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March 24, 2021

Re: LD 475 Resolve, To Create the Frequent Users System Engagement Collaborative

Senator Claxton, Representative Meyer, and members of the Health and Human Services Committee, my name is Cullen Ryan, and I am the Executive Director of Community Housing of Maine or CHOM, the largest supportive housing provider for homeless populations in Maine. Our staff of 11 works collaboratively with more than 50 different service provider organizations to effectively and efficiently house some 1100 of Maine's most vulnerable people. I am also a member of the Statewide Homeless Council and serve as President of the Maine Continuum of Care Board of Directors.

I am testifying today on behalf of CHOM and the Maine Homeless Policy Committee in support of LD 475, which would create the Frequent Users System Engagement Collaborative in order to develop a plan to provide stable housing and community services to some 200 people who are homeless and also the most frequent consumers of high-cost services, such as psychiatric hospitals, emergency shelters, emergency rooms, police, jails, and prisons.

There is a small number of people in Maine who are known by name to hospitals, homeless shelters, police, rescue, and jails, because they frequently interact with all these systems. And because all these different expensive emergency systems are siloed and stretched thin with lots of crises, nothing ever gets done to solve the predominant problem for these people: They stay unhoused. And while unhoused, they ricochet through our most expensive emergency systems. Sometimes for decades. This must stop.

FUSE is designed to pull all of these system leaders together to develop a plan to house this small group of people and cross walk the cost savings data. This is a slow catalyst for system change, and it will not change without a collaborative, coordinated effort like FUSE.

Once people are housed, they stop ricocheting through our most expensive systems. We all save money. Homeless shelters, jails, hospitals and emergency rooms will not be overcrowded with the same people. Police and rescue personnel will be able to focus on the general population rather than mostly on the same small group of people they frequently see for petty offenses.

FUSE targets the 1% who use 30% of our resources. Without FUSE, things will stay the same. We will all be busy, stretched thin, and in crisis with the same people overwhelming us – because they will stay in crisis indefinitely.

We know the solution. If we place people in permanent housing with sufficient support, they do well. They begin seeing primary care providers just like us, rather than being seen in emergency rooms. They stop being homeless. They stop committing petty offenses. They become stable and they overwhelmingly tend to do well. They will do better, and we will save a lot of money. I'll draw your attention to some listed statistics at the end of my testimony. This is no surprise; no one does well without housing, and everyone does better with housing. Stable housing allows people to get better, and when people who are ill are housed, taxpayers save a lot of money.

I've attached a famous story by Malcolm Gladwell. This article came out 14 years ago and we have our own Million Dollar Murders in Maine. This is an emergency that will not stop without your intervention.



Today in Maine, it costs:

- \$903 per day, or \$47,000 per person per year, to have someone in jail.
- \$1000 per person per day to have someone in an emergency room, not accounting for emergency transportation there, or other costs including hospitalization that can follow such visits.
- \$3073 per person per day, or \$159,813 per year, on average (operating costs divided by 241 admissions in 2018) to have someone at Riverview.
- \$1200 per person per month or \$14,400 per year to keep someone in the least expensive emergency shelter (using the Oxford Street Shelter; most other shelters are significantly more expensive), but this does not include food, or other homeless services, and does not account for other emergency system contacts, including police, rescue, emergency room visits, or jail.

In contrast to the incredible expenses to serve frequent users of these many systems, it costs:

- \$9756 (\$813/month for a one-bedroom apartment in Maine according to the National Low Income Housing Coalition “Out of Reach 2020” housing cost study, though \$1100 in the Portland-area) to house someone for an entire year in Maine, and approximately \$2400 a year for support services (\$60,000 salary and benefits divided by a caseload of 25 people), for a total cost of **\$12,156 per person per year to be stably housed**. For the few that need them, additional support services such as Acute Care Team (ACT) are much more efficiently delivered and effective when a person is housed rather than homeless.

The ESAC Long Term Stayers Committee is focused on a by-name list effort to house and keep housed the longest stayers in homelessness (Long Term Stayers – LTS). The group has been at this for close to six years and has now housed 311 LTS, and they have a 93.96% success rate in their housing. From their data last week:

LTS in Jail, unhoused vs. housed – Week of 3/18/21

8 of 144 unhoused people were in jail, or 5.55%.

1 of 301 housed people were in jail, or 0.3%.

The LTS unhoused were 17x more likely to be in jail than the LTS who were housed.

LTS in the hospital, unhoused vs. housed – Week of 3/18/21

4 of 144 people unhoused were in the hospital, or 2.7%

1 of 301 people housed were in the hospital, or 0.3%

The LTS unhoused were 9x more likely to be in the hospital than the LTS who were housed.

There is longstanding broad-based support for LD 475, including Representative Charlotte Warren, District 84 and House Chair of the Criminal Justice and Public Safety Committee, Troy Morton, Penobscot County Sheriff, Kevin Joyce, Cumberland County Sheriff, Jonathan Sahrbeck, District Attorney for Cumberland County, and Natasha Irving, District Attorney for Sagadahoc, Lincoln, Waldo, and Knox Counties. The Statewide Homeless Council fully endorses this approach.

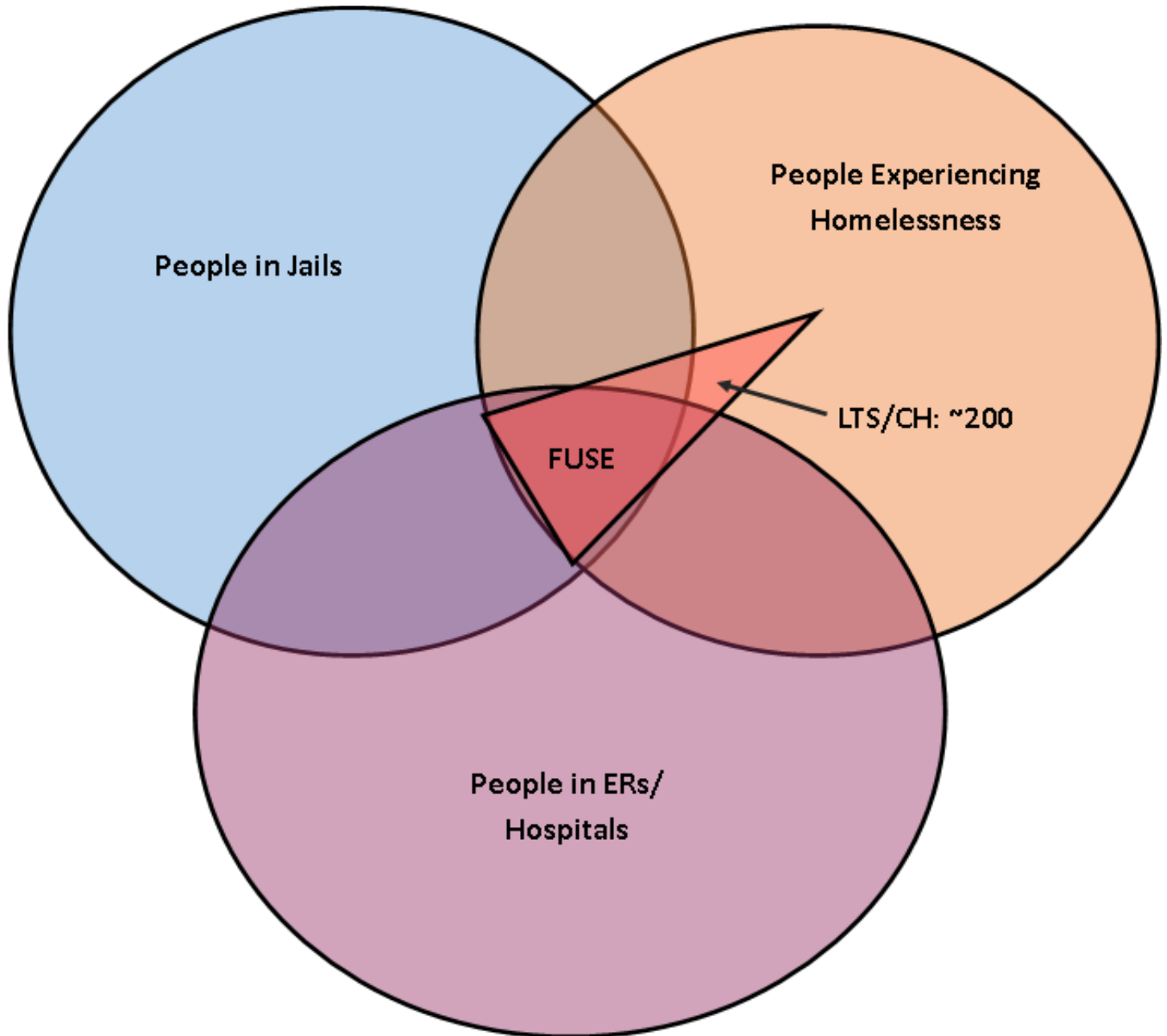
It is possible that some will resist this effort. People might misinterpret this to mean cuts to their budgets (it should actually mean their budgets will stretch further). Some might say that we don’t need more meetings, or that we already have the Statewide Homeless Council, etc. And some may say we are already remedying some of this. **But our systems remain siloed and this bill finally pulls everyone together to solve the problem.** I ask you, if everything is fine, and existing systems are working, why then is there a man in his 50’s who was homeless until a couple months ago ever since he was in DHHS custody as a youth? Because it takes the horsepower of key officials to move systems to make them work for the few who are exceptionally difficult. It takes out of the box thinking, with key decision makers at the table. Without the proper nudges, doors will not open for people. **This group of people will continue to ricochet until we actually house them. FUSE will allow that to happen.**

We can make this change in Maine. We can become proactive rather than reactive. FUSE puts us on the course to do exactly that. It has no fiscal note. It will help us focus our efforts together, eliminating silos. It works and it will save us money and make for better lives. We simply cannot afford wait any longer when the proven answer is right at our fingertips.

Homelessness is a major public health crisis, and affordable housing is healthcare. Investing in housing stability for Maine people creates a foundation to help Mainers rebuild better from the pandemic. We lacked resources before the pandemic and now we are seeing increased demand. This bill is part of a continuum of legislation that addresses housing needs in Maine, from access to safe emergency housing and supportive services, to rental assistance and housing production. These bills work in synch with each other to end and prevent homelessness.

Let's invest our resources more effectively. Let's pull all of the systems together to work collaboratively, effectively, and efficiently. Let's house this small group of people so we can all do better.

Thank you for your time and careful consideration.



Title:

MILLION-DOLLAR MURRAY. By: Gladwell, Malcolm, New Yorker, 0028792X, 2/13/2006, Vol. 82, Issue 1

MILLION-DOLLAR MURRAY

Section: DEPT. OF SOCIAL SERVICES

Why problems like homelessness may be easier to solve than to manage.

Murray Barr was a bear of a man, an ex-marine, six feet tall and heavysset, and when he fell down—which he did nearly every day—it could take two or three grown men to pick him up. He had straight black hair and olive skin. On the street, they called him Smokey. He was missing most of his teeth. He had a wonderful smile. People loved Murray.

His chosen drink was vodka. Beer he called “horse piss.” On the streets of downtown Reno, where he lived, he could buy a two-hundred-and-fifty-millilitre bottle of cheap vodka for a dollar-fifty. If he was flush, he could go for the seven-hundred-and-fifty-millilitre bottle, and if he was broke he could always do what many of the other homeless people of Reno did, which is to walk through the casinos and finish off the half-empty glasses of liquor left at the gaming tables.

“If he was on a runner, we could pick him up several times a day,” Patrick O’Bryan, who is a bicycle cop in downtown Reno, said. “And he’s gone on some amazing runners. He would get picked up, get detoxed, then get back out a couple of hours later and start up again. A lot of the guys on the streets who’ve been drinking, they get so angry. They are so incredibly abrasive, so violent, so abusive. Murray was such a character and had such a great sense of humor that we somehow got past that. Even when he was abusive, we’d say, ‘Murray, you know you love us,’ and he’d say, ‘I know’—and go back to swearing at us.”

“I’ve been a police officer for fifteen years,” O’Bryan’s partner, Steve Johns, said. “I picked up Murray my whole career. Literally.”

Johns and O’Bryan pleaded with Murray to quit drinking. A few years ago, he was assigned to a treatment program in which he was under the equivalent of house arrest, and he thrived. He got a job and worked hard. But then the program ended. “Once he graduated out, he had no one to report to, and he needed that,” O’Bryan said. “I don’t know whether it was his military background. I suspect that it was. He was a good cook. One time, he accumulated savings of over six thousand dollars. Showed up for work religiously. Did everything he was supposed to do. They said, ‘Congratulations,’ and put him back on the street. He spent that six thousand in a week or so.”

Often, he was too intoxicated for the drunk tank at the jail, and he’d get sent to the emergency room at either Saint Mary’s or Washoe Medical Center. Marla Johns, who was a social worker in the emergency room at Saint Mary’s, saw him several times a week. “The ambulance would bring him in. We would sober him up, so he would be sober enough to go to jail. And we would call the police to pick him up. In fact, that’s how I met my husband.” Marla Johns is married to Steve Johns.

“He was like the one constant in an environment that was ever changing,” she went on. “In he would come. He would grin that half-toothless grin. He called me ‘my angel.’ I would walk in the room, and he would smile and say, ‘Oh, my angel, I’m so happy to see you.’ We would joke back and forth, and I would beg him to quit drinking and he would laugh it off. And when time went by and he didn’t come in I would get worried and call the coroner’s office. When he was sober, we would find out, oh, he’s working someplace, and my husband and I would go and have dinner where he was working. When my husband and I were dating, and we were going to get married, he said, ‘Can I come to the wedding?’”

And I almost felt like he should. My joke was ‘If you are sober you can come, because I can’t afford your bar bill.’ When we started a family, he would lay a hand on my pregnant belly and bless the child. He really was this kind of light.”

In the fall of 2003, the Reno Police Department started an initiative designed to limit panhandling in the downtown core. There were articles in the newspapers, and the police department came under harsh criticism on local talk radio. The crackdown on panhandling amounted to harassment, the critics said. The homeless weren’t an imposition on the city; they were just trying to get by. “One morning, I’m listening to one of the talk shows, and they’re just trashing the police department and going on about how unfair it is,” O’Bryan said. “And I thought, Wow, I’ve never seen any of these critics in one of the alleyways in the middle of the winter looking for bodies.” O’Bryan was angry. In downtown Reno, food for the homeless was plentiful: there was a Gospel kitchen and Catholic Services, and even the local McDonald’s fed the hungry. The panhandling was for liquor, and the liquor was anything but harmless. He and Johns spent at least half their time dealing with people like Murray; they were as much caseworkers as police officers. And they knew they weren’t the only ones involved. When someone passed out on the street, there was a “One down” call to the paramedics. There were four people in an ambulance, and the patient sometimes stayed at the hospital for days, because living on the streets in a state of almost constant intoxication was a reliable way of getting sick. None of that, surely, could be cheap.

O’Bryan and Johns called someone they knew at an ambulance service and then contacted the local hospitals. “We came up with three names that were some of our chronic inebriates in the downtown area, that got arrested the most often,” O’Bryan said. “We tracked those three individuals through just one of our two hospitals. One of the guys had been in jail previously, so he’d only been on the streets for six months. In those six months, he had accumulated a bill of a hundred thousand dollars—and that’s at the smaller of the two hospitals near downtown Reno. It’s pretty reasonable to assume that the other hospital had an even larger bill. Another individual came from Portland and had been in Reno for three months. In those three months, he had accumulated a bill for sixty-five thousand dollars. The third individual actually had some periods of being sober, and had accumulated a bill of fifty thousand.” The first of those people was Murray Barr, and Johns and O’Bryan realized that if you totted up all his hospital bills for the ten years that he had been on the streets—as well as substance-abuse-treatment costs, doctors’ fees, and other expenses—Murray Barr probably ran up a medical bill as large as anyone in the state of Nevada.

“It cost us one million dollars not to do something about Murray,” O’Bryan said.

Fifteen years ago, after the Rodney King beating, the Los Angeles Police Department was in crisis. It was accused of racial insensitivity and ill discipline and violence, and the assumption was that those problems had spread broadly throughout the rank and file. In the language of statisticians, it was thought that L.A.P.D.’s troubles had a “normal” distribution—that if you graphed them the result would look like a bell curve, with a small number of officers at one end of the curve, a small number at the other end, and the bulk of the problem situated in the middle. The bell-curve assumption has become so much a part of our mental architecture that we tend to use it to organize experience automatically.

But when the L.A.P.D. was investigated by a special commission headed by Warren Christopher, a very different picture emerged. Between 1986 and 1990, allegations of excessive force or improper tactics were made against eighteen hundred of the eighty-five hundred officers in the L.A.P.D. The broad middle had scarcely been accused of anything. Furthermore, more than fourteen hundred officers had only one or two allegations made against them—and bear in mind that these were not proven charges, that they happened in a four-year period, and that allegations of excessive force are an inevitable feature of urban police work. (The N.Y.P.D. receives about three thousand such complaints a year.) A hundred and eighty-three officers, however, had four or more complaints against them, forty-four

officers had six or more complaints, sixteen had eight or more, and one had sixteen complaints. If you were to graph the troubles of the L.A.P.D., it wouldn't look like a bell curve. It would look more like a hockey stick. It would follow what statisticians call a "power law" distribution—where all the activity is not in the middle but at one extreme.

The Christopher Commission's report repeatedly comes back to what it describes as the extreme concentration of problematic officers. One officer had been the subject of thirteen allegations of excessive use of force, five other complaints, twenty-eight "use of force reports" (that is, documented, internal accounts of inappropriate behavior), and one shooting. Another had six excessive-force complaints, nineteen other complaints, ten use-of-force reports, and three shootings. A third had twenty-seven use-of-force reports, and a fourth had thirty-five. Another had a file full of complaints for doing things like "striking an arrestee on the back of the neck with the butt of a shotgun for no apparent reason while the arrestee was kneeling and handcuffed," beating up a thirteen-year-old juvenile, and throwing an arrestee from his chair and kicking him in the back and side of the head while he was handcuffed and lying on his stomach.

The report gives the strong impression that if you fired those forty-four cops the L.A.P.D. would suddenly become a pretty well-functioning police department. But the report also suggests that the problem is tougher than it seems, because those forty-four bad cops were so bad that the institutional mechanisms in place to get rid of bad apples clearly weren't working. If you made the mistake of assuming that the department's troubles fell into a normal distribution, you'd propose solutions that would raise the performance of the middle—like better training or better hiring—when the middle didn't need help. For those hard-core few who did need help, meanwhile, the medicine that helped the middle wouldn't be nearly strong enough.

In the nineteen-eighties, when homelessness first surfaced as a national issue, the assumption was that the problem fit a normal distribution: that the vast majority of the homeless were in the same state of semi-permanent distress. It was an assumption that bred despair: if there were so many homeless, with so many problems, what could be done to help them? Then, fifteen years ago, a young Boston College graduate student named Dennis Culhane lived in a shelter in Philadelphia for seven weeks as part of the research for his dissertation. A few months later he went back, and was surprised to discover that he couldn't find any of the people he had recently spent so much time with. "It made me realize that most of these people were getting on with their own lives," he said. Culhane then put together a database—the first of its kind—to track who was coming in and out of the shelter system. What he discovered profoundly changed the way homelessness is understood. Homelessness doesn't have a normal distribution, it turned out. It has a power-law distribution. "We found that eighty per cent of the homeless were in and out really quickly," he said. "In Philadelphia, the most common length of time that someone is homeless is one day. And the second most common length is two days. And they never come back. Anyone who ever has to stay in a shelter involuntarily knows that all you think about is how to make sure you never come back."

The next ten per cent were what Culhane calls episodic users. They would come for three weeks at a time, and return periodically, particularly in the winter. They were quite young, and they were often heavy drug users. It was the last ten per cent—the group at the farthest edge of the curve—that interested Culhane the most. They were the chronically homeless, who lived in the shelters, sometimes for years at a time. They were older. Many were mentally ill or physically disabled, and when we think about homelessness as a social problem—the people sleeping on the sidewalk, aggressively panhandling, lying drunk in doorways, huddled on subway grates and under bridges—it's this group that we have in mind. In the early nineteen-nineties, Culhane's database suggested that New York City had a quarter of a million people who were homeless at some point in the previous half decade—which was a surprisingly high number. But only about twenty-five hundred were chronically homeless.

It turns out, furthermore, that this group costs the health-care and social-services systems far more than anyone had ever anticipated. Culhane estimates that in New York at least sixty-two million dollars was being spent annually to shelter just those twenty-five hundred hard-core homeless. “It costs twenty-four thousand dollars a year for one of these shelter beds,” Culhane said. “We’re talking about a cot eighteen inches away from the next cot.” Boston Health Care for the Homeless Program, a leading service group for the homeless in Boston, recently tracked the medical expenses of a hundred and nineteen chronically homeless people. In the course of five years, thirty-three people died and seven more were sent to nursing homes, and the group still accounted for 18,834 emergency-room visits—at a minimum cost of a thousand dollars a visit. The University of California, San Diego Medical Center followed fifteen chronically homeless inebriates and found that over eighteen months those fifteen people were treated at the hospital’s emergency room four hundred and seventeen times, and ran up bills that averaged a hundred thousand dollars each. One person—San Diego’s counterpart to Murray Barr—came to the emergency room eighty-seven times.

“If it’s a medical admission, it’s likely to be the guys with the really complex pneumonia,” James Dunford, the city of San Diego’s emergency medical director and the author of the observational study, said. “They are drunk and they aspirate and get vomit in their lungs and develop a lung abscess, and they get hypothermia on top of that, because they’re out in the rain. They end up in the intensive-care unit with these very complicated medical infections. These are the guys who typically get hit by cars and buses and trucks. They often have a neurosurgical catastrophe as well. So they are very prone to just falling down and cracking their head and getting a subdural hematoma, which, if not drained, could kill them, and it’s the guy who falls down and hits his head who ends up costing you at least fifty thousand dollars. Meanwhile, they are going through alcoholic withdrawal and have devastating liver disease that only adds to their inability to fight infections. There is no end to the issues. We do this huge drill. We run up big lab fees, and the nurses want to quit, because they see the same guys come in over and over, and all we’re doing is making them capable of walking down the block.”

The homelessness problem is like the L.A.P.D.’s bad-cop problem. It’s a matter of a few hard cases, and that’s good news, because when a problem is that concentrated you can wrap your arms around it and think about solving it. The bad news is that those few hard cases are hard. They are falling-down drunks with liver disease and complex infections and mental illness. They need time and attention and lots of money. But enormous sums of money are already being spent on the chronically homeless, and Culhane saw that the kind of money it would take to solve the homeless problem could well be less than the kind of money it took to ignore it. Murray Barr used more health-care dollars, after all, than almost anyone in the state of Nevada. It would probably have been cheaper to give him a full-time nurse and his own apartment.

The leading exponent for the power-law theory of homelessness is Philip Mangano, who, since he was appointed by President Bush in 2002, has been the executive director of the U.S. Interagency Council on Homelessness, a group that oversees the programs of twenty federal agencies. Mangano is a slender man, with a mane of white hair and a magnetic presence, who got his start as an advocate for the homeless in Massachusetts. In the past two years, he has crisscrossed the United States, educating local mayors and city councils about the real shape of the homelessness curve. Simply running soup kitchens and shelters, he argues, allows the chronically homeless to remain chronically homeless. You build a shelter and a soup kitchen if you think that homelessness is a problem with a broad and unmanageable middle. But if it’s a problem at the fringe it can be solved. So far, Mangano has convinced more than two hundred cities to radically reevaluate their policy for dealing with the homeless.

“I was in St. Louis recently,” Mangano said, back in June, when he dropped by New York on his way to Boise, Idaho. “I spoke with people doing services there. They had a very difficult group of people they couldn’t reach no matter what they offered. So I said, Take some of your money and rent some

apartments and go out to those people, and literally go out there with the key and say to them, 'This is the key to an apartment. If you come with me right now I am going to give it to you, and you are going to have that apartment.' And so they did. And one by one those people were coming in. Our intent is to take homeless policy from the old idea of funding programs that serve homeless people endlessly and invest in results that actually end homelessness."

Mangano is a history buff, a man who sometimes falls asleep listening to old Malcolm X speeches, and who peppers his remarks with references to the civil-rights movement and the Berlin Wall and, most of all, the fight against slavery. "I am an abolitionist," he says. "My office in Boston was opposite the monument to the 54th Regiment on the Boston Common, up the street from the Park Street Church, where William Lloyd Garrison called for immediate abolition, and around the corner from where Frederick Douglass gave that famous speech at the Tremont Temple. It is very much ingrained in me that you do not manage a social wrong. You should be ending it."

The old Y.M.C.A. in downtown Denver is on Sixteenth Street, just east of the central business district. The main building is a handsome six-story stone structure that was erected in 1906, and next door is an annex that was added in the nineteen-fifties. On the ground floor there is a gym and exercise rooms. On the upper floors there are several hundred apartments—brightly painted one-bedrooms, efficiencies, and S.R.O.-style rooms with microwaves and refrigerators and central airconditioning—and for the past several years those apartments have been owned and managed by the Colorado Coalition for the Homeless.

Even by big-city standards, Denver has a serious homelessness problem. The winters are relatively mild, and the summers aren't nearly as hot as those of neighboring New Mexico or Utah, which has made the city a magnet for the indigent. By the city's estimates, it has roughly a thousand chronically homeless people, of whom three hundred spend their time downtown, along the central Sixteenth Street shopping corridor or in nearby Civic Center Park. Many of the merchants downtown worry that the presence of the homeless is scaring away customers. A few blocks north, near the hospital, a modest, low-slung detox center handles twenty-eight thousand admissions a year, many of them homeless people who have passed out on the streets, either from liquor or—as is increasingly the case—from mouthwash. "Dr. Tichenor's—Dr. Tich, they call it—is the brand of mouthwash they use," says Roxane White, the manager of the city's social services. "You can imagine what that does to your gut."

Eighteen months ago, the city signed up with Mangano. With a mixture of federal and local funds, the C.C.H. inaugurated a new program that has so far enrolled a hundred and six people. It is aimed at the Murray Barrs of Denver, the people costing the system the most. C.C.H. went after the people who had been on the streets the longest, who had a criminal record, who had a problem with substance abuse or mental illness. "We have one individual in her early sixties, but looking at her you'd think she's eighty," Rachel Post, the director of substance treatment at the C.C.H., said. (Post changed some details about her clients in order to protect their identity.) "She's a chronic alcoholic. A typical day for her is she gets up and tries to find whatever she's going to drink that day. She falls down a lot. There's another person who came in during the first week. He was on methadone maintenance. He'd had psychiatric treatment. He was incarcerated for eleven years, and lived on the streets for three years after that, and, if that's not enough, he had a hole in his heart."

The recruitment strategy was as simple as the one that Mangano had laid out in St. Louis: Would you like a free apartment? The enrollees got either an efficiency at the Y.M.C.A. or an apartment rented for them in a building somewhere else in the city, provided they agreed to work within the rules of the program. In the basement of the Y, where the racquetball courts used to be, the coalition built a command center, staffed with ten caseworkers. Five days a week, between eight-thirty and ten in the morning, the caseworkers meet and painstakingly review the status of everyone in the program. On the wall around the conference table are several large white boards, with lists of doctor's appointments and

court dates and medication schedules. “We need a staffing ratio of one to ten to make it work,” Post said. “You go out there and you find people and assess how they’re doing in their residence. Sometimes we’re in contact with someone every day. Ideally, we want to be in contact every couple of days. We’ve got about fifteen people we’re really worried about now.”

The cost of services comes to about ten thousand dollars per homeless client per year. An efficiency apartment in Denver averages \$376 a month, or just over forty-five hundred a year, which means that you can house and care for a chronically homeless person for at most fifteen thousand dollars, or about a third of what he or she would cost on the street. The idea is that once the people in the program get stabilized they will find jobs, and start to pick up more and more of their own rent, which would bring someone’s annual cost to the program closer to six thousand dollars. As of today, seventy-five supportive housing slots have already been added, and the city’s homeless plan calls for eight hundred more over the next ten years.

The reality, of course, is hardly that neat and tidy. The idea that the very sickest and most troubled of the homeless can be stabilized and eventually employed is only a hope. Some of them plainly won’t be able to get there: these are, after all, hard cases. “We’ve got one man, he’s in his twenties,” Post said. “Already, he has cirrhosis of the liver. One time he blew a blood alcohol of .49, which is enough to kill most people. The first place we had he brought over all his friends, and they partied and trashed the place and broke a window. Then we gave him another apartment, and he did the same thing.”

Post said that the man had been sober for several months. But he could relapse at some point and perhaps trash another apartment, and they’d have to figure out what to do with him next. Post had just been on a conference call with some people in New York City who run a similar program, and they talked about whether giving clients so many chances simply encourages them to behave irresponsibly. For some people, it probably does. But what was the alternative? If this young man was put back on the streets, he would cost the system even more money. The current philosophy of welfare holds that government assistance should be temporary and conditional, to avoid creating dependency. But someone who blows .49 on a Breathalyzer and has cirrhosis of the liver at the age of twenty-seven doesn’t respond to incentives and sanctions in the usual way. “The most complicated people to work with are those who have been homeless for so long that going back to the streets just isn’t scary to them,” Post said. “The summer comes along and they say, ‘I don’t need to follow your rules.’” Power-law homelessness policy has to do the opposite of normal-distribution social policy. It should create dependency: you want people who have been outside the system to come inside and rebuild their lives under the supervision of those ten caseworkers in the basement of the Y.M.C.A.

That is what is so perplexing about power-law homelessness policy. From an economic perspective the approach makes perfect sense. But from a moral perspective it doesn’t seem fair. Thousands of people in the Denver area no doubt live day to day, work two or three jobs, and are eminently deserving of a helping hand—and no one offers them the key to a new apartment. Yet that’s just what the guy screaming obscenities and swigging Dr. Tich gets. When the welfare mom’s time on public assistance runs out, we cut her off. Yet when the homeless man trashes his apartment we give him another. Social benefits are supposed to have some kind of moral justification. We give them to widows and disabled veterans and poor mothers with small children. Giving the homeless guy passed out on the sidewalk an apartment has a different rationale. It’s simply about efficiency.

We also believe that the distribution of social benefits should not be arbitrary. We don’t give only to some poor mothers, or to a random handful of disabled veterans. We give to everyone who meets a formal criterion, and the moral credibility of government assistance derives, in part, from this universality. But the Denver homelessness program doesn’t help every chronically homeless person in Denver. There is a waiting list of six hundred for the supportive-housing program; it will be years before all those people get apartments, and some may never get one. There isn’t enough money to go

around, and to try to help everyone a little bit—to observe the principle of universality—isn't as cost-effective as helping a few people a lot. Being fair, in this case, means providing shelters and soup kitchens, and shelters and soup kitchens don't solve the problem of homelessness. Our usual moral intuitions are little use, then, when it comes to a few hard cases. Power-law problems leave us with an unpleasant choice. We can be true to our principles or we can fix the problem. We cannot do both.

A few miles northwest of the old Y.M.C.A. in downtown Denver, on the Speer Boulevard off-ramp from I-25, there is a big electronic sign by the side of the road, connected to a device that remotely measures the emissions of the vehicles driving past. When a car with properly functioning pollution-control equipment passes, the sign flashes "Good." When a car passes that is well over the acceptable limits, the sign flashes "Poor." If you stand at the Speer Boulevard exit and watch the sign for any length of time, you'll find that virtually every car scores "Good." An Audi A4—"Good." A Buick Century—"Good." A Toyota Corolla—"Good." A Ford Taurus—"Good." A Saab 9-5—"Good," and on and on, until after twenty minutes or so, some beat-up old Ford Escort or tricked-out Porsche drives by and the sign flashes "Poor." The picture of the smog problem you get from watching the Speer Boulevard sign and the picture of the homelessness problem you get from listening in on the morning staff meetings at the Y.M.C.A. are pretty much the same. Auto emissions follow a power-law distribution, and the air-pollution example offers another look at why we struggle so much with problems centered on a few hard cases.

Most cars, especially new ones, are extraordinarily clean. A 2004 Subaru in good working order has an exhaust stream that's just .06 per cent carbon monoxide, which is negligible. But on almost any highway, for whatever reason—age, ill repair, deliberate tampering by the owner—a small number of cars can have carbon-monoxide levels in excess of ten per cent, which is almost two hundred times higher. In Denver, five per cent of the vehicles on the road produce fifty-five per cent of the automobile pollution.

"Let's say a car is fifteen years old," Donald Stedman says. Stedman is a chemist and automobile-emissions specialist at the University of Denver. His laboratory put up the sign on Speer Avenue. "Obviously, the older a car is the more likely it is to become broken. It's the same as human beings. And by broken we mean any number of mechanical malfunctions—the computer's not working anymore, fuel injection is stuck open, the catalyst died. It's not unusual that these failure modes result in high emissions. We have at least one car in our database which was emitting seventy grams of hydrocarbon per mile, which means that you could almost drive a Honda Civic on the exhaust fumes from that car. It's not just old cars. It's new cars with high mileage, like taxis. One of the most successful and least publicized control measures was done by a district attorney in L.A. back in the nineties. He went to LAX and discovered that all of the Bell Cabs were gross emitters. One of those cabs emitted more than its own weight of pollution every year."

In Stedman's view, the current system of smog checks makes little sense. A million motorists in Denver have to go to an emissions center every year—take time from work, wait in line, pay fifteen or twenty-five dollars—for a test that more than ninety per cent of them don't need. "Not everybody gets tested for breast cancer," Stedman says. "Not everybody takes an AIDS test." On-site smog checks, furthermore, do a pretty bad job of finding and fixing the few outliers. Car enthusiasts—with high-powered, high-polluting sports cars—have been known to drop a clean engine into their car on the day they get it tested. Others register their car in a faraway town without emissions testing or arrive at the test site "hot"—having just come off hard driving on the freeway—which is a good way to make a dirty engine appear to be clean. Still others randomly pass the test when they shouldn't, because dirty engines are highly variable and sometimes burn cleanly for short durations. There is little evidence, Stedman says, that the city's regime of inspections makes any difference in air quality.

He proposes mobile testing instead. Twenty years ago, he invented a device the size of a suitcase that

uses infrared light to instantly measure and then analyze the emissions of cars as they drive by on the highway. The Speer Avenue sign is attached to one of Stedman's devices. He says that cities should put half a dozen or so of his devices in vans, park them on freeway off-ramps around the city, and have a police car poised to pull over anyone who fails the test. A half-dozen vans could test thirty thousand cars a day. For the same twenty-five million dollars that Denver's motorists now spend on on-site testing, Stedman estimates, the city could identify and fix twenty-five thousand truly dirty vehicles every year, and within a few years cut automobile emissions in the Denver metropolitan area by somewhere between thirty-five and forty per cent. The city could stop managing its smog problem and start ending it.

Why don't we all adopt the Stedman method? There's no moral impediment here. We're used to the police pulling people over for having a blown headlight or a broken side mirror, and it wouldn't be difficult to have them add pollution-control devices to their list. Yet it does run counter to an instinctive social preference for thinking of pollution as a problem to which we all contribute equally. We have developed institutions that move reassuringly quickly and forcefully on collective problems. Congress passes a law. The Environmental Protection Agency promulgates a regulation. The auto industry makes its cars a little cleaner, and—presto—the air gets better. But Stedman doesn't much care about what happens in Washington and Detroit. The challenge of controlling air pollution isn't so much about the laws as it is about compliance with them. It's a policing problem, rather than a policy problem, and there is something ultimately unsatisfying about his proposed solution. He wants to end air pollution in Denver with a half-dozen vans outfitted with a contraption about the size of a suitcase. Can such a big problem have such a small-bore solution?

That's what made the findings of the Christopher Commission so unsatisfying. We put together blue-ribbon panels when we're faced with problems that seem too large for the normal mechanisms of bureaucratic repair. We want sweeping reforms. But what was the commission's most memorable observation? It was the story of an officer with a known history of doing things like beating up handcuffed suspects who nonetheless received a performance review from his superior stating that he "usually conducts himself in a manner that inspires respect for the law and instills public confidence." This is what you say about an officer when you haven't actually read his file, and the implication of the Christopher Commission's report was that the L.A.P.D. might help solve its problem simply by getting its police captains to read the files of their officers. The L.A.P.D.'s problem was a matter not of policy but of compliance. The department needed to adhere to the rules it already had in place, and that's not what a public hungry for institutional transformation wants to hear. Solving problems that have power-law distributions doesn't just violate our moral intuitions; it violates our political intuitions as well. It's hard not to conclude, in the end, that the reason we treated the homeless as one hopeless undifferentiated group for so long is not simply that we didn't know better. It's that we didn't want to know better. It was easier the old way.

Power-law solutions have little appeal to the right, because they involve special treatment for people who do not deserve special treatment; and they have little appeal to the left, because their emphasis on efficiency over fairness suggests the cold number-crunching of Chicago-school cost-benefit analysis. Even the promise of millions of dollars in savings or cleaner air or better police departments cannot entirely compensate for such discomfort. In Denver, John Hickenlooper, the city's enormously popular mayor, has worked on the homelessness issue tirelessly during the past couple of years. He spent more time on the subject in his annual State of the City address this past summer than on any other topic. He gave the speech, with deliberate symbolism, in the city's downtown Civic Center Park, where homeless people gather every day with their shopping carts and garbage bags. He has gone on local talk radio on many occasions to discuss what the city is doing about the issue. He has commissioned studies to show what a drain on the city's resources the homeless population has become. But, he says, "there are still

people who stop me going into the supermarket and say, 'I can't believe you're going to help those homeless people, those bums.'”

Early one morning a year ago, Marla Johns got a call from her husband, Steve. He was at work. “He called and woke me up,” Johns remembers. “He was choked up and crying on the phone. And I thought that something had happened with another police officer. I said, ‘Oh, my gosh, what happened?’ He said, ‘Murray died last night.’” He died of intestinal bleeding. At the police department that morning, some of the officers gave Murray a moment of silence. “There are not many days that go by that I don’t have a thought of him,” she went on. “Christmas comes—and I used to buy him a Christmas present. Make sure he had warm gloves and a blanket and a coat. There was this mutual respect. There was a time when another intoxicated patient jumped off the gurney and was coming at me, and Murray jumped off his gurney and shook his fist and said, ‘Don’t you touch my angel.’ You know, when he was monitored by the system he did fabulously. He would be on house arrest and he would get a job and he would save money and go to work every day, and he wouldn’t drink. He would do all the things he was supposed to do. There are some people who can be very successful members of society if someone monitors them. Murray needed someone to be in charge of him.”

But, of course, Reno didn’t have a place where Murray could be given the structure he needed. Someone must have decided that it cost too much.

“I told my husband that I would claim his body if no one else did,” she said. “I would not have him in an unmarked grave.”

PHOTO (BLACK & WHITE): The homeless pose a "power law" problem: a tiny hard-core fraction accounts for most of the social costs.

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By Malcolm Gladwell