

COUNTY OF MILWAUKEE
Inter-office Memorandum

DATE: May 27, 2016

TO: Theodore Lipscomb, Sr., Chairman, Milwaukee County Board of Supervisors

FROM: Héctor Colón, Director, Department of Health and Human Services
Prepared by James Mathy, Administrator, Housing Division

SUBJECT: **Report from the Director, Department of Health and Human Services, requesting authorization to enter into purchase of service contracts to support the Housing Division's Housing First Initiative in the amount of \$152,000 for additional case management services**

Issue

The Director, Department of Health and Human Services (DHHS), is requesting authorization for DHHS to execute purchase of service contracts with community agencies for the Housing Division in the amount of \$152,000 for additional case management services.

Background

In 2015, the Housing Division announced Milwaukee County's Plan to End Chronic Homelessness by 2018 using the Housing First philosophy. This philosophy offers homeless individuals barrier free housing without conditions. Once an individual is placed into permanent housing as quickly as possible, wraparound services are offered. These services are all voluntary and client specific so each participant can choose their service array. Since the Housing Division began this initiative with its partners, 145 chronically homeless individuals and families have been placed into housing within six months. The recent point-in-time data released in May shows approximately a 70 percent reduction in chronically homeless individuals from the 2014 data used when the plan was released.

The Housing Division has partnered with several agencies to provide case management services for participants in the Housing First program. A majority of the County's partner agencies have been homeless shelter providers due to their expertise with this population. With the assistance of these service providers, there has yet to be an eviction in the Housing First program and 100 percent of participants have voluntarily accepted case management services.

Discussion

The Housing Division has an opportunity to house many additional homeless individuals and families through our existing Section 8 program. A majority of these participants will need case management services in order to be successful in permanent housing. Through our experience with Housing First, the Division has shown that the addition of wraparound services allows individuals to be far more successful in maintaining their permanent housing unit. Nationally, providing these services have shown to dramatically reduce expensive public service costs for

this population such as emergency room visits, inpatient psychiatric hospitalizations, police time, and court appearances. Following the success of the Division's existing partners, the Housing Division is proposing to add an additional case management position at each agency through purchase of service contracts with the following agencies in the amounts shown below:

<u>Agency</u>	<u>Contract Amount</u>
Cathedral Center	\$12,000
Community Advocates	\$35,000
Guest House	\$35,000
Hope House	\$35,000
Salvation Army	<u>\$35,000</u>
Total	\$152,000

Through these contracts, agencies will be able to provide case management services to approximately 125 homeless individuals and families. Cathedral Center will be partially funded. Funds outside Milwaukee County will be used for the remainder of the contract.

Recommendation

It is recommended that the Milwaukee County Board of Supervisors authorize the Director of DHHS, or his designee, to enter into purchase of service contracts for case management services for a total cost of \$152,000. The contracts would be effective for the period of June 1, 2016 through December 31, 2016.

Fiscal Impact

There is no tax levy impact associated with approval of this request in 2016. DHHS anticipates an overall surplus in its purchase of service contract line for 2016.

Respectfully Submitted:



Héctor Colón, Director
Department of Health & Human Services

cc: County Executive Chris Abele
Raisa Koltun, County Executive's Office
Kelly Bablitch, County Board
County Supervisor Peggy Romo-West, County Board
Teig Whaley-Smith, Director, DAS
Steve Kreklow, Director, Office of Performance, Strategy & Budget
Steve Cady, Research Director, Comptroller's Office
Lisa Wozny, Budget Analyst - DAS
Erica Hayden, Research & Policy Analyst – Comptroller's Office