Permanent Supportive Housing (PSH)
September 2021

Brief Description
In 2020 there was a 15% increase in people experiencing chronic homelessness (officially defined) as someone with a disability who has been continuously homeless for one year or more or has experienced at least four episodes of homelessness in the last three years where the combined length of time homeless on those occasions is at least 12 months. Permanent supportive housing (PSH) is a multidisciplinary approach that cuts across the housing and health care systems to address the needs of people experiencing chronic homelessness. Eligibility is based on having a long-term disability, experiencing homelessness or unstable housing, or experiencing multiple barriers in maintaining housing stability. PSH is permanent housing with indefinite (non-time-limited) leasing or rental assistance and an array of voluntary supportive services.

Is It a Good Fit for My Agency?
Community-based organizations that serve clients at risk of chronic homelessness may wish to consider a PSH program or partner with other organizations or providers to provide the housing or service components of PSH.

Equitable Access to PSH
People who are African-American/Black, Hispanic/Latino, Native Hawaiian, and/or indigenous Alaska Native, Native Americans, and Pacific Islanders) remain disproportionately represented in the homeless population. Moreover, the experiences of individuals experiencing homelessness in rural areas may differ from those living in non-rural areas because of issues like the availability of housing, transportation, programs, and services. It is important that housing and services developed for and provided to diverse tenants, including those in rural areas, be equitable and culturally responsive. PSH supports equitable access to housing by maintaining that people or families experiencing homelessness do not need to be “housing ready” and are capable of maintaining a home when provided the opportunity and supportive services.

How Does It Work?
PSH typically follows the Housing First approach, meaning that people experiencing homelessness don’t need to progress through various service programs. Moreover, not all problems, including those related to behavioral health, need to be addressed before individuals can be housed—or as a condition of their retaining housing.

Critical elements of PSH include:
- Tenants having a lease or sublease and full tenancy rights.
- Housing is not time-limited.
- Preferences for housing are identified and choices are provided.
- Housing is affordable and tenants don’t pay more than 30% of their income towards rent and utilities.
- Housing is integrated, and tenants interact with neighbors who do not have a disability.
- Participation is voluntary, and tenants don’t get evicted for refusing services.
- Tenants receive services based on their needs and choices.
- Services promote recovery and help people choose, get, and keep housing.
- Housing and services are provided separately.

There are three main PSH models or housing types:
- Single site model: Most units in the housing building(s) are dedicated to tenants in supportive housing. Supportive services are typically delivered within the housing building.
- Scattered-site model: Most units/apartments are located throughout the community. Units are rented at market rates with money from funding sources such as housing vouchers. Supportive services within this model can be provided within the housing or off-site in the community.
- Mixed or integrated housing model: A single property or building will have both supportive and affordable housing units and will include tenants who are not part of the PSH program. Supportive services within this model can be provided on-site within the housing property and off-site in the community.

The services provided to PSH tenants include case management and care coordination, health and behavioral health services, and other services and supports to help tenants get and keep their housing (e.g., assistance with getting benefits and entitlements, independent living skills/education, peer support/recovery support, financial management skills/education, and referrals to community services and resources).
Housing and Health Collaborations

Some organizations may choose to establish a PSH program while others may choose to establish housing and health collaborations with the organizations that operate a PSH program. The Urban Institute developed a guide that covers crucial steps in collaborations, including formalizing commitments, selecting a target population, building a service package around that population, developing staff models, and coordinating between partners through regular communication and data sharing.

Potential Funding Sources

PSH requires three types of funds: capital, operating, and services. Funding is available from the government (federal, state, and local governments or authorities), private corporations and financial institutions, and philanthropy. It is important to consider what kind of funding aligns with the program model.

The three types of funds are described below.

- **Capital funds** to acquire, build, or rehabilitate units to be dedicated to PSH. Funding is available from the Low-Income Housing Tax Credit, the National Housing Trust Fund, Home Investments Partnership Program/Community Development Block Grant, Pay for Success/Social Impact Bond, US Department of Housing and Urban Development (HUD’s) Section 811 Supportive Housing for Persons with Disabilities, Federal Home Loan Bank, Hospital and Health System Investment, and New Market Tax Credits.

- **Operating funds** to cover operating costs such as property management, staffing, utilities, maintenance, insurance, and taxes. There are two types of rental assistance: tenant-based, which is attached to the tenant and moves with them if they move or relocate, and project-based, which is attached to the property or building, and the subsidy stays with the unit if the tenant moves. Some funding sources for operating funds are Federal Rental Assistance Vouchers such as from HUD, State Housing Vouchers, and Flexible Housing Pool.

- **Services funds** to cover direct services like mental health counseling and case management, and costs associated with supporting the tenants including through life and job skills training. Funding sources for service funds include Medicaid, CoC programs, the Department of Health and Human Services, including SAMHSA, and state and local programs. The funding of the supportive services in PSH typically relies on the use of “braided” or “blended” funding.

Benefits of the Program

Housing has been identified as a fundamental human need that is essential for health and well-being.

- PSH has been shown to help people who experience chronic homelessness maintain housing stability over a 1-to-2-year period.

- PSH has been shown to reduce perceived stress, depression, and other mental health problems.

- Housing stability through PSH is the foundation for pursuing other health and social services goals, and reduces disruptions to employment, social networks, education, and the receipt of social service benefits.

- PSH has also been found to result in fewer expenses for homeless shelters, jails and prisons, hospitals, ambulances, and emergency departments.¹ ²

How to Learn More

More information is available at Substance Abuse and Mental Health Services Administration’s Permanent Supportive Housing Evidence-Based Practices KIT, the CSH (Corporation for Supportive Housing), the Technical Assistance Collaborative, and the United States Interagency Council on Homelessness (USICH). The Urban Institute also has resources for building teams for health and housing collaborations and implementing housing and health collaborations.


² See The Corporation for Supportive Housing - CSH