

# Impacts of Permanent Supportive Housing on People Experiencing Homelessness: Evidence From Los Angeles County Administrative Data

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We leverage variation arising from the differential prioritization of individuals categorized as “chronically homeless” for permanent supportive housing (PSH) in a difference-in-discontinuities framework to determine the effects of the intervention relative to alternative homeless services. Consistent with literature on related programs, we observe significant reductions in future observable homelessness and provide evidence that less quantitatively rigorous evaluations likely understate the true impact of PSH due to selection bias. However, the effects of PSH appear to be driven almost entirely by an “incapacitation effect.” In other words, PSH prevents returns to homeless services because those who enter the program rarely exit, remaining housed in the PSH unit for years. On the one hand, this kind of low turnover suggests PSH may be too costly to scale in a way that would achieve broad reductions in homelessness. On the other hand, its demonstrated effectiveness among even the most chronically homeless may justify its expansion on the grounds that it can be effectively targeted towards the individuals for whom homelessness is most costly.

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