



Institute for
Policy Integrity
new york university school of law

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VIA ELECTRONIC COMMUNICATION

Regulations Division
Office of General Counsel
Department of Housing and Urban Development
451 7th Street S.W., Room 10276
Washington, DC 20410

Re: Homeless Management Information Systems Requirements, Docket No. FR—5475—P—01, 76 Federal Register 237, 76917 (Dec. 9, 2011)

Homeless Emergency Assistance and Rapid Transition to Housing: Emergency Solutions Grants Program and Consolidated Plan Conforming Amendments, RIN: 2506-AC31, Docket No. FR—5474I—01, 76 Federal Register 233, 75954 (Dec. 5, 2011)

Dear Secretary Donovan,

The Institute for Policy Integrity at New York University School of Law (Policy Integrity) respectfully submits this letter to the Department of Housing and Urban Development (HUD) in response to two rulemakings called for by the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009 (HEARTH Act). One of these rules will implement the new Emergency Solutions Grant (ESG) Program with a heightened focus on homelessness prevention.¹ The other rule will update regulations governing Homeless Management Information Systems (HMIS).² Both rules will apply the definitions of “homeless,” “homeless individual,” “homeless person,” and “homeless individual with a disability,” that are subjects of an ongoing rulemaking.³

Policy Integrity submits these comments to guide HUD in evaluating the performance of its restructured ESG program, with an eye toward sponsoring the collection and analysis of relevant data at local and national levels. Policy Integrity is a nonpartisan think-tank dedicated to improving the quality of government decision-making through advocacy and scholarship in the fields of

¹ Homeless Emergency Assistance and Rapid Transition to Housing: Emergency Solutions Grants Program and Consolidated Plan Conforming Amendments, Interim Final Rule, RIN 2506-AA31, Fall 2011 Unified Agenda, *available at* <http://www.reginfo.gov/public/servlet/ForwardServlet?SearchTarget=Agenda&textfield=2506-ac31>.

² Homeless Emergency Assistance and Rapid Transition to Housing: Homeless Management Information System, Proposed Rule, RIN 2506-AA32, Fall 2011 Unified Agenda, *available at* <http://www.reginfo.gov/public/do/eAgendaViewRule?pubId=201104&RIN=2506-AC32>.

³ See “Homeless Emergency Assistance and Rapid Transition to Housing: Defining ‘Homeless,’” 75 Fed Reg. 25041 (Apr. 10, 2010) (comment period closed June 10, 2010).

administrative law, economics, and public policy.

Policy Integrity makes the following recommendations for the development of ESG regulations under the HEARTH Act:

- HUD should evaluate ESG grants and funded programs using evidence-based decision-making.
- HUD should modify HMIS regulations to encourage the collection of both pre-intervention and post-intervention data.
- HUD should modify HMIS regulations to guide local data collection.
- Regulations promulgated under the HEARTH Act should enhance the ability of localities to link databases and share information with researchers.
- HUD should implement standards for national data collection and facilitate research.

I. HUD SHOULD EVALUATE THE EMERGENCY SOLUTIONS GRANT AND FUNDED PROGRAMS USING EVIDENCE-BASED METHODS

Evidence-based methods are those that can be shown by scientific method to achieve desired outcomes. This requires the identification of measurable goals that can be evaluated empirically through research directly connecting outcomes and methods, extrapolating relationships through a chain of causally linked outcomes, and appropriately generalizing from samples to the larger population.

As evidenced by executive orders, budget proposals, and the HEARTH Act, the White House and Congress would support evidence-based decision-making with respect to the ESG program.

Presidential Policy Supports Evidence-Based Decision-Making

Evidence-based decision-making by administrative agencies has been consistently supported by the White House. Executive Orders 12,866 and 13,563 require the use of cost-benefit analysis for “significant” agency rulemakings.⁴ These orders reflect a continuing commitment to ensuring that the government promulgates regulations that produce the greatest net benefits, as well as to ongoing assessment of existing regulations. To this end, President Obama’s budgets for fiscal years 2011⁵ and 2012⁶ allocated additional funding to rigorous agency program evaluations; these allocations are part of the White House’s broader effort to “[instill] a culture of learning into Federal programs.”⁷ As the OMB has explained:

Good program evaluations help answer questions such as whether workers are safer in facilities that are inspected more frequently, whether one option for turning around a low-performing school is more effective than another, and whether outcomes for families are substantially improved in neighborhoods that receive intensive services. A central pillar of good government is a culture where answering such questions is a fundamental

⁴ See Exec. Order No. 12,866 § (1)(a), 58 Fed. Reg. 51,735, 51,741 (1993) (“in choosing among alternative regulatory approaches, agencies should select those approaches that maximize net benefits”); Exec. Order No. 13,563 § (1)(c), 76 Fed. Reg. 3,821 (2011) (instructing agencies to “use the best available techniques to quantify anticipated present and future benefits and costs as accurately as possible”).

⁵ OFFICE OF MGMT. & BUDGET, EXEC. OFFICE OF THE PRESIDENT, ANALYTICAL PERSPECTIVES, BUDGET OF THE UNITED STATES GOVERNMENT, FISCAL YEAR 2011 at 91–92 (2010), available at <http://www.gpoaccess.gov/usbudget/fy11/pdf/spec.pdf> [hereinafter ANALYTICAL PERSPECTIVES 2011].

⁶ OFFICE OF MGMT. & BUDGET, EXEC. OFFICE OF THE PRESIDENT, ANALYTICAL PERSPECTIVES, BUDGET OF THE UNITED STATES GOVERNMENT, FISCAL YEAR 2012 at 83–85 (2011), available at <http://www.gpoaccess.gov/usbudget/fy12/pdf/BUDGET-2012-PER.pdf>.

⁷ ANALYTICAL PERSPECTIVES 2011, *supra* note 5, at 92.

part of program design and where agencies have the capacity to use evidence to invest more in what works and less in what does not.⁸

Given sufficient resources, HUD should conduct its own cost-benefit and cost-effectiveness analyses of the ESG program and its grantees. This is the best way for HUD to continually ensure that its funding is being allocated to effective homelessness prevention programs and encourage grantees to adopt best practices. However, we acknowledge that HUD receives a limited budget for its Policy Development & Research division,⁹ which may not allow it to conduct these studies at present, especially because much of its funding is earmarked by Congress for specific purposes or already assigned to existing surveys.¹⁰ Recognizing this, our recommendations reflect HUD's current constraints. In the longer term, however, HUD should seek to increase its research budget to fund its own cost-benefit analysis of the ESG program or obtain funding pursuant to the President's initiative for a program evaluation.

The HEARTH Act Requires the Use of Evidence-Based Evaluation Methods

The language and legislative history of the HEARTH Act requires that HUD use evidence-based methods in evaluating ESG programs.

Prior to the HEARTH Act, all Continuum of Care and Homelessness Prevention and Rapid-Rehousing Program grantees were required to collect and input data into HMIS.¹¹ The HEARTH Act reemphasizes this obligation by requiring the Secretary of Housing and Urban Development to promulgate regulations to "ensure the consistent participation by emergency shelters and homelessness prevention and rehousing programs in any applicable community-wide homeless management information system."¹² Reports generated from this data are meant to "produce an unduplicated count of homeless persons, understand patterns of service use, and measure the effectiveness of homeless programs."¹³

Under the HEARTH Act, the programs receiving Emergency Solutions Grants may use the funds for a variety of activities.¹⁴ This includes the "provision of essential services related to emergency shelter or street outreach, including services concerned with employment, health, education, family support services for homeless youth, substance abuse services, victim services, or mental health services," so long as (1) the local government is not providing these services and (2) the use of ESG grant money would "*complement* the provision of those essential services."¹⁵ The HEARTH Act does

⁸ *Id.* at 91.

⁹ OFFICE OF MGMT. & BUDGET, EXEC. OFFICE OF THE PRESIDENT, BUDGET OF THE UNITED STATES GOVERNMENT, FISCAL YEAR 2012 at 97 (2011), available at <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2012/assets/housing.pdf> (listing a \$48 million budget for HUD's Policy Development & Research office for fiscal year 2010 and an estimated \$57 million for fiscal year 2012).

¹⁰ Committee to Evaluate the Research Plan of the Department of Housing and Urban Development, National Research Council, *Rebuilding the Research Capacity at HUD* 28-32 (Program on Hous. and Urban Policy Working Paper Series, Professional Report No. P10-001, 2008), available at <http://www.nap.edu/catalog/12468.html>.

¹¹ Homeless Management Information Systems: Data and Technical Standards Final Notice, 69 Fed. Reg. 45888 (July 30, 2004); American Recovery and Reinvestment Act of 2009, *supra* note 6, at tit. XII.

¹² *Id.*

¹³ About HMIS, U.S. DEP'T OF HOUS. AND URBAN DEV., <http://www.hmis.info/About.aspx> (last visited Sept. 25, 2011).

¹⁴ This includes renovation or conversion of buildings, maintenance and provisions for emergency shelter, rental assistance "to provide short-term or medium-term housing to homeless individuals or families or individuals or families at risk of homelessness", housing relocation, legal services etc. Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009, Pub. L. No. 111-22, 123 Stat. 1663, 1679 (2009) [hereinafter HEARTH Act].

¹⁵ *Id.* (emphasis added).

not define “complement” in this context. Where, as here, “Congress leaves a statutory term undefined, it makes an implicit ‘delegation of authority to the agency to elucidate a specific provision of the statute’ through reasonable interpretation.”¹⁶ HUD can reasonable interpret the HEARTH Act’s requirements of evidence-based decision-making to require the agency—and the grantees themselves—to determine whether ESG funds would “complement” essential services by demonstrating that the money is being used effectively to promote those goals.

In addition, the HEARTH Act explicitly requires that recipients of competitive Continuum of Care grants use evidence-based methods to compete for additional funds. The HEARTH Act creates the mechanism for HUD to designate Continuum of Care programs as “high performing communities” that demonstrate through “reliable data” that they have met five specific requirements.¹⁷ Given the HEARTH Act’s recognition of the importance of “reliable data” in the Continuum of Care context, to the extent feasible, HUD should similarly use data-based methods when allocating funds and evaluating ESG recipients.

Moreover, the legislative history of the HEARTH Act demonstrates congressional intent to expand data-based decision-making. In introducing the HEARTH Amendment to the Senate, Senator Kit Bond, one of the amendment’s primary co-sponsors, emphasized the importance of data-based decision-making. In his introductory statement, Senator Bond noted that the HEARTH Act incorporates key lessons of the past several years, including “the importance of gathering data and analyzing the characteristics of our homeless population to design and target funds to programs needed to serve the homeless.”¹⁸ He noted that inclusion of HMIS systems in HUD homelessness programs has become a “critical tool” for local grantees.¹⁹ Similarly, co-sponsor Senator Jack Reed of Rhode Island noted that the HEARTH Act “increase[s] the focus on practices and programs that have demonstrated results”²⁰ and will “increase the emphasis on performance by measuring applicants’ progress at reducing homelessness.”²¹

II. HUD SHOULD MODIFY HMIS GUIDELINES TO INFORM LOCAL DATA COLLECTION

As detailed below, HUD has taken significant steps to increase data collection. However, HUD should go much further and expand HMIS data collection requirements to include both pre-intervention and post-intervention data.

In 2001, Congress “directed [that] HUD take the lead in requiring every jurisdiction to have unduplicated client-level data within three years” through the creation of Homeless Management Information Systems.²² To encourage data collection, Congress specified that a portion of a

¹⁶ *Grand Canyon Air Tour Coal. v. Fed. Aviation Admin.*, 154 F.3d 455, 474 (D.C. Cir. 1998) (quoting *Chevron U.S.A. v. Natural Res. Def. Council*, 467 U.S. 837, 843–44 (1984)).

¹⁷ *Id.* at 1687. The five requirements include: (1) limiting the mean term of homelessness to less than twenty days or 10% of the previous year’s mean; (2) limiting to five percent the number of families who leave homeless and become homeless again within two years or decrease the number of families who fall back into homeless within two years by at least 20%; (3) actively encouraging participation in available services and including each served individual or family in homeless data systems; (4) demonstrating effectiveness at reducing homelessness; and (5) demonstrating flexibility under other applicable statutes.

¹⁸ 155 CONG. REC. S4438 (daily ed. Apr. 20, 2009) (statement of Sen. Kit Bond).

¹⁹ *Id.*

²⁰ 155 CONG. REC. S4357 (daily ed. Apr. 2, 2009) (statement of Sen. Jack Reed).

²¹ *Id.*

²² U.S. DEP’T OF HOUS. AND URBAN DEV., OFFICE OF COMMUNITY PLANNING AND DEVELOPMENT, HUD’S STRATEGY FOR HOMELESS DATA COLLECTION, ANALYSIS AND REPORTING (2001).

grantee's HUD funding could support HMIS implementation.²³ In response, HUD promulgated regulations to require that grantees of all McKinney-Vento grant programs create and use a HMIS.²⁴ In 2009, HUD amended its HMIS standards to address the evolving needs of communities working to end homelessness and to respond to congressional directives. Although the 2009 directive expanded the amount of data required in local HMIS,²⁵ it did not go far enough. The 2009 directive does not require grantees to collect and input information into HMIS regarding post-intervention outcomes for the grantees' clients. Still, both the 2004 and 2009 directives represent HUD's recognition that HMIS can "enable organizations that operate homeless assistance and homelessness prevention programs to improve case management by collecting information about client needs, goals, and service outcome."²⁶

In 2009, Congress reaffirmed the importance of data-based methods of evaluation in creating the Homelessness Prevention and Rapid-Rehousing Program (HPRP). Its authorizing legislation, the American Recovery and Reinvestment Act of 2009, "identified HMIS as the primary tool for the collection of data on the use of funds awarded and persons served."²⁷ Under HPRP, which was administered according to the ESG grant formula, all grantees were required to submit HMIS data quarterly.²⁸ Moreover, HPRP required that "[g]rantees and subgrantees comply if asked to participate in HUD-sponsored research and evaluation of HPRP."²⁹ Recently, HUD has reached out to grantees in determining "lessons learned" from the HPRP programs.³⁰

The 2009 modifications to HMIS Data Standards³¹ expanded the amount of HMIS data required of McKinney-Vento grantees. Most changes focused on uniformity with other federal programs and increased reporting of certain program-specific data elements. Importantly, the new standards require that grantees input information into HMIS regarding income and non-cash benefits for program participants yearly while in the program, in addition to at entry and exit.³² Indeed, these changes represent a recognition that HUD should require more data in HMIS to "ensure that the HMIS is the central repository for all information about homelessness in the [Continuum of Care], including both programs and clients."³³

²³ *Id.*

²⁴ Homeless Management Information Systems: Data and Technical Standards Final Notice, 69 Fed. Reg. 45888 (July 30, 2004).

²⁵ U.S. DEP'T OF HOUS. AND URBAN DEV.: HOMELESS MANAGEMENT INFORMATION SYSTEM (HMIS) DATA STANDARDS, REVISED DRAFT NOTICE 5 (2009).

²⁶ *Id.* at 1.

²⁷ *Id.* at 3.

²⁸ HPRP Reporting Deadlines, U.S. DEP'T OF HOUS. AND URBAN DEV., available at <http://www.hudhre.info/hprp/index.cfm?do=viewHPRPData>.

²⁹ U.S. DEP'T OF HOUS. AND URBAN DEV., NOTICE OF ALLOCATIONS, APPLICATION PROCEDURES, AND REQUIREMENTS FOR HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM GRANTEEES UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009, 18 (2009).

³⁰ U.S. DEP'T OF HOUS. AND URBAN DEV., CALL FOR HPRP INNOVATIVE PRACTICES & LESSONS LEARNED, available at <http://www.hudhre.info/index.cfm?do=viewResource&ResourceID=4439&cv=t2&keywords=hprp&programID=0&esystemID=0&productTypeID=0&resourceTopicID=0&faqTopicID=0&faqSubTopicID=0&datefrom=&dateto=&facetParent=&facet=&facetItem=&isFacetSearch=&sessionid=C56406E1FCC6A0F2234A7825A09F6C88&searchID=124659&searchtype=3&referrerType=bannerSrc&listSessionFilter=&listSearchwithin=&resourceinsearch=>.

³¹ U.S. DEP'T OF HOUS. AND URBAN DEV., OFFICE OF COMMUNITY PLANNING AND DEVELOPMENT, HOMELESSNESS MANAGEMENT INFORMATION SYSTEM (HMIS) DATA STANDARDS, REVISED NOTICE (March, 2010).

³² *Id.* at 4.

³³ *Id.*

Nevertheless, in order to allow for effective data-based evaluations of the ESG program and of the use of ESG funds by grantees, HUD should require that grantees collect and input more data into HMIS. Specifically, regulations under HEARTH should: (1) require the collection of both pre-intervention and post-intervention data to allow for more effective research; (2) emphasize the ability for localities to link databases with other service providers and share information with qualified researchers; (3) provide training to grantees to implement the new data standards; and (4) direct localities to increased administrative funding under HEARTH.

Ultimately, in its implementation of the program, HUD should focus on standardization across the HMIS system. This will create uniform data-points that HUD or other sources can use to evaluate the programs funded by ESG grants. To implement these recommendations, HUD may want to provide grantees with a one-time lump sum grant to be used only for preparation for and implementation of data collection programs. HUD should also provide training modules and technical assistance on the new standards, as it does for HMIS on a continuous basis.³⁴

HEARTH Regulations Should Encourage the Collection of Pre- and Post-Intervention Data

To effectively use HMIS as a tool for program evaluation, rather than for simply keeping track of participant use of homelessness programs, grantees should be required to collect both pre- and post-homelessness intervention data. As discussed below, several cities have demonstrated that collecting this data is both feasible and beneficial.

Under the 2009 Data Standards, grantees collect data at three points: (1) entry into the program, (2) each year a participant remains in the program, and (3) exit from the program. Although standardized input codes³⁵ allow HMIS to track participants entering or exiting specific programs, grantees are not required to monitor the long-term effects of those programs on the individual. Of course, when a client stops using homelessness intervention services, it cannot be assumed that he or she would no longer benefit from assistance or is no longer likely to become homeless.

Without requiring the collection of data regarding program participants prior to entry and after exit from ESG-funded programs, it will be impossible to effectively assess the benefits of ESG grants. Although current HMIS data collection techniques—if implemented properly—will collect information on future homelessness services use by individual clients, it will not collect information where clients do not receive additional interventions but may become or remain homeless. The current system also fails to require collection of data relating to common effects of homelessness, including health care costs, incarceration, and psychological effects. HUD should require that grantees collect this data in order to facilitate longitudinal studies. If it is not possible to collect the data for all clients, then HUD should instead require data for a sample of the programs' clients. Collecting this data for the 12 to 18 month periods prior to and after an intervention will enable grantees to determine whether their programs are reducing the social costs associated with homelessness in the time period immediately after an intervention is complete.

Programs that have attempted to evaluate the cost-effectiveness of their own interventions through longitudinal studies have been able to use those studies as the basis for increased intervention. For example, Denver's Ending Chronic Homeless Initiative, which received grant money from the Health Resources and Services Administration, HUD, the Substance Abuse and Mental Health Service Administration, and the Department of Veterans Affairs, received additional support from the City

³⁴ See HMIS.INFO, U.S. DEP'T OF HOUS. AND URBAN DEV <http://www.hmis.info> (containing training modules, reference documents, and a link to the HUDHRE Virtual Helpdesk).

³⁵ Homeless Management Information Systems: Data and Technical Standards Final Notice, 69 Fed. Reg. 45888, (July 30, 2004).

of Denver after demonstrating success through a longitudinal study.³⁶ For the study, participants signed waivers to release medical, psychiatric, legal, and substance abuse treatment records for the two-year period prior to intervention and the two-year period after intervention. Researchers were then able to track changes in healthcare and law enforcement costs over the two-year period after participants received intervention for chronic homelessness, finding a 60% decrease in utilization of emergency services.³⁷ This type of data collection enables comparison of individual outcomes prior to and after a HUD-funded intervention, facilitating cost-benefit and cost-effectiveness analysis of the ESG program. This study demonstrates that ESG grantees create benefits beyond HUD's mandate. These external benefits should be taken into account in cost-benefit analyses.

HEARTH Act Regulations Should Facilitate Database Linking and Information Sharing

Localities should rely on administrative data, in addition to their own data collection mechanisms, for both pre- and post-intervention data collection. It can be difficult to collect sufficient data on the cost of homelessness relying only on self-reporting by clients of homelessness prevention programs because the information can be unreliable. It is important, therefore, to rely on administrative databases in addition to self-reporting. HMIS data could be linked with databases from other local services to provide information that would allow researchers to study the correlation of various homelessness interventions with incarceration rates, emergency room stays, inpatient hospital visits, outpatient hospital visits, detoxification services, and mental health services.³⁸ Although data linking is not common today, localities that have implemented data sharing have seen some success at longitudinal evaluation of homelessness programs and evaluating costs of care. Linking databases in Philadelphia, Pennsylvania, for example, allowed researchers to look at the costs of chronic homelessness by incorporating the costs of shelter services, healthcare, and jail use.³⁹

HUD should encourage localities to integrate data systems to more thoroughly evaluate homelessness programs. For example, Allegheny County, Pennsylvania provides a template upon which other localities can base their data-sharing programs. Allegheny County created a Department of Human Services "Data Warehouse" and included HMIS data, child welfare data, health care data, developmental disability data, aging services data, employment and training data, county jail data, probation data, and public welfare data.⁴⁰ The County used this data to conduct a comparative study of homelessness program clients and determine what other services these clients were utilizing. The County was able to "illustrate the direct success of homeless programs and the need to grow the [Continuum of Care] infrastructure."⁴¹

³⁶ Jennifer Perlman and John Parvensky, Colorado Coalition for the Homeless, *Denver Housing First Collaborative: Cost Benefit Analysis and Program Outcomes Report* (2006).

³⁷ *Id.* at 13.

³⁸ Thomas L. Moore et al., Matching HMIS and Mainstream Databases: Possibilities and Challenges of Using Multiple Datasets for Research, Presentation at the 2006 National HMIS Conference (Sept. 18-19, 2006), available at [http://www.hmis.info/\(S\(ag1z5z55k5rsyc550efluo45\)\)/ClassicAsp/documents/23-Mainstream%20Database%20Matching.ppt](http://www.hmis.info/(S(ag1z5z55k5rsyc550efluo45))/ClassicAsp/documents/23-Mainstream%20Database%20Matching.ppt).

³⁹ Stephen R. Poulin et al., *Service Use and Costs for Persons Experiencing Chronic Homelessness in Philadelphia: A Population-Based Study*, 61 PSYCHIATRIC SERVICES 1095, 1095 (2010).

⁴⁰ U.S. DEP'T OF HOUS. AND URBAN DEV., OFFICE OF SPECIAL NEEDS PROGRAMS, BUILDING KNOWLEDGE, EFFECTIVENESS, AND CAPACITY: ADVANCING DATA ON HOMELESSNESS IN ELEVEN COMMUNITIES 40 (2010).

⁴¹ *Id.* at 42.

Data sharing should also be used to target various forms of homelessness interventions. In developing separate standards for rural homelessness,⁴² the HEARTH Act recognizes that homelessness prevention programs should be developed based on local needs—that a one-size-fits-all program will not efficiently reach the goal of ending chronic homelessness. Grantees should be required to target programs effectively within their own communities. In another study of Philadelphia, for example, the city used a combination of HMIS and crime data to map areas of high instances of new homelessness and high homicide rates; the city then focused specific programs in the areas in which the high levels of the two rates overlapped.⁴³

Presently, there is a gap in the research on the long-term effects of homelessness prevention and intervention efforts. Increased data linking with emergency, health, and law enforcement databases will help to eliminate some of these deficiencies. As noted by Professor Dennis Culhane, Director of Research for the National Center on Homelessness among Veterans, HUD can offer “technical assistance grants to assist researchers and communities in developing the appropriate data sharing protocols” to assist in this important endeavor.⁴⁴

While there are some privacy concerns regarding linking databases, overcoming these concerns will be essential in conducting sample studies of the true effectiveness of ESG grantee programs. As discussed above, it is important to include benefits outside of HUD’s mandates in any complete analysis. Local programs have demonstrated that it is possible to work around privacy concerns. For example, New York City has established HHS-Connect, a system that links administrative data from nine city-level social service agencies.⁴⁵ The city’s legal team and outside consultants were tasked with ensuring compliance with federal and state confidentiality laws, determining which data could legally be shared and obtaining Memoranda of Understanding to establish which data would be shared with particular types of staff at other agencies.⁴⁶ Alternatively, several social services agencies could share a common database; in Westchester County, New York, homeless and other services providers utilize a centralized intake system at case management centers.⁴⁷ In doing so, the county ensures both that clients receive necessary assistance at intake—such as mental health and emergency service—and that all data is centralized.

HUD Should Continue to Provide Training to Localities as they Implement HMIS Regulations

HUD has worked diligently to provide both training and feedback mechanisms for grantees implementing their own HMIS and should also provide significant support to grantees that add post-intervention data into their HMIS. In implementing HMIS data collection requirements, HUD

⁴² HEARTH Act at 1696.

⁴³ U.S. DEP’T OF HOUS. AND URBAN DEV., OFFICE OF SPECIAL NEEDS PROGRAMS, BUILDING KNOWLEDGE, EFFECTIVENESS, AND CAPACITY: ADVANCING DATA ON HOMELESSNESS IN ELEVEN COMMUNITIES (2010) at 2. As a result of this data mapping and data linking, the City of Philadelphia was able to develop a new homelessness program specifically targeting homelessness in areas of high crime.

⁴⁴ Dennis P. Culhane, *The Cost of Homelessness: A View from the United States*, 2 Eur. J. of Homelessness 97, 108 (2008).

⁴⁵ Press Release, City of New York, Mayor Bloomberg Appoints Kamal Bherwani as Chief Information Officer of Health and Human Services and Executive Director of HHS-Connect (Mar. 24, 2008), *available at* http://www.nyc.gov/portal/site/nycgov/menuitem.c0935b9a57bb4ef3daf2f1c701c789a0/index.jsp?pageID=mayor_press_release&catID=1194&doc_name=http%3A%2F%2Fwww.nyc.gov%2Fhtml%2Fom%2Fhtml%2F2008a%2Fpr099-08.html&cc=unused1978&rc=1194&ndi=1.

⁴⁶ Randy Washington, Accenture, *Data sharing: To share more and still comply with regulatory requirements*, HUMAN SERVICES SUMMIT 2011, <http://www.accenture.com/microsites/hpsv-integrated-service-delivery/research-and-insights/Pages/jan11-data-sharing.aspx>.

⁴⁷ National Alliance to End Homelessness, *Community Snapshot: Westchester County, NY*, *available at* <http://www.endhomelessness.org/content/general/detail/1524>; *Homeless Services*, WESTCHESTER COUNTY, <http://socialservices.westchestergov.com/homeless-services>.

provided grantees with training materials including distribution of training documents, use of training webinars, collection of feedback, and the creation of a HMIS national symposium to facilitate the sharing of best practices. Similarly, HUD should ensure that ESG grantees are educated and equipped with the tools necessary to begin collecting pre- and post-intervention data and to work with other administrative agencies to link databases.

HUD Should Emphasize Use of Increased Administrative Funding Under HEARTH and Designate Pilot Programs for Implementation

The HEARTH Act expands the portion of funds that grantees may use for administrative purposes from 5% to 7.5%.⁴⁸ Grantees should be required to use a portion of this increased administrative allocation to expand data collection to post-intervention data and to develop methods to link data with administrative agencies. Recognizing the cost of these evaluation programs, HUD may want to designate certain programs throughout the country for monetary support to implement local evidence based data collection practices. In conducting a system of rigorous sampling, HUD can achieve the benefits of evidence-based evaluation methods at lower cost.

III. HUD SHOULD IMPLEMENT STANDARDS FOR NATIONAL DATA COLLECTION AND FACILITATE RESEARCH

Under existing regulations, researchers seeking HMIS microdata must obtain it from local Continuums of Care,⁴⁹ rendering local studies in areas with wary Continuums of Care difficult and nationwide cost-benefit and cost-effectiveness studies nearly impossible. However, evaluation of ESG-funded homelessness prevention activities should be assessed on a national scale in order to determine where the funding is best spent. Even without a competitive grant-making process (as is the case with the ESG program), HUD could use such analysis to inform grantees of best practices and thus enable grantees to tailor the allocation of their funding to programs that better prevent homelessness.

To facilitate nationwide research on homelessness prevention, and specifically on the evaluation of HUD-funded programs, HUD should create a repository for HMIS microdata from all grantees. This repository could be administered by HUD, the National Center on Homelessness among Veterans at the United States Department of Veterans Affairs, or another entity. An advisory council should be appointed to decide not only how to collect and format the data, but also how to address privacy issues inherent to microdata releases.

Prior HUD efforts at collecting HMIS microdata have raised significant privacy concerns;⁵⁰ however, it is possible to protect the identity of clients while empowering researchers to conduct meaningful analysis. A common technique is de-identification of microdata, which removes identifying information from the data to prevent those who access it from attributing the data to a particular individual.⁵¹ This would enable HUD to provide client-level information to researchers while preserving the identities of individual clients. Other methods include providing a random sample of the microdata to researchers rather than entries for all clients, or requiring researchers to meet certain criteria or sign confidentiality agreements before allowing access to the microdata.

⁴⁸ Compare 42 U.S.C. § 11,378 (2010), with HEARTH Act at 1204.

⁴⁹ See, e.g., Jamison Fargo et al., *Prevalence and Risk of Homelessness among US Veterans: A Multisite Investigation* (2011), available at http://works.bepress.com/dennis_culhane/107.

⁵⁰ Homeless Management Information Systems: Data and Technical Standards Final Notice, 69 Fed. Reg. 45888, 45890 (July 30, 2004).

⁵¹ See Michael Greenstone, *Toward a Culture of Persistent Regulatory Experimentation and Evaluation*, in *THE TOBIN PROJECT, NEW PERSPECTIVES ON REGULATION* 119 n.3, (David Moss and John Cisternino, eds., 2009).

Other government agencies utilize the above techniques to provide raw data for academic research without identifying individual clients. The Social Security Administration (SSA) makes client-level information publicly available for 5% of the population served, but removes identifiers such as names and social security numbers.⁵² The SSA also obscures microdata that could lead to identification, such as extreme age in combination with gender and state of residence; for example, Social Security recipients born before 1912 are listed as being born in the state's average birth year for recipients born before 1912 instead of in their actual birth year.⁵³ Similarly, the Bureau of Labor Statistics National Longitudinal Surveys periodically interviews a sample of individuals born in particular years to assess "market activities and other significant life events" and provide this information to researchers.⁵⁴ The information available publicly does not contain data that could identify the individuals, such as their geographic locations. Researchers who require additional specificity must request access and sign a confidentiality agreement, and the most sensitive data is only available for on-site use at the Bureau of Labor Statistics National Office.⁵⁵ A repository for HMIS microdata could utilize many of the same precautions to protect the privacy of those who use ESG-funded services.

IV. CONCLUSION

The above recommendations for local data analysis and national collection of HMIS data would enable grantees and researchers to evaluate the cost-effectiveness of ESG-funded homelessness prevention activities. They are, however, not necessarily the only or the best ways for HUD to obtain the information it needs. Our recommendations reflect HUD's current constraints; in the longer term, however, HUD should fund its own cost-benefit analysis of the ESG program rather than relying upon the efforts of local grantees and academic researchers.

Respectfully submitted,

Michael A. Livermore
Lynn Eisenberg
Nina Thanawala
Jennifer S. Rosenberg

INSTITUTE FOR POLICY INTEGRITY
NEW YORK UNIVERSITY SCHOOL OF LAW

⁵² PUBLIC-USE MICRODATA FILE, 2001 DATA, SOCIAL SECURITY ADMINISTRATION, http://www.ssa.gov/policy/docs/microdata/ssr/ssr_csv.zip (last visited Sept. 25, 2011).

⁵³ SUPPLEMENTAL SECURITY INCOME (SSI) PUBLIC-USE MICRODATA FILE, 2001 DATA

DATA DICTIONARY AND FIELD DESCRIPTORS, SOCIAL SECURITY ADMINISTRATION, http://www.ssa.gov/policy/docs/microdata/ssr/ssr_dictionary.pdf (last visited Sept. 25, 2011).

⁵⁴ *National Longitudinal Surveys*, BUREAU OF LABOR STATISTICS, <http://www.bls.gov/nls/home.htm> (last visited Sept. 25, 2011).

⁵⁵ *National Longitudinal Surveys: Frequently Asked Questions*, BUREAU OF LABOR STATISTICS, <http://www.bls.gov/nls/nlsfaqs.htm#anch24> (last visited Sept. 25, 2011).