

The Cost of Youth Homelessness in Oregon

BACKGROUND



In 2021, ODHS's Youth Experiencing Homelessness Program (YEHP) partnered with the Corporation for Supportive Housing (CSH) to complete a Statewide Needs Assessment for Youth Experiencing Homelessness to establish the level of need for housing and services for young people experiencing homelessness. In 2022, ODHS partnered with CHS to conduct a cost analysis to illustrate the state of Oregon's opportunity to realize cost avoidance by connecting young people with the right combination of housing aligned with supportive services.

If homelessness was ended for 25% of Oregon Youth, the projected cost avoidance could total \$16.6 million annually.

If homelessness was ended for all youth in Oregon, the projected cost avoidance could total \$66 million annually.

POTENTIAL COST AVOIDANCE BY SYSTEM



Youth homelessness is a broad and systemic challenge that intersects many systems.

1 PHYSICAL AND BEHAVIORAL HEALTH: HOSPITAL COSTS

The total cost of ED visits for young people with child welfare involvement and behavioral health diagnoses was \$351,869 annually (which is likely an underestimate). There is a potential for up to a 26% decrease in healthcare costs for a cost avoidance of \$91,486.

2 CHILD WELFARE: SHELTER COSTS

According to the National Youth in Transition Database, 772 youth report experiencing homelessness after leaving the child welfare system. The average annual cost of a shelter bed for a young person is \$12,617. There is potential for a 27% reduction in the utilization of emergency shelters by preventing youth homelessness which represented a cost avoidance of \$2,629,342.

3 LEGAL SYSTEM: JAIL DAYS

The average cost of detention in the Oregon Juvenile legal system is currently \$350/day and the average number of young people in custody is 452. There is the potential for an 87% cost reduction when these youth are provided housing plus services. This represented a potential cost avoidance of \$41,014,932.

4 EDUCATION & EMPLOYMENT: UNDEREMPLOYMENT & TAX LOSS

Based on the data quantifying annual lost tax revenue and lost wages for youth experiencing homelessness, the 8,278 young people at risk of or experiencing homelessness represent an overall potential reduction in economic impact for Oregon of over \$99M. If 23% of young people become employed when connected with housing and services, this represents \$22,814,913 in uncaptured tax revenue for the State.

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RECOMMENDATIONS & PROMISING PRACTICES



DIRECT CASH TRANSFER (DCT) PROGRAMS

DCT programs are a poverty reduction measure that provides cash directly to participants and offers a path for youth to sustainably exit homelessness. They have been shown to reduce housing instability, boost savings, increase school attendance, and contribute to improved mental health. DCT programs are more cost effective than traditional youth homelessness interventions, require low overhead, and are easily accessible.

RURAL HOMELESSNESS & HOST HOMES

Host homes are a primarily short-term (1-6 months) intervention for youth experiencing homelessness. Host-home programs are a scalable and cost-effective intervention. They rely on minimal staffing and are heavily volunteer-run, centering on community members opening their homes.

FUNDING

ODHS and its partners should continue to advocate for additional funding appropriations toward the goal of ending and preventing youth homelessness. This cost analysis further establishes the value case for a significant investment in housing and services considering the potential for over \$39M in cost avoidance annually with even a 25% reduction in youth experiencing homelessness

CROSS-DEPARTMENT COLLABORATION

While young people are in the care of the state, they are often involved with multiple systems, so it is vital that Oregon builds prevention efforts into its juvenile legal, child welfare, and education systems.

DATA INTEGRATION

In future updates to the System of Care Dashboard, statewide partners should integrate the data from the HMIS and education systems. If this data can be unduplicated, it will create a clearer picture of how young people are impacted and involved with statewide systems.

SCALING & CAPACITY BUILDING

ODHS should work closely with the Youth Advisory Board and statewide partners to prioritize new housing and services investments toward designing and scaling interventions that work for young people. This includes an expansion of long-term rental assistance and services as well as outreach, crisis response, and permanent supportive housing.