



U.S. Department of Housing and Urban Development  
451 7th Street S.W.  
Washington, DC 20410

September 16, 2016

Dear Sirs/Madams;

The University of Illinois Hospital and Health Sciences System (UI Health) provides the following comments on the funding formula for establishing a Continuum's Preliminary Pro Rata Need (PPRN). The System is deeply concerned about the impact of the proposed formula change on housing in Chicago for formerly homeless people and opposes the proposed formulas.

UI Health is an academic medical center with a 495-bed public hospital that serves the tertiary care needs of residents on the west and south sides of Chicago. Because of its role as an urban safety net hospital in the heart of Chicago, UI Health cares for a disproportionate number of persons who are homeless or are housing insecure.

In the last year, UI Health has partnered with the Better Health through Housing (BHH) Collaborative to house 25 homeless patients who are the highest utilizers of emergency department care. The patients are living with multiple chronic conditions, and many have co-occurring serious mental illness and substance use disorder. The project is a one-year pilot to demonstrate improved health outcomes and cost-savings that result from housing chronically ill homeless people, and test ways a hospital system and housing providers can work together.

The BHH partnership relies on rental subsidies funded through the Chicago CoC and a financial contribution for housing case management services from the health system. The results have been remarkable and include a 62% decline in emergency department utilization in just 10 months. Most importantly, the quality of life of life for the participants is improving dramatically as they live with dignity in their own units.

If implemented, the proposed new PPRN formula would dramatically cut funding for formerly homeless people who are currently stably housed. We estimate that 1,162 housing units and services would be eliminated in Chicago. Many former residents would again become homeless, exacerbating their multiple chronic health conditions and co-occurring behavior health disorders that have been stabilized due to housing. The impact on the health care system and cost to the state's Medicaid program would be astronomical.

The evidence is clear that *housing is healthcare*. The UIC-BHH partnership is proving that an urban health care system can collaborate with CoC-funded housing providers to reduce health care expenses and improve health outcomes for chronically homeless individuals. Moving from pilots to permanent partnerships requires long-term, stable funding, which would be severely reduced if the proposed PPRN formula is implemented.

We strongly urge HUD to revise its proposed formula to limit the impact on homeless people in Chicago.

Sincerely,

Dr. Avijit Ghosh

Chief Executive Officer

University of Illinois Hospital and Health Sciences System