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Washington State Diversion Study: A Study of Diversion Services for Families

December 2022

This brief summarizes the results of a statewide study commissioned by Building Changes and conducted by Clarus Research that analyzed the impact of Diversion services on housing outcomes for families in Washington State and the extent to which these services are racially equitable. To explore these questions, this mixed-methods study used statistical analyses of Homeless Management Information System (HMIS) data and a series of in-depth interviews with families of color who utilized Diversion services, service providers, and county representatives. The results indicate that Diversion services are a worthwhile and racially equitable option that adds to the spectrum of housing services available to families in the state.

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Introduction and Study Purpose

Diversion is an approach that homeless response systems can use to help families quickly resolve a housing crisis. Building Changes has helped to develop and refine a Diversion model based in part on our work with counties, nonprofits, and philanthropies across the state. The model is designed to be strengths based, trauma informed, and client choice centered. The Diversion model includes three core components: (1) **creative problem-solving conversations** to identify housing options outside of conventional housing supports; (2) **light case management** to help address barriers to housing; and (3) **one-time, flexible financial assistance** (if needed) to help families obtain housing.

In addition to expanding the suite of options available to homeless response systems, the Diversion model may also help those systems become more racially equitable. In Washington (and across the nation), homelessness disproportionately impacts families of color and their communities.[1] In addition, some assessment tools and processes used to inform the allocation of services have been shown to perpetuate system-level racial inequities.[2] Diversion services may help increase equity in the homeless response system by increasing housing options for historically underserved populations.

The Diversion model has been pilot tested within a variety of contexts across Washington State, with encouraging results.[3] However, evaluations to date have only measured outcomes within Diversion programs (rather than in comparison to other services) and have not explicitly focused examination on racial equity. The aims of this study were to address those gaps in knowledge by exploring whether Diversion services promote permanent housing at the end of a service enrollment and beyond and the extent to which Diversion services are equitable for families of color who are disproportionately experiencing homelessness in Washington.

The study was guided by two overarching research questions that reflect those aims:

- **What is the impact of Diversion services on housing outcomes for families in Washington State?**
- **To what extent and why are Diversion services racially equitable?**

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1   Building Changes. (2021). Lessons in Family Homelessness: Racial Equity [brief]. Seattle, WA: Building Changes. Retrieved from https://buildingchanges.org/wp-content/uploads/2021/02/2021_FHIBrief_RacialEquity.pdf.

2   Wilkey, C., Donegan, R., Yampolskaya, S., & Cannon, R. (2019). Coordinated Entry Systems: Racial Equity Analysis of Assessment Data. Needham, MA: C4 Innovations. Retrieved from https://c4innovates.com/wp-content/uploads/2019/10/CES_Racial_Equity-Analysis_Oct112019.pdf.

3   For an overview of projects and lessons learned through this work, please see: Building Changes. (2021). Lessons in Family Homelessness: Diversion [brief]. Seattle, WA: Building Changes. Retrieved from https://buildingchanges.org/wp-content/uploads/2021/06/2021_FHIBrief_Diversion.pdf.

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Study Methods

This multi-component, mixed-methods study used analyses of quantitative and qualitative data to complement each other. These methods were designed to explicitly value family voice, as well as provider experiences, in answering research questions. The study team incorporated a participatory and equitable approach by engaging families of color with lived experience in development of the research instruments (e.g., determining which questions mattered in understanding the experience of utilizing Diversion services) and designing the study in service of equity from the outset.

In total, the team conducted 89 interviews with county representatives, service providers, and families of color with lived experience and conducted statistical analyses of a sample of 13,876 families (unique households with at least one adult and one minor) who received services captured in HMIS. Additional details on the qualitative and quantitative methods used, as well as limitations of the study, are below.

Qualitative Methods

Interviews were conducted and analyzed for two distinct study components. In the first component, 34 interviews were held with representatives from 37 of the 39 counties in Washington. The purpose of this component was to assess the landscape to better understand how Diversion was practiced across the state during the study period, July 2017 through March 2020, and to help identify the analytic sample for statistical analyses.

The second component included interviews with 44 families of color who utilized Diversion services (including eight pilot interviews that informed development and refinement of the interview questions) and 11 interviews with Diversion service providers. The purpose of this component was to understand how and why families of color utilized Diversion services and how participants perceived their experiences.

All interviews were conducted from July 2020 through August 2021 using semi-structured, open-ended interview guides developed in collaboration with partners. Reponses were analyzed using content and thematic analyses and specific coding practices from the grounded theory approach. A sample of interviews were analyzed by multiple reviewers to ensure quality and consistency.

Quantitative Methods

For the third study component, the team conducted statistical analyses comparing families who utilized Diversion services and families who received housing services other than Diversion.[4] The study used individual-level HMIS data from July 2017 through March 2020

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4   Services for families in the comparison group were analyzed together as a collection of services: Emergency Shelter, Transitional Housing, Permanent Supportive Housing, Rapid Rehousing, and Coordinated Entry.

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obtained from the Washington State Department of Commerce[5] and data on county-level vacancy rates from the 2017 through 2019 American Community Survey five-year estimates. In total, the study compared characteristics and outcomes for 2,283 families who used Diversion services in five counties to 11,593 families who utilized other housing services in 24 counties.[6]

A series of binomial logistic regressions were run to examine which and to what extent family- and county-level characteristics predicted outcomes.[7] The regression models controlled for several factors that may be associated with housing outcomes, including race/ethnicity, gender, age, county locale type (urban/rural), county vacancy rates, earned income, disabling conditions, mental health, domestic violence, and prior living situation (e.g., emergency shelter).

The analyses excluded records with missing data on any predictor variables. The study also excluded households with unknown data on housing outcomes (e.g., data not collected, no exit interview completed) to minimize skewed results and to not assume that missing data are equivalent to a poor outcome. However, it is important to note that the analyses found families who utilized Diversion had higher odds of unknown housing outcomes at exit. Thus, this study compared outcomes among families with known exit status only and caution should be used when comparing or generalizing results.

Limitations

While this study was methodologically stringent and the mixed-methods design helped to strengthen any conclusions about Diversion, there are some important limitations to keep in mind. In addition to the exclusion of records with missing data (noted above), this study employed a correlational, rather than causal, design. This is especially important, as families who utilized Diversion services had different characteristics, on average, than families who utilized other services. Similarly, the analyses were limited to the data available in HMIS and American Community Survey; other, unmeasured variables could impact outcomes.

While the interviews well represented the population of interest (i.e., families of color who utilized Diversion services), they were conducted with a purposeful sample. Families and providers self-selected to participate in interviews, and thus, may have had different experiences than those who opted not to participate. Finally, all interviews were conducted during the COVID-19 pandemic. The experience of receiving and providing Diversion services may have differed during the pandemic compared to before the pandemic.

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[5] All analyses and interpretations in this study are those of the authors and do not necessarily represent the views of the Department of Commerce.

[6] Ten counties were not included in the analyses due to missing/insufficient data.

[7] Families were clustered at the county level in the statistical analyses, where appropriate, as families within counties may have shared more similar experiences with housing than they shared with families across other counties.

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Key Findings: Landscape Scan

Results from the landscape scan based on interviews with county-level representatives are summarized below:

- At the time of the interviews, counties reported **high awareness of and buy-in** to the Diversion model.

- A majority of counties did not have a discrete Diversion program that had been formalized through documented policies and procedures, training on a specific Diversion model, and dedicated flexible funding. Instead, these counties described offering a less formal version of Diversion services that typically included having creative conversations and making connections to additional supports, while **lacking dedicated flexible funding**.

- The most common challenges to implementing the Diversion model included **lack of resources, funding, and training**. This was especially true for rural and island counties.

Statewide Landscape Scan

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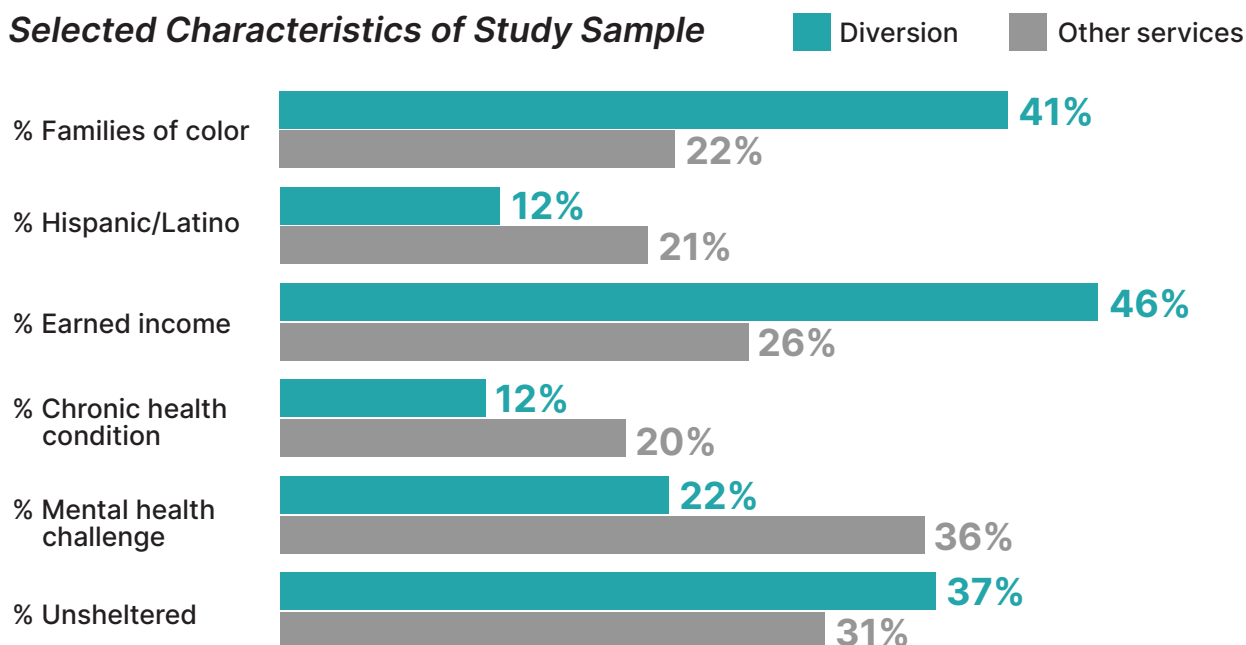
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Key Findings: Impact on Housing Outcomes

Results from the statistical analyses of the impact of Diversion services on housing outcomes for families are summarized below:

- In the study sample, **families who utilized Diversion differed in several ways** from families who utilized other services. Families who utilized Diversion were more racially diverse though less likely to identify as Hispanic/Latino; had more protective factors (such as earned income or no chronic health challenges); and were slightly more likely to be unsheltered prior to starting services.

Selected Characteristics of Study Sample

Legend: Diversion (teal) ■ Other services (gray) ■

Characteristic	Diversion	Other services
% Families of color	41%	22%
% Hispanic/Latino	12%	21%
% Earned income	46%	26%
% Chronic health condition	12%	20%
% Mental health challenge	22%	36%
% Unsheltered	37%	31%

- Among the sample with known exit status, **families who utilized Diversion services had higher odds of exit to permanent housing** compared to families who utilized a collection of other housing services, when adjusted for all variables in the statistical model. Other factors associated with higher odds of permanent housing included residing in counties with higher vacancy rates, residing in urban counties, and having more protective factors at the start of services.

- Among families who exited successfully (i.e., to permanent housing), the regression model used in this study to assess returns within one year of exit indicates that **families who utilized Diversion were no more or less likely to return to the system** compared to families who utilized other services. However, the study did find notable descriptive differences in return rates by race within both services.[8]

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8   For families who utilized Diversion services, the largest proportional difference in returns was between multi-racial (15.1%) and white (7%) households. For families who received other housing services, the largest proportional difference in returns was between multi-racial (12.2%) and American Indian or Alaska Native (6.2%) households.

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Key Findings: Racial Equity

Results from interviews and statistical analyses examining the extent to which Diversion services are racially equitable are summarized below:

- Families of color and providers reported that **family choice was emphasized** in Diversion and that families were offered an array of services other than Diversion. Families reported choosing Diversion because the services met their needs and they preferred that option, though some reported the need for greater support.

> *"[Diversion services] sounded like what I needed… Diversion was for me, because I just needed a little boost. I didn't want anybody to help me out afterwards. I just knew I needed just a little bit [of help]."* —FAMILY RESPONDENT

- Families of color said they **did not feel shut out of other services**, nor deterred from seeking future services if needed.

- Families of color and providers reported creatively **using Diversion services in combination with other housing supports**.

- Families of color **related positively to the client-centered and trauma-informed orientation** of Diversion services. They generally described experiences with Diversion case managers as consistent, respectful, supportive, and caring, among other terms.

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- Families of color who utilized Diversion services reported that **race/ethnicity did not play a role in their experience** with Diversion.

- Families of color reported both good and bad experiences with Diversion, but **most experiences were positive**. Overall, families of color found Diversion services helpful and most reported improvements in well-being.

- When outcomes for all families were analyzed, no racial group was more or less likely to have permanent housing at service exit or return to the homeless service system (regardless of whether they utilized Diversion services or received other housing services). When only families of color were analyzed, **families of color who utilized Diversion services were more likely to have permanent housing at service exit than families of color who received other housing services**.

> *"[Through Diversion services] we are able to assist more folks who experience racism or are undocumented. It may be easier for Diversion programs to offer those services that are more inclusive and flexible."* —CASE MANAGER

To read more about this study, including additional details and other key findings, see the Washington State Diversion Study on the Building Changes website.

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