



RHODE ISLAND PAY FOR SUCCESS ACT
Annual Report to the Governor and General Assembly
Reporting Period: Calendar Year 2024
Submitted January 30, 2025

REPORTING REQUIREMENT:

Relating to State Affairs and Government – Rhode Island Pay for Success Act

Rhode Island General Laws Section 42-160-3

webserver.rilegislature.gov//Statutes/TITLE42/42-160/42-160-3.htm

The Executive Office of Health & Human Services (EOHHS), in collaboration with the Rhode Island Coalition to End Homelessness (RICEH), shall provide yearly progress reports to the general assembly beginning no later than January 30, 2022, and annually thereafter until January 30, 2027. These reports will include recommendations on a proposed structure for entering into pay for success contracts, for administering the program, and for any and all matters related thereto that the EOHHS deems necessary to administer future pay for success projects at the conclusion of the pilot program in 2026. As a condition of this project, HUD requires that a third party conduct a transparent and rigorous evaluation of the intervention to determine whether the outcomes have indeed achieved success. The evaluation results will be reported yearly to the governor and general assembly.

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I. EXECUTIVE SUMMARY

The Pay for Success (PFS) Permanent Supportive Housing (PSH) pilot program uses a social finance approach to fund a permanent supportive housing (PSH) intervention, which aims to house people experiencing homelessness and provide additional services and supports for these clients to remain successfully housed. A robust evaluation plan is a pillar of pay for success programs. Evaluation results directly determine how much money the government will repay the private investors.

RICEH contracted with EOHHS to execute this program in accordance with passed legislation naming the RICEH as the lead implementation partner. In this social finance model, capital funds to support service delivery, program administration, and evaluation are raised from private, non-state government investors. The PFS PSH pilot program in Rhode Island is expected to serve 175 -200 homeless individuals who are high utilizers of the state’s healthcare, housing, and criminal justice systems over the

four years of the program, with the goal of ultimately enabling 125 such individuals find and maintain housing.

In 2016, the United States Department of Justice (DOJ) and the United States Department of Housing and Urban Development (HUD) awarded \$1.4 million in grant funding to RICEH to pursue a PFS program focused on permanent supportive housing (PSH) in Rhode Island. This funding was awarded to RICEH as the named entity in the Rhode Island legislature's budget commitment to provide service delivery funds in the amount of six million dollars. Throughout calendar year 2022¹, RICEH leveraged funds from this DOJ/HUD award to engage in required preparatory and planning work, which included research and information gathering with stakeholders, management of relationships with prospective private investors, development of program guidelines and implementation strategy, draft requests for proposals for an independent evaluator and service providers, as well as the convening of numerous PFS groups and committees, including but not limited to a working group comprised of subject matter experts, a stakeholder group, and an executive oversight committee.

In 2023², the PFS pilot program transitioned from a planning phase into an operational phase. RICEH engaged, executed, and maintained contracts and ongoing relationships with the evaluator, lead investor, and four homeless service provider agencies. Service provider contracts were executed on June 30, 2023. The loan agreement with the lead investor was executed in June 2023, and the first disbursement of investor funds was received in August 2023. Service delivery began in September 2023, with the first PFS client being enrolled in October 2023.

In 2024, PFS completed its first full year of program operations, successfully enrolling 78 individuals and housing 20 of those individuals by year's end. The program's independent evaluator completed three separate quarterly evaluation reports, which yielded a total of \$196,089.31 in outcome payments to Maycomb Capital, the program's lead investor. The Rhode Island Foundation, which served as a guarantor in PFS's first year, verbally committed to serve as the program's subordinate investor for years two through four in September 2024 and expects to sign a loan agreement with RICEH in mid-January 2025. Importantly, PFS leaders and service providers also leveraged numerous "lessons learned" from the day-to-day

¹ For a more detailed summary of Pay for Success achievements from 2022, please reference the 2022 Legislative Report submitted on January 31, 2023.

² For a more detailed summary of Pay for Success achievements from 2023, please reference the 2023 Legislative Report submitted on January 31, 2024.

work of serving clients to implement ongoing program improvements, thus laying the groundwork for sustained success going forward.

II. SUMMARY OF CALENDAR YEAR 2024 ACHIEVEMENTS

During calendar year 2024, the Rhode Island PFS Program demonstrated significant progress in program implementation, as well as early success in meeting established outcome measures. These achievements stem from a rigorous process of program planning and active collaboration with stakeholders, showcasing the program's commitment to success and effective implementation.

Planning and Design (RICEH) Achievements

1. Governance and Oversight

The PFS governance and oversight structure continued to evolve with the program in 2024. To that end, the committee structure that had contributed to the success of the program planning and launch processes was revised to better align with needs for oversight and guidance during ongoing program operations. The current governance and oversight structure is as follows:

- PFS Management Committee met every two weeks from January 2024 - December 2024 to receive program updates; provide thought partnership; and weigh in on decisions that do not rise to the level of Executive Steering Committee review and approval.
- Executive Steering Committee held two semi-annual meetings in the period from January 2024 – December 2024 (one in January 2024, the other in June 2024) to receive program updates, ask questions, and provide guidance, per the written PFS governance procedures. The Executive Steering Committee also met twice during this period to consider requests for program changes with a material impact on program operations and/or outcomes³. Invitations to join the Executive Steering Committee were extended to seven state government and community leaders in December 2024 to expand the membership.

2. Evaluation Plan and Contract⁴

Faulkner Consulting Group (FCG), the PFS independent evaluator, completed the PFS evaluation plan in August 2023. The evaluation plan was approved by HUD/DOJ in August 2024, per the terms of the Notice of Funds Availability (NOFA)

³ The program changes for which Executive Steering Committee approval was requested related to: 1) an expansion of program eligibility criteria to include individuals who are incarcerated or staying in transitional housing at the time of initial service provider contact, in addition to individuals who are experiencing HUD Category 1 or 4 homelessness at the time of initial service provider contact, and 2) the addition of a requirement that service providers enroll individuals in PFS whom they assess as requiring a higher level of care than PFS can provide (for example, long-term residential care) and then work with that individual to help them enter an appropriate residential care facility. The Executive Steering Committee approved both project change requests in September 2024.

⁴ Appendix A - Contract Structure

for the PFS planning grant. As of December 31, 2024, FCG had completed three quarterly evaluation reports, which covered the following quarters:

- September 1, 2023 – December 31, 2023
- January 1, 2024 – March 31, 2024
- April 1, 2024 – June 30, 2024

The Annual Evaluation Report from FCG will be made available upon request and posted on the PFS website once received and approved.

3. Service Providers Engagement⁵

The structure for engaging with and supporting the four PFS service providers continued to evolve throughout calendar year 2024. The four PFS service provider agencies are: Crossroads Rhode Island, East Bay Community Action Program, House of Hope Community Development Corporation, and OpenDoors Rhode Island. Standing service provider meetings are as follows:

- Weekly case conferencing meetings with all four service provider teams as a group. These were initiated in 2023 and held throughout the entire January 2024 – December 2024 period. Weekly meetings have become an essential space for shared learning and decision making, joint problem solving, and mutual support across all four service provider teams.
- Bi-weekly meetings with each service provider team individually. These were initiated in April 2024, when it became apparent that the weekly one-hour meeting with service provider teams was insufficient to address all service provider challenges and questions. Bi-weekly team meetings are typically dedicated to problem-solving for specific clients, including but not limited to providing assistance with referrals to local resources like medical respite, prenatal care, support for hoarding behavior, and long-term care.
- Quarterly in-person meetings with all four service provider teams as a group. These were initiated in June 2024 to provide a forum for more in depth discussion about program practices among all four service provider teams, as well as a space to hear from outside subject-matter experts on critical topics like personal safety in working with clients, community mapping, and local resources available to support clients. Quarterly in-person meetings also serve to strengthen ties across service provider teams and nurture a spirit of collaboration for PFS overall.

⁵ Appendix A – Contract Structure

In general, PFS takes an active, hands-on management approach to engagement with service provider teams. Beyond the formal meeting structure, the PFS management team interacts with service providers on an almost daily basis via email and phone calls. Most such day-to-day engagements relate to problem solving for individual clients around supportive services or securing a newly identified housing opportunity.

Notably, all PFS management is data informed. Service provider contracts include clearly articulated “performance measures” specific to enrollments, lease-ups, and housing stability rates for their PFS client caseload. This data is tracked informally – i.e., outside of the formal evaluation reports -- and reviewed with service providers (as well as with the PFS Management Committee and Executive Steering Committee) on an ongoing basis. Appendix B presents PFS performance measure data through December 2024.

4. Eligibility Criteria and Program Participant Identification

Per the terms of the FY 2022 state budget appropriations for the program, 75 PFS PSH slots must be filled by Medicaid high utilizers; the remaining 50 PFS PSH slots must be filled by individuals with high Department of Corrections (DOC) involvement and/or by those who are high utilizers of homeless services based on data recorded in Rhode Island’s Homeless Management Information System (HMIS). The state budget language recognizes that there may be significant overlap between these three groups. Per the terms of the U.S. Department of Housing and Urban Development (HUD) PFS Demonstration grant that supported PFS PSH planning, a minimum of 100 PFS PSH slots must be filled by individuals with high DOC involvement.

To ensure compliance with state budget and HUD terms, the program leveraged data from Rhode Island Medicaid, the Homeless Management Information System (HMIS), and DOC to identify a population of high utilizers eligible for the Program. The criteria by which high utilizers of each State system are identified were developed via close collaboration with relevant subject matter experts and are as follows:

- Medicaid high utilizers are defined as the top 3% of Medicaid high utilizers based on overall Medicaid spending and Medicaid spending on inpatient hospitalization and emergency department utilization over a five-year lookback period. Individuals who are less than eighteen (18) years of age and individuals living in long term care facilities (i.e., skilled nursing facilities and assisted living facilities) are excluded from the PFS PSH Medicaid high utilizer population.
- DOC high utilizers are defined as individuals who have been incarcerated for a total of 186 days or more over a six-year lookback period, irrespective of consecutive periods of incarceration or current status (i.e., awaiting trial or

sentenced). DOC high utilizers, only, are required to sign a Release of Information (ROI) to be eligible for the program.

- HMIS high utilizers are defined as those individuals with the highest number of points based on a scoring metric in which points are assigned as follows: Chronic homelessness or a disability (per HUD criteria), 5 points; Persons with a current living situation of a place not meant for habitation, 5 points; if they are sheltered, persons receive 2.5 points. The remaining points are given based on the number of days enrolled in street outreach, emergency shelter and services. Points are based on cumulative days served by these projects. For every sixty (60) days served, 1 point is assigned for a total maximum number of points in this category of 18.

In addition to meeting the above Medicaid, HMIS, and DOC utilization criteria, individuals must also meet the following eligibility criteria:

- Adult (aged 18 years or older);
- Physically present in Rhode Island;
- Experiencing homelessness according to the HUD Category 1 or Category 4 definition of homelessness or incarcerated in Rhode Island with a possible release date within six months of initial Service Provider contact and an expectation of entering HUD Category 1 or Category 4 homelessness or transitional housing upon release or staying in transitional housing (e.g., sober house, group home, etc.) with the expectation of entering HUD Category 1 or Category 4 homelessness upon leaving transitional housing.

RICEH was responsible for collecting the relevant high utilizer data from Rhode Island Medicaid, DOC, and HMIS and for integrating that data to produce a single “Eligibility List” of approximately 300 individuals who met the eligibility criteria for the program. Individuals had to be identified as a high utilizer in at least two of the three PFS PSH high utilizer categories in order to be included on this list.

Eligible individuals who are high utilizers of Medicaid and HMIS, only, were assigned to service providers prior to the start of the program. Eligible individuals who are high utilizers of DOC are assigned to service providers on a rolling basis as DOC staff members (e.g., parole and probation officers and discharge planners) obtain signed ROIs from these individuals. Assignments of eligible individuals to service providers are based on numerous criteria, including but not limited to the following:

- Existing relationships with service providers;
- Match between service provider expertise and an individual’s unique circumstances;
- Preference of the eligible individual;

- Service provider preference; and
- Geographic proximity

As program enrollments have steadily grown, increasing 10.14% from 7 total enrollments at the end of 2023 to 78 total enrollments at the end of 2024, the capacity of the service provider to take on additional clients has become a key determining factor in new assignments. Notably, PFS continues to monitor the assignment of eligible individuals to contracted service providers to ensure that PFS PSH is well positioned to: 1) meet the ratio of high utilizers enrolled in the program mandated by the state budget language, and; 2) comply with the HUD/DOJ requirement that at least 100 program enrollees are high utilizers of DOC.

As of December 31, 2024, a total of 148 eligible individuals had been assigned to service providers. As highlighted above, seventy-eight (78) of these individuals, or 52.7%, have enrolled in PFS PSH. Approximately 20 individuals on the eligibility list were found to be ineligible for PFS upon service provider contact, typically because they were already housed. Of the individuals enrolled in PFS PSH at the end of calendar year 2024:

- 73 (97%) were Medicaid high utilizers
- 67 (86%) were DOC high utilizers

Based on these enrollment proportions, PFS PSH is currently on track to meet the numbers of Medicaid and DOC high utilizers served mandated in the Rhode Island state budget legislation and by HUD/DOJ, respectively.

Lastly, an alternative referral pathway was also developed in 2023 to enable service providers and other community partners in Rhode Island to request that select individuals be able to enroll in PFS PSH, even if these individuals did not appear on the standard Eligibility List. Such individuals would need to be a high utilizer of at least one of the three state systems (Medicaid, DOC, and HMIS) in order to enroll in the program; enrollments via the alternative referral pathway would be capped at 10% of total enrollments for each service provider, unless the Executive Steering Committee provided prior written approval. If the referred individual was not a high utilizer of at least one state system or if the 10% cap on enrollments via the alternative referral pathway had been met at all service provider, PFS would make reasonable efforts to connect the individual with a program and/or services capable of meeting their needs.

As a condition of evaluation plan approval, HUD/DOJ required that the original alternative referral pathway be modified such that any individual enrolled via this pathway be a high utilizer of all three state systems based on state level data. The updated alternative referral pathway, which is included in the approved

evaluation plan, will open PFS enrollment to individuals with high utilization of Medicaid, DOC, and HMIS over a shorter look-back period in order to capture individuals whose level of need may have intensified in recent years. Implementation of the alternative referral pathway will require updated data use agreements (DUAs) with state agencies and corresponding data pulls from each agency. The plan is to open the alternative referral pathway in calendar year 2025.

Investment Progress and Achievements

1. HUD Dollars

\$1,405,753.51 in HUD/DOJ funds were awarded to RICEH to implement this planning work from 2016 to 2023. As of December 31, 2023, RICEH has spent the entirety of this award.

2. Maycomb Capital⁶

RICEH signed a loan agreement with Maycomb Capital in June 2023 for 100% of year one funding. These funds (\$721,038.75) were transferred to RICEH in August 2023. RICEH updated the loan agreement with Maycomb Capital in June 2024 for 80% of the remaining program funding. A total of \$400,000 were transferred from Maycomb to RICEH in calendar year 2024. **Maycomb Capital's total funding commitment is: \$5,000,000.**

3. Rhode Island Foundation⁷

RICEH and EOHHS have engaged the Rhode Island Foundation (RIF) for the remaining 20% of the capital investment needed to operate the program. RIF chose to serve as a guarantor for year one, assuming 20% of the risk with a \$307,500 grant, instead of an investment. These grant funds were transferred to RICEH in June 2023. The interest accrual on these funds for 2023 (June – November) is \$5,459.64. RICEH verbally committed to a loan agreement with RIF in September 2024 for 20% of the remaining program funding and expects to sign the agreement in mid-January 2025. RIF's total funding commitment (inclusive of the year one grant) is \$1,007,500.

4. EOHHS Funds⁸

\$1,331,382.00 in outcome payments funds were transferred to RICEH in April 2023 and \$1,317,991.95 in August 2023. The interest on these funds as of 2023 (April – December) is \$46,739.29. No outcome payments funds were transferred from EOHHS to RICEH in calendar year 2024 but will be transferred in early 2025

as program operating budget and primary, secondary, and tertiary investors are confirmed by RICEH and their single audit is completed.

5. Outcome Payments

A total of **\$392,394.66** in outcome payments were transferred from RICEH to Maycomb Capital in calendar year 2024. Outcome payments were as follows:

- Quarter ending 12/31/23: **\$12,900.00**
- Quarter ending 03/31/24: **\$240,076.34**
- Quarter ending 06/30/24: **\$139,418.32**

6. Private Fundraising

RICEH has been successful in raising private funds to provide additional support for PFS operations. To that end, RICEH received a \$225,000 grant from Point32Health for PFS in 2023, as well as a \$750,000 Congressional earmark in 2024.

Staffing and Contracting

1. RICEH Staff and Consultants

RICEH implemented the program throughout 2024 with a skilled consultant (Tara Murphy) and support from the internal RICEH team.

2. EOHHS-RICEH Contract⁹

EOHHS and RICEH solidified the partnership, with RICEH as the implementation agent named in state legislation, by officially entering into a contractual agreement on 1/30/2023. The contract specifies the deliverables that RICEH is responsible for achieving, including third party evaluation, service provision, outcomes monitoring, and outcome repayment. The contract has been extended through calendar year 2025.

3. Data Use Agreement (DUA) with EOHHS

A DUA with EOHHS was signed and executed in early January 2023 that allows for the transfer of data from EOHHS Medicaid Management Information System (MMIS) to RICEH for data matching to occur across three systems to build the PFS client eligibility list.

RICEH is the responsible entity for building, managing, and updating the eligibility list. The data matching necessary to build out the eligibility list includes data from MMIS, the Department of Corrections, and the Homeless Management Information System (HMIS).

⁹ Appendix A – Contract Structure

As stated in legislation, the PFS intervention targeted to top Medicaid utilizers is expected to result in the greatest cost savings. The data sharing from EOHHS to RICEH includes the identification of the top 3% of Medicaid utilizers based on overall Medicaid spend and inpatient and emergency department utilization for individuals over 18 years old, excluding individuals in long term care facilities. In January 2023, EOHHS Medicaid transferred the data needed from MMIS to begin the matching and build of the client eligibility list. Eligibility list creation began in April, and eligible individuals began being assigned to providers in September.

4. Pay for Success FTE (EOHHS)

One FTE, hired by EOHHS, was maintained and continues to play a pivotal role in sustaining the program through contract management, evaluation efforts, hands-on program management, including support for service providers, and providing insights for program decisions and future spending considerations.

Program Implementation and Outcome Achievements

1. Evaluation Outcomes¹⁰

As indicated above, the independent evaluator completed three quarterly evaluation reports during the calendar year 2024, which together covered the period September 1, 2023 – June 30, 2024.

Note that the Evaluation Plan measures outcomes in two categories: 1) **Progress Outcomes**, which identify key benchmarks that must be achieved in order for an eligible individual to become housed, and 2) **Program Outcomes**, which quantify the impacts the program is intended to achieve for the individuals it serves. The inclusion of **Progress Outcomes** as measures tied to the repayment of investors acknowledges the substantial time and effort that service providers must commit to each eligible individual assigned to them in order to get that person to the point at which “housing stability” can be evaluated.

Investors and program leaders alike were extremely pleased with the outcomes documented by the first three evaluation reports, which were as follows:

- Progress Outcomes**

	As of 12/31/23	As of 03/31/24	As of 06/30/24	Total
Program enrollment	7	39	11	57

¹⁰ Formal evaluation reports take approximately three-to-four months to prepare following the close of each quarter. Data regarding program enrollments and engagement in leases is therefore tracked separately at the program level to facilitate data-driven program management, including but limited to active management of program and service provider performance.

Housing navigation plan completion	0	25	9	34
Housing navigation plan monthly update	0	17	7	24
Document-ready for housing	4	9	4	17
Engagement in a lease	0	1	5	6
Referral to long-term residential care	0	0	0	0

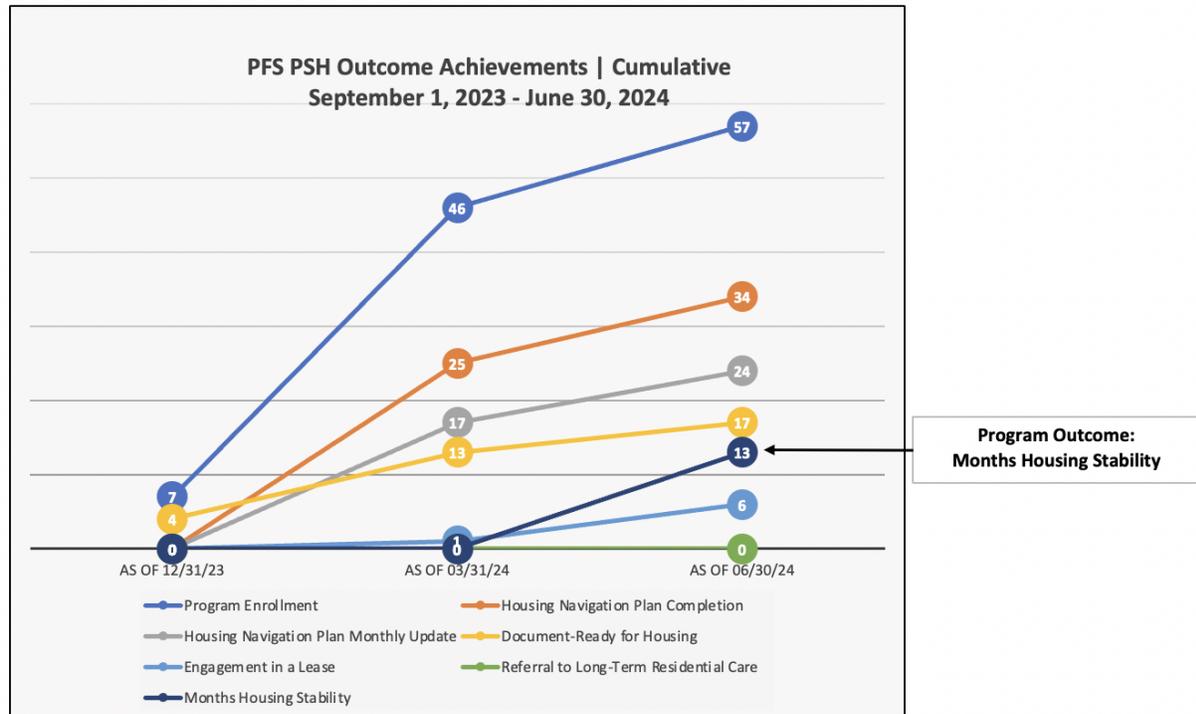
- **Program Outcomes**

	As of 12/31/23	As of 03/31/24	As of 06/30/24	Total
Months housing stability	0	0	13	13
% increase in “days in community” above an established baseline*	0	32.52%	17.4%	NA
% decrease in Emergency Department utilization below an established baseline**	NA	NA	NA	NA

**Days in community is the inverse of days incarcerated. This outcome is calculated for clients with high DOC involvement, only. As of 12/31/23, no individuals with high DOC involvement had enrolled in PFS PSH.*

***This outcome is calculated annually rather than quarterly. The % decrease in Emergency Department utilization below an established baseline over the period September 1, 2023 – September 30, 2024 will thus be identified in the next evaluation report, which is expected in mid-January 2025. This outcome is calculated for clients with high Medicaid utilization, only.*

- **Progress and Program Outcomes**



Note that the program outcomes, % increase days in community and % decrease ED visits, will be graphed separately once more data is available for each outcome.

2. Client Vignettes

By design, PFS engages individuals with exceptionally complex health and social needs. The client vignettes below are intended to 1) provide a window into the enormous variety that characterizes those needs, and 2) highlight how PFS service providers are working with clients to help them find housing and then support them to remain housed, all within the context of each client’s unique priorities and circumstances.

Note that no personal identifiers are included in the client vignettes and details in each have been changed or obscured, given the highly personal and sensitive nature of the content.

- Client #1 – This client, in their mid-sixties, was one of the first people to enroll in PFS. At the time of enrollment, they were living in a shelter and undergoing cancer treatment. A priority for this person was finding a housing unit that could accommodate both them and their adult grandchild, should their grandchild decide to come live with them. Although the client had the opportunity to enter housing soon after enrolling in PFS, they declined the

unit become it was too small for two people. The client and their PFS case manager continued the housing search, and in May 2024, the client moved into a two-bedroom apartment. They have been able to take their furniture and other personal possessions out of storage for the first time in many years, which has proved overwhelming. Thus far, they have insisted that they do not need help getting organized; however, their PFS case manager continues to offer support during the weekly in-person visits that are required for all PFS clients in the first nine months after becoming housed. Their cancer treatment and other healthcare appointments are ongoing. This client has been stably housed for eight months and counting.

- Clients #2 and #3 – Client #2, in their mid-thirties, was contacted by a PFS service provider to enroll in PFS. They said that they would enroll if their partner, Client #3, in their early forties, was also eligible for the program; fortunately, Client #3 was eligible for PFS, as well, and both individuals enrolled with the same service provider. Their PFS case manager works with them together as a couple, as well as one-to-one. At the time of enrollment, both Client #2 and Client #3 were both intense substance users, and both indicated that they had no interest in stopping or cutting back. Nonetheless, in the initial months of working with their PFS case manager, both clients did scale down their use of substances significantly. They also each became actively engaged in behavioral health care, including consistently taking medications prescribed for mental health diagnoses, and also accessed job search services available through their service provider agency. These clients had been living in a motel-based shelter program since enrolling in PFS, but in September 2024, they signed a lease and moved into their own housing unit. Their PFS case manager continues to work closely with them, including supporting them through a fire in the basement of their building that resulted in the loss of heat for an extended period in December. These clients have been stably housed for three months and counting.
- Client #4 – Client #4, in their mid-sixties, enrolled in PFS in February 2024 and entered housing in June 2024; previously, they had been living under a bridge. Their PFS case manager worked to ensure that this client was set up for success in their new home. In addition to helping them shop for groceries and other basics, this meant brainstorming ways to enable the client to get to a daily lunch offered by a local church and to attend a nearby recovery support group meeting – both of which were challenging given that the apartment is somewhat distant from public transportation. An important concern was ensuring that Client #9 had ways to engage in a positive manner

with other people, especially as they navigated the transition from living outside with a group of people to living alone. Notably, the client has a history of belligerence and fighting, which has caused numerous programs and facilities in Rhode Island to deny them services or entry and has sometimes resulted in their incarceration. Their service provider successfully supported them through an early disagreement with a new neighbor, including intervening with the landlord on their behalf, and has continued to support them over the course of the numerous injuries and illnesses they have experienced since moving into the unit. This client has been stably housed for six months and counting.

3. Lessons Learned

The first full year of PFS operations brought with it numerous insights about challenges, facilitators, and what does and doesn't work with regards to engaging, enrolling, and housing clients and helping clients remain housed. Key challenges to and facilitators of program success observed over the past year are summarized below.

Facilitators:

- Substantial, hands-on DOC involvement. DOC played a key role in the PFS design process, and the agency's active involvement in program operations since PFS began delivering services has been pivotal to the program's ability to meet enrollment goals and maintain engagement with many of the most challenging clients. Simply put, PFS PSH would not have been successful in its first year of operations without DOC's noteworthy contribution of time, effort, and expertise.
- Robust, centralized management and support for service providers. PFS has dedicated substantial time and effort to providing hands-on support for service providers and to actively managing their progress towards meeting performance targets, as detailed on pages 4-5 above. PFS hands-on support and management activities have evolved over the past year in response to perceived service provider challenges; especially given the complexity and intensity of PFS client needs, robust, centralized support for service providers is viewed as an essential component of the PFS PSH model now and going forward.

Challenges:

- Complex and intense level of need among PFS clients. By design, PFS serves individuals with the highest levels of need in Rhode Island; in practice, working with individuals with such intense needs on a day-to-day basis can be overwhelming, exhausting, and profoundly demoralizing (even taking into account the very real and gratifying moments of triumph and break through with individual clients).

- Lack of affordable housing in Rhode Island and lack of housing units dedicated to PFS PSH. Service providers managed to house 20 clients¹¹ in calendar year 2024. This was accomplished almost entirely through their own entrepreneurial efforts, including by engaging landlords who had never before rented to a PFS-like population through the use of Zillow and other “mainstream” rental tools. Finding housing for clients continues to be a tedious, uphill battle for all service providers. Realistically, it may be difficult-to-impossible to achieve the goal of housing 125 clients without more affordable housing in general and housing units dedicated to PFS in particular.

PFS engaged a part-time consultant in mid-December 2024 to provide dedicated program resources for developing guides, best practices, and similar supports for service providers; the program expects to engage a second part-time consultant in January 2025 to focus on developing relationships with landlords. The work of these consultants is intended to help address the two core PFS challenges identified above.

Next Steps and Key Milestones for 2025

1. Near-term 2025 Milestones

- Independent evaluator to provide the first annual evaluation report, which will cover the period September 1, 2023 – June 30, 2024.
- DUAs with EOHHS and DOC updated. PFS eligibility list updated; eligibility list for the alternative referral pathway created.
- New part-time consultants onboarded; dedicated outreach to landlords begins.
- New Executive Steering Committee members onboarded; the first of two Executive Steering Committee meetings hosted.

2. Long-term 2025 Milestones

- PFS achieves full targeted enrollment (125 clients enrolled)
- PFS reaches 80% of the target for housed clients (100 clients housed)

¹¹ Three (3) housed PFS clients left housing during calendar year 2024, two due to death, and one due to reincarceration.

III. REPORT CORRESPONDENCE

For additional information related to Pay for Success in Rhode Island, please contact the following report authors:

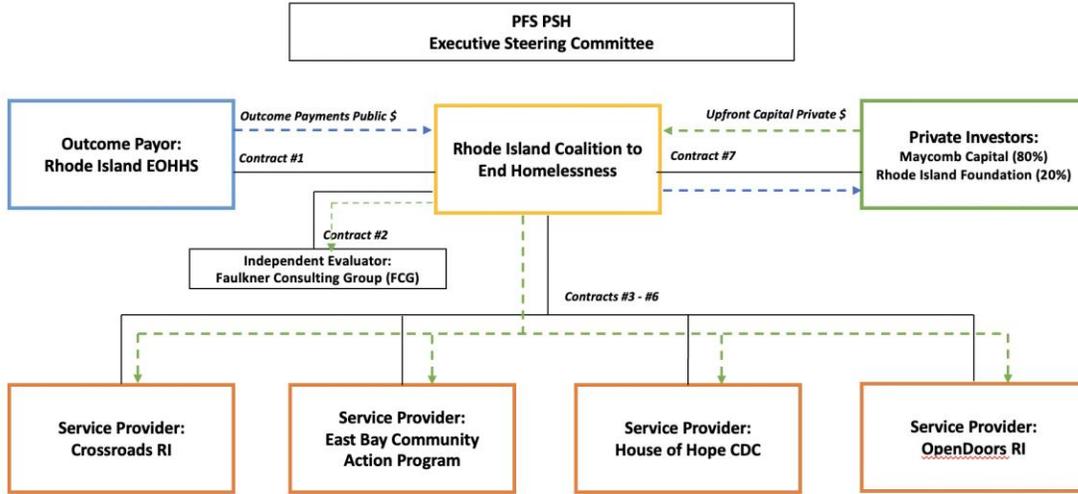
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EOHHS would like to thank the following at the Rhode Island Coalition to end Homelessness for their contributions to the development of this report:

- Kimberly Simmons, CEO
- Amber Nettell, CFO
- Tara Murphy, Independent Consultant

APPENDIX A: Contract Structure



APPENDIX B: Performance Targets

PFS routinely uses program-level data tracking to measure progress towards meeting established performance targets for each individual performance measure, as well as for the program overall.

Performance targets are formally assessed at six-month intervals. PFS exceeded all performance targets for the calendar year 2024, as follows:

Performance Target	Target as of 3/31/24	Actual as of 3/31/24	Target as of 9/30/24	Actual as of 9/30/24
# Enrolled Clients	25	40	50	62
# Housed Clients	0	1	15	16

As of December 31, 2024, **86.95%** of the clients whom PFS had enabled to become housed had successfully remained housed. The chart below reflects PFS enrollments and lease-ups over the life of the program through December 31, 2024:



To date, there have been:

- Three “exits” (disenrollment) from PFS: two due to client deaths, and one due to ineligibility discovered after enrollment (the client reported being homeless when they were housed).
- Three housed clients who left housing: two due to death, and one due to reincarceration.

Of note, the percentage housed is contingent partially upon having dedicated PFS units. Keep in mind, PFS funds only cover approximately 50% of the costs of service delivery and rental payments; there are no actual housing units assigned to the program. Thus, the program must leverage units that are currently in existence and “on the market” in order to house clients. Dedicated PFS units, moving forward, would be extremely helpful (if not essential) to achieving program outcomes, but will require additional commitment and resources.

[End of Report]