also reserves the right to ensure that a project that is applying for and eligible for selection under this competition is not awarded funds that duplicate activities.

(7) Additional selection considerations. HUD will also apply the limitations on funding described below in making conditional selections.

In accordance with section 429 of the McKinney Act, HUD will award **Supportive Housing** funds as follows: not less than 25 percent for projects that primarily serve homeless families with children; not less than 25 percent for projects that primarily serve homeless persons with disabilities; and not less than 10 percent for supportive services not provided in conjunction with supportive housing. After projects are rated and ranked, based on the criteria described above, HUD will determine if the conditionally selected projects achieve these minimum percentages. If not, HUD will skip higher-ranked projects in a category for which the minimum percent has been achieved in order to achieve the minimum percent for another category. If there are an insufficient number of conditionally selected projects in a category to achieve its minimum percent, the unused balance will be used for

the next highest-ranked approvable **Supportive Housing** project.

In accordance with section 463(a) of the McKinney Act, as amended by the Housing and Community Development Act of 1992, at least 10 percent of **Shelter Plus Care** funds will be awarded for each of the four components of the program: Tenant-based Rental Assistance; Sponsor-based Rental Assistance; Project-based Rental Assistance; and Section 8 Moderate Rehabilitation of Single Room Occupancy Dwellings for Homeless Individuals (provided there are sufficient numbers of approvable projects to achieve these percentages). After projects are rated and ranked, based on the criteria described below, HUD will determine if the conditionally selected projects achieve these minimum percentages. If necessary, HUD will skip higher-ranked projects for a component for which the minimum percent has been achieved in order to achieve the minimum percent for another component. If there are an insufficient number of approvable projects in a component to achieve its minimum percent, the unused balance will be used for the next highest-ranked approvable **Shelter Plus Care** project.

In accordance with section 455(b) of the McKinney Act, no more than 10 percent of the assistance made available for **Shelter Plus Care** in any fiscal year may be used for programs located within any one unit of general local government. In accordance with section 441(c) of the McKinney Act, no city or urban county may have **Section 8 SRO** projects receiving a total of more than 10 percent of the assistance made available under this program. HUD is defining the 10 percent availability this fiscal year as \$10 million for Shelter Plus Care and \$10 million for Section 8 SRO. However, if the amount awarded under either of these two programs exceeds \$100 million, then the amount awarded to any one unit of general local government (for purposes of the Shelter Plus Care program) or city or urban county (for the purposes of the SRO program) could be up to 10 percent of the actual total amount awarded for that program.

Lastly, HUD reserves the right to reduce the amount of a grant if necessary to ensure that no more than 10 percent of assistance made available under this program section of the SuperNOFA will be awarded for projects located within any one unit of general local government or within the geographic area covered by any one Continuum of Care. If HUD exercises a right it has reserved under this program section of the SuperNOFA, that right will be exercised uniformly across all applications received in response to this program section of the SuperNOFA.

IV. Funding Award Process

HUD will notify conditionally selected applicants in writing. As necessary, HUD will subsequently request them to submit additional project information, which may include documentation to show the project is financially feasible; documentation of firm commitments for cash match; documentation showing site control; information necessary for HUD to perform an environmental review, where applicable; and such other documentation as specified by HUD in writing to the applicant, that confirms or clarifies information provided in the application. **SH, SRO, S+C** and **S+C/SRO** applicants will be notified of the deadline for submission of such information. If an applicant is unable to meet any conditions for fund award within the specified timeframe, HUD reserves the right not to award funds to the applicant, but instead to either: use them to select the next highest ranked application(s) from the original competition for which there are sufficient funds available; or add them to funds available for the next competition for the applicable program.

V. Program Limitations.

(A) SRO program. Applicants need to be aware of the following limitations that apply to the Section 8 **SRO** program:

- Under section 8(e)(2) of the United States Housing Act of 1937, no single project may contain more than 100 assisted units;
- Under 24 CFR 882.802, applicants that are private nonprofit organizations must subcontract with a Public Housing Authority to administer the **SRO** assistance;
- Under section 8(e)(2) of the United States Housing Act of 1937 and 24 CFR 882.802, rehabilitation must involve a minimum expenditure of \$3000 for a unit, including its prorated share of work to be accomplished on common areas or systems, to upgrade conditions to comply with the Housing Quality Standards.
- Under section 441(e) of the McKinney Act and 24 CFR 882.805(d)(1), HUD publishes the **SRO** per unit rehabilitation cost limit each year to take into account changes in construction costs. This cost limitation applies to rehabilitation that is compensated for in a Housing Assistance Payments Contract. For purposes of Fiscal Year 1998 funding, the cost limitation is raised from \$16,900 to \$17,200 per unit to take into account increases in construction costs during the past 12-month period.

(B) Shelter Plus Care/Section 8 SRO Component. With regard to the **SRO component of the Shelter Plus Care program**, applicant States, units of general local government and Indian tribes must

subcontract with a Public Housing Authority to administer the **Shelter Plus Care** assistance. Also with regard to this component, no single project may contain more than 100 units.

VI. Timeliness Standards.

Applicants are expected to initiate their approved projects promptly. If implementation difficulties occur, applicants need to be aware of the following timeliness standards:

(A) Supportive Housing Program.

- HUD will deobligate **SHP** funds if site control has not been demonstrated within one (1) year after initial notification of the grant award, as provided in 24 CFR 583.320(a), subject to the exceptions noted in that regulation.
- Except where HUD finds that delay was due to factors beyond the control of the grantee, HUD may deobligate **SHP** funds if the grantee does not meet the following additional timeliness standards:
 - Construction activities must begin within eighteen (18) months after initial notification of the grant award and be completed within thirty-six (36) months after that notification.
 - For activities that cannot begin until construction activities are completed, such as supportive service or operating activities that will be conducted within the building being rehabilitated or newly constructed, these activities must begin within three (3) months after the construction is completed.
 - For all activities that may proceed independent of construction activities, these activities must begin within twelve (12) months after initial notification of the grant award.

(B) Shelter Plus Care Program Components Except SRO Component. Except where HUD finds that delay was due to factors beyond the control of the grantee, HUD will deobligate **S+C** funds if the grantee does not meet the following timeliness standards:

- For Tenant-based Rental Assistance, for Sponsor-based Rental Assistance, and for Project-based Rental Assistance without rehabilitation, the rental assistance must begin within twelve (12) months of the initial announcement of the grant award.
- For Project-based Rental Assistance with rehabilitation, the rehabilitation must be completed within twelve (12) months of initial notification of the grant award.

(C) SRO Program and SRO Component of the Shelter Plus Care Program.

For projects carried out under the **SRO** program and the **SRO component of the S+C program**, the rehabilitation work must be completed and the Housing Assistance Payments contract executed within twelve (12) months of execution of the Annual Contributions Contract. HUD may reduce the number of units or the amount of the annual contribution commitment if, in the determination of HUD, the Public Housing Authority fails to demonstrate a good faith effort to adhere to this schedule.

VII. Linking Supportive Housing Programs and AmeriCorps.

Applicants for the Supportive Housing Program are encouraged to link their proposed projects with AmeriCorps, a national service program engaging thousands of Americans on a full or part-time basis to help communities address their toughest challenges, while earning support for college, graduate school, or job training. For information about AmeriCorps SHP partnerships, call the Corporation for National Service at (202) 606-5000 extension 486.

VIII. Other Matters

(A) **Corrections to Deficient Applications.** The **General Section** of the SuperNOFA provides the procedures for corrections to deficient applications (See Section V of the **General Section**).

(B) **Environmental Requirements.** All Continuum of Care assistance is subject to the National Environmental Policy Act of 1969 and related Federal environmental authorities. No Federal or non-Federal funds or assistance that limits reasonable choices or could produce a significant adverse environmental impact may be committed to a project until all required environmental reviews and notifications have been completed. Conditional selection of projects under the Continuum of Care Program is subject to the environmental review requirements under 24 CFR 582.230, 583.230, and 882.804(c), as applicable. (C) **Section 3.** To the extent that any housing assistance (including rental assistance) funded through this program section of the SuperNOFA is used for housing rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance, repair, and replacement) or

housing construction, then it is subject to section 3 of the Housing and Urban Rehabilitation Act of 1968, and the implementing regulations at 24 CFR part 135. Section 3, as amended, requires that economic opportunities generated by certain HUD financial assistance for housing and community development programs shall, to the greatest extent feasible, be given to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to businesses that provide economic opportunities for these persons.

ATTACHMENT

CONTINUUM OF CARE HOMELESS ASSISTANCE PROGRAMS

ELEMENT	SUPPORTIVE HOUSING	SHELTER PLUS CARE	SECTION 8 SRO
AUTHORIZING LEGISLATION	Subtitle C of Title IV of the Stewart B. McKinney Homeless Assistance Act	Subtitle F of Title IV of the Stewart B. McKinney Homeless Assistance Act	Section 441 of the Stewart B. McKinney Homeless Assistance Act
IMPLEMENTING REGULATIONS	24 CFR part 583	24 CFR part 582	24 CFR part 882
ELIGIBLE APPLICANT(S)	States Units of general local government Special purpose units of government such as public housing agencies (PHAs) Private nonprofit organizations CMHCs that are public nonprofit organizations	States Units of general local government PHAs	PHAs Private nonprofit organizations
ELIGIBLE COMPONENTS	Transitional housing Permanent housing for disabled persons only Supportive services not in conjunction with supportive housing Safe Havens Innovative supportive housing	Tenant-based Sponsor-based Project-based SRO-based	SRO housing
ELIGIBLE ACTIVITIES See footnotes 1, 2, and 3	Acquisition Rehabilitation New construction Leasing Operating costs Supportive services	Rental Assistance	Rental Assistance
ELIGIBLE POPULATIONS	Homeless persons	Homeless disabled individuals	Homeless individuals

See footnote 2		Homeless disabled individuals and their families	Section 8 eligible current occupants
POPULATIONS GIVEN SPECIAL CONSIDERATION	Homeless persons with disabilities Homeless families with children	Homeless persons who: are seriously mentally ill have chronic problems with alcohol and/or drugs have AIDS and related diseases	N/A
INITIAL TERM OF ASSISTANCE	3 years	5 years: TRA, SRA, and PRA if no rehab 10 years: SRO and PRA with rehab	10 years

Footnote 1: **Homeless prevention activities are statutorily ineligible under these programs.**

Footnote 2: **Persons at risk of homelessness are statutorily ineligible for assistance under these programs.**

Footnote 3: **Acquisition, construction, rehabilitation, leasing, and operating costs for emergency shelters are statutorily ineligible for assistance under Shelter Plus Care and Section 8 SRO.**

Last revised: May 05, 1998

NATIONAL ALLIANCE TO END HOMELESSNESS ♦ NATIONAL COALITION FOR THE HOMELESS
NATIONAL COALITION FOR HOMELESS VETERANS ♦ NATIONAL HEALTH CARE FOR THE HOMELESS COUNCIL
NATIONAL LAW CENTER ON HOMELESSNESS AND POVERTY ♦ NATIONAL NETWORK FOR YOUTH

October 14, 1998

The Honorable Bruce Reed
Assistant to the President for Domestic Policy
Executive Office of the President
Washington, DC 20503

Dear Mr. Reed:

We are writing as leaders of the six national organizations that share as their vision an end to homelessness in this country to urge the Clinton Administration to request significantly increased funding for the homeless assistance programs of the U.S. Department of Health and Human Services (HHS) in its Fiscal Year (FY) 2000 budget submission. As you know, HHS manages the following homeless assistance programs: Health Care for the Homeless, Projects for Assistance in Transition from Homelessness, and the Basic Center, Transitional Living, and Street Outreach programs for runaway and homeless youth. In addition, we urge the Administration to request FY 2000 funds to enable the Department to establish a targeted homeless addiction disorder treatment program.

The need for health care, housing, income maintenance, and social services for the nation's homeless adults, children, youth, and families far outpaces the availability of services available to them in these program areas. That homelessness is a living condition for an increasing number of our neighbors places even greater pressure on the range of homeless assistance programs. Presidential leadership—demonstrated in part through a meaningful FY 2000 budget request for HHS's current homeless assistance programs and the establishment of a new addiction disorder treatment program—would serve to redress this gap between services and increasing need.

Health Care for the Homeless

The Health Care for the Homeless (HCH) program (one of the programs within the consolidated health center cluster), within the Health Resources and Services Administration, ensures that homeless people have access to health care services through integrated systems of care. As well as providing primary care, diagnostic, preventive, emergency medical, pharmaceutical, addiction disorder and mental health services, HCH projects also conduct intensive outreach, case management, and housing, income, and transportation linkage activities. HCH projects are designed and managed at the community level. HHS estimates that HCH projects serve only about one quarter of persons experiencing homelessness within a given year.

HCH projects and other health centers are overwhelmed by a burgeoning demand for services associated with increasing numbers of individuals without health insurance. This reality places an enormous burden on HCH projects and other community health providers, who are obligated to provide services regardless of the individual or family's ability to pay for them. Furthermore, an increase in the number of homeless people, brought on by recent changes to the Supplemental Security Income (SSI) program, which terminated income and health benefits for individuals with drug addiction and alcoholism disabilities, and other socioeconomic factors, presents an expanded population of patients whom HCH projects and other community health providers are responsible to serve. The phase-out of Medicaid cost-based reimbursement to HCH projects and other health centers and the increased enrollment of Medicaid beneficiaries in managed care programs are reducing the amount of Medicaid funds available to HCH projects, thus presenting an additional major challenge to their ability to provide indigent care.

Increased federal funds will allow the HCH program to expand services to the three-fourths of the homeless population still without basic health care—both in the way of capacity increases of current projects and the establishment of new projects—and enable HCH projects to remain financially viable in the increasingly market-oriented, rather than care-oriented, health service environment. Accordingly, **we urge the Clinton Administration to request at least \$1 billion for Consolidated Health Centers (which would likely result in approximately \$86 million for the HCH program) in its FY 2000 budget submission.** The \$1 billion funding level, while below the amount ultimately necessary to serve the individuals in need, would be a major step forward.

Projects for Assistance in Transition from Homelessness

The Projects for Assistance in Transition from Homelessness (PATH) program, within the Substance Abuse and Mental Health Services Administration (SAMHSA), makes funds available to states to assist them in providing outreach, screening and diagnosis, habilitation and rehabilitation, community mental health services, substance abuse treatment (for people with serious mental illnesses and co-occurring substance use disorders), case management, residential supervision, and limited housing services for homeless people with serious mental illness. PATH funds are allocated to all fifty states, the District of Columbia, and the U.S. territories, which then distribute the funds to a broad range of service providers—approximately 350 in number—who then deliver actual services.

While PATH has enabled many homeless people to return to secure and stable lives, limited funds preclude the program from reaching the universe of homeless people with serious mental illness. This group continues to grow as a result of a new wave of deinstitutionalization of patients from mental health facilities and the denial of services or premature and unplanned discharge brought about by managed care arrangements.

Additional federal funds are necessary for PATH to reach the substantial number of homeless mentally ill people still not receiving mental health services or losing mental health services. **Accordingly, we urge the Clinton Administration to request at least \$40 million for PATH in its FY 2000 budget submission.** The \$40 million funding level, while below the amount ultimately necessary to serve the individuals in need, would be a major step forward.

Runaway and Homeless Youth Act

Runaway and Homeless Youth Act (RHYA) programs, within the Administration for Children and Families, support cost-effective, community-based services that protect youth from the harms of life on the streets and either reunify them safely with family or find alternative placements. The Basic Center Program provides grants to support temporary shelter for youth and counseling for youth and their families. The Transitional Living Program provides grants to support longer-term shelter as well as independent living services for youth. The Street Outreach Program provides grants to support street-based outreach and education to runaway, homeless, and street youth who have been sexually abused or are at risk of sexual abuse.

RHYA programs provide crucial housing, education, life skills, and support services to vulnerable youth at a pivotal juncture in their lives—when they will be either plunged into chronic homelessness and poverty or achieve stability and independence. Regrettably—for both the youth themselves and for the nation at large—the need for comprehensive services continues to outpace the ability of RHYA programs to provide them. **Accordingly, we urge the Clinton Administration to request at least \$115 million for RHYA programs in its FY 2000 budget submission.**

Targeted Homeless Addiction Disorder Treatment

HHS does not currently administer an addiction disorder treatment program targeted to homeless people, as it does for primary care and mental health. Instead, it is assumed that homeless adults and youth with addiction disorders will obtain treatment services through the mainstream substance abuse treatment system.

But, the mainstream treatment system does not adequately reach the homeless population. Homeless people, who are difficult to contact, are readily dropped from extensive waiting lists for mainstream treatment services. Further, community-based mainstream programs often refuse to accept homeless people. And community-based health care providers, such as HCH projects, lack the fiscal or programmatic capacity to provide addiction disorder treatment services to all in need. For those homeless people who are lucky enough to enter the treatment system, lack of housing frequently renders the treatment less effective. Successful addiction recovery requires the stability of continuous access to needed health care, social services and income support, and a place to live. Homeless people, however, are lacking these necessities and are therefore likely to participate only in the detoxification phase of the treatment cycle. They then are typically discharged back into the environments in which their addictions took hold—streets or emergency shelters—where they are at far greater risk of relapse than if they had been discharged to a stable living situation. Many return multiple times to detoxification programs. Thus, a “revolving door” emerges, resulting in a waste of precious human and financial capital.

Alternative models for delivering addiction disorder treatment services to homeless people that address these flaws in the mainstream system exist and have been proven effective in demonstration projects sponsored by the National Institute on Alcohol Abuse and Alcoholism. Unfortunately, federal funding has not been made available to build on these findings in a concentrated way—a problem that a targeted homeless addiction treatment program would address.

Establishment of a targeted homeless addiction treatment program within HHS is consistent with the intent of Congress, as reflected in FY 1999 Senate Labor-Health and Human Services-Education appropriations report language, which encourages HHS to establish a targeted treatment program; and FY 1999 Senate Veterans Affairs-Housing and Urban Development (HUD)-Independent Agencies report language and the House-passed reauthorization (H.R. 217) of the Stewart B. McKinney Homeless Assistance Act, which require HUD to spend a greater percentage of its homeless assistance funds on permanent housing, and in so doing limit its ability to fund supportive services such as addiction disorder treatment. Establishment and funding of a homeless addiction disorder treatment program would enable HHS to partially satisfy this Congressional expectation.

Accordingly, we urge the Administration to request at least \$100 million for an addiction disorder treatment program targeted to the unique needs and life circumstances of homeless people in its FY 2000 budget submission.

As you know, Congress has signaled its support for HHS homeless assistance programs by providing funding for them in the FY 1999 Labor-HHS-Education appropriations bills approved by appropriations committees in both the House and Senate at levels that surpass the Administration's FY 1999 request. We urge the Administration to “set the bar high” in its FY 2000 budget submission and recommend significant increases for the few health and human services programs designed specifically for homeless children, youth, families, and adults. We are confident that when put to the challenge, Congress will respond favorably to the Administration's recommended investment levels.

The Honorable Bruce Reed
October 14, 1998
Page Four

We look forward to working with the Clinton Administration to assure growth in the Department of Health and Human Services' homeless assistance programs. Please have your staff contact our organizations if we can be of further assistance as the Administration prepares its FY 2000 budget.

Sincerely,



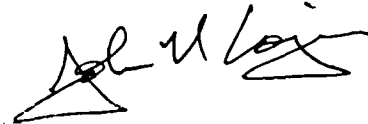
Paula Van Ness
Executive Director
National Alliance to End Homelessness



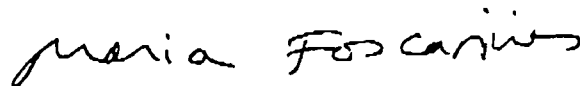
Mary Ann Gleason
Executive Director
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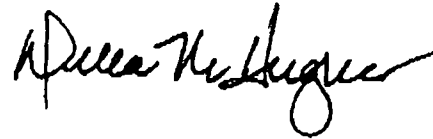
Linda Boone
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John Lozier
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Maria Foscarinis
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