

3-16-22

Pam Allen
Maja Graham



Main Office | Housing |
Counseling
1600 N. Huron River Drive
Ypsilanti, MI 48197
734-662-2265

Drop-In Center
102 N. Hamilton Street
Ypsilanti, MI 48197
734-485-2222

Essential Funding Needed for Runaway and Homeless Youth Services:

As part of the Michigan Interagency Council on Homelessness (MICH) and the Michigan Network for Youth and Families (MNYF), we are asking for statewide investments that will provide the chronically homeless with access to stable housing, increase services to homeless youth, help communities access federal funds, and prevent families from becoming homeless.

Michigan State's budget for Runaway and Homeless Youth services has stayed nearly flat for 20 years. A recent study from the University of Michigan's Center for Poverty Solutions found that there were 22,444 high school aged youth experiencing homelessness in Michigan.

We are asking you to support a \$3 million annual increase in funding for runaway and homeless youth programs in order to expand service areas, improve capital needs, and increase staff retention for the 20 agencies that, like Ozone House, provide vital services to youth and families across our state.

It currently costs \$3,899 a month to serve one young person in emergency youth shelters for 10 to 17 year olds. This is significantly lower than the costs associated with the youth being involved in other systems such as the juvenile justice system, foster care system, or inpatient psychiatric treatment.

Cost of Youth Involvement in Other Systems:

System	Associated Costs
Long Term Homelessness	On average, a chronically homeless person costs taxpayers \$35,578 per year ¹ . Individuals who are chronically homeless are more likely to utilize emergency rooms, inpatient hospital stays, jails, and detoxification programs for substance use because of their lack of stable housing. Approximately one in three emergency room visits are made by individuals struggling with chronic homelessness; each trip to the emergency room costs approximately \$3,700 per visit and \$18,500 per year. 80% of these visits could have been treated with preventative care including safe and stable housing ² . Our emergency youth shelter works to prevent chronic homelessness by offering shelter services and physical and mental health support to homeless youth.

¹ National Alliance to End Homelessness (2017). "Ending Chronic Homelessness Saves Taxpayers Money"

² "Frequent Users of Health Services Initiative." The Lewin Group: Karen W. Linkins, PhD; Jennifer J. Brya, MA, PhD; Daniel W. Chandler, PhD. August 2008.



Main Office | Housing |
Counseling
1600 N. Huron River Drive
Ypsilanti, MI 48197
734-662-2265

Drop-In Center
102 N. Hamilton Street
Ypsilanti, MI 48197
734-485-2222

Human Trafficking	Runaway and homeless youth are at higher risk than their stably housed peers to human trafficking. The economic impact of trafficking leads to lower rates of participation in the legal labor market leading to less tax contributions from workers and traffickers; trafficking humans is the third largest source of profits in international crime ranging from 31.6 to 150 billion annually, about \$13,000 per victim ³⁴ . The troubling direct impacts on youth mental and physical health include post-traumatic stress disorder, anxiety, depression, suicidal ideation, sexual assault, etc. Youth who are trafficked are at risk of sexual abuse, malnutrition, poor dental health, and reproductive problems. Trafficked youth often have difficulties trusting authority figures especially if their trafficking situation was initiated or permitted by a guardian. Ozone House’s emergency youth shelter provides a safe environment where young people can access mental and physical health resources, receive shelter, and interact with adults to help re-build trust.
Juvenile Justice System	The Michigan Juvenile Justice system oversees youth under age 18. Costs within the system vary by facility, with public secure residential facilities averaging \$385-\$667 per day per youth and private facilities averaging \$202 per day per youth. Therefore, the monthly cost ranges from \$6,262 to \$20,677⁵ per youth. The comprehensive services of the emergency youth shelter helps to ensure that youth never enter the juvenile justice system.
Inpatient Psychiatric Treatment	Youth facing mental health crises who are not connected to the emergency youth shelter may instead go to inpatient psychiatric treatment. Depending on the hospital and mental health needs, stays can cost between \$807 and \$952 per night, and range from 3-11 nights ⁶ (\$8,877-\$10,472 monthly). Youth connected to emergency youth shelter mental health services can receive treatment to prevent inpatient hospital stays.
Foster Care System	In 2020, 14,356 children were in foster care in Michigan, this is a 24% increase from 2016 ⁷ . Foster care costs in Michigan range from \$130 to \$400 per day per child, depending on age and special needs. The monthly costs per child therefore can range from \$4,030 to \$12,400⁸ . In addition, annual administrative costs of foster care are about \$6,675 per child ⁹ . This brings the monthly cost of a child in foster care to between \$10,705 and \$19,075.

³ International Labor Organization (2017)

⁴ United Nations Office on Drugs and Crime (2008). “An Introduction to Human Trafficking: Vulnerability, Impact and Action.”

⁵ Carley, F. A Comparison of Michigan’s Residential Placement Options for Juvenile Delinquency Cases. May 2012.

⁶ Stensland M., Watson, PR., Grazier, KL. An Examination of Costs, Charges, and Payments for Inpatient Psychiatric Treatment in Community Hospitals. American Psychiatric Association, 63:7. 2102. Pp. 666-671.

⁷ Foster Care Capacity (2020). Michigan Data.

⁸ MDHHS (2020). Foster Care Payment Eligibility and Rates.

⁹ National Council for Adoption (2020).

HOMELESS AND RUNAWAY YOUTH OF MICHIGAN

HYR programs have partnered with MDHHS since 1973 to provide homeless and runaway youth and families in crisis with housing and vital supportive services across the state.

 **22,444**

HIGH SCHOOL AGED YOUTH WERE HOMELESS IN 2019

93%

OF YOUTH WHO EXITED HYR PROGRAMS LEFT TO A SAFE HOUSING SITUATION IN 2021



1,016
YOUTH RECEIVED RESIDENTIAL SERVICES IN 2021

74%

OF HOMELESS YOUTH



reported mental health and/or substance abuse by family members or caregiver as the primary reason for their homelessness

53%

OF HOMELESS YOUTH REPORTED TWO OR MORE ACES



(Adverse Childhood Experiences)

In 2019, the Senate adopted Resolution #8 declaring that ACEs constitute a critical health issue in Michigan and commit to an ongoing strategy to significantly reduce ACEs.

INVESTING IN MICHIGAN'S FUTURE

Homelessness during adolescence is the number one predictor of chronic homelessness in adulthood

\$3 million annual increase in HYR funding

Expand contracted service areas to regional gaps in service and provide comprehensive state-wide coverage of quality services to youth and their families.

Increase staff retention and training to provide services to youth with complex needs including mental health.

Technology and capital upgrades to maintain high quality programming and safe high quality environments.

