FEBRUARY 2025

PCCI Direct Cash Transfer Project

Final Report

Center for Social Development • PCCI • Family Economic Policy Lab

Authors

Center for Social Development
BROWN SCHOOL AT WASHINGTON UNIVERSITY

Leah Hamilton, MSW, PhD

Co-Principal Investigator
Professor
Principal Investigator, Family Economic Policy Lab
Appalachian State University

Stephen Roll, PhD

Co-Principal Investigator
Assistant Professor
Co-Director of Research and Innovation
Brown School Center for Social Development
Washington University in St. Louis

Guangli Zhang, PhD

Senior Data Analyst, Social Policy Institute
Washington University in St. Louis
Research Fellow
St. Louis University

Family Economic Policy Lab
APPALACHIAN STATE UNIVERSITY
BEAVER COLLEGE OF HEALTH SCIENCES

Acknowledgments

The research team would like to thank the Bezos Day 1 Families Fund, the Robert Wood Johnson Foundation, the Washington Center for Equitable Growth for their research support, as well as Jimyu Evans and Margaret Shuelke, Co-CEOs of PCCI for their partnership in this project.

PCCI would like to extend their heartfelt gratitude to PCCI's Board of Directors and the dedicated staff at PCCI whose unwavering commitment to the success of this research project was indispensable. Their tireless efforts provided the foundation upon which this study rests. Special thanks go to Danny Lester-Drew, former PCCI Director of Operations for training and communicating with program participants and collecting and reporting administrative data. We wish to thank direct program staff responsible for implementing the program, whose expertise in translating research into actionable services for those experiencing homelessness was invaluable. Their deep knowledge and compassionate approach to serving our clients was central to the project's success.

We extend our sincere thanks to our partners in the field of direct cash transfer programs who provided the guidance, insights, and support that significantly enhanced the quality and depth of this research. To Point Source Youth, a national nonprofit, for their invaluable leadership in hosting webinars and trainings on direct cash transfer programs. At the onset of the COVID-19 pandemic, these initiatives not only inspired a national movement but also equipped organizations like ours with the knowledge and tools to better serve our communities during an unprecedented time. To Matt Morton, D.Phil., M.Sc., Executive Director, Constellation Lab, for donating his time to work alongside PCCI during the formative period of our program design and implementation. His expertise was invaluable in "connecting the dots" between research and actionable solutions to homelessness and poverty.

Finally, we would like to express our sincere gratitude to the United Way of Greater Atlanta for their leadership in convening forums across the Metro Atlanta region. These gatherings have provided invaluable opportunities to explore ways to scale our work and to share the findings of our research project with other homeless services agencies. Their commitment to collaboration and innovation is helping to drive meaningful change in our community.

Project Community Connections, Inc. Cash Transfer Project

Background

In recent years, unconditional cash transfer programs have garnered global attention for their potential to positively transform existing social assistance programs and policy. This approach is associated with increases in employment, improved food security, health, and future orientation. While much research indicates the effectiveness of unconditional cash transfer policies (also known as guaranteed or basic income), little is known about their effects on individuals experiencing homelessness, a population with complex barriers and needs. However, as of late 2024, there were over 30 national guaranteed income pilots targeting individuals and families experiencing housing insecurity.[1] While limited, the available research is promising. A 2024 systematic review of 16 relevant studies found that direct cash assistance improved the quality of life, housing stability, and financial security for unhoused individuals.[2]

For example, a one-time unconditional cash transfer of $7,500 CAD to individuals experiencing homelessness in Canada found that, over a year, recipients spent fewer days homeless, increased savings and spending without an uptick in spending on temptation goods, and generated net societal savings.[3] The Denver Basic Income Project (DBIP) is a guaranteed income pilot for adults experiencing homelessness in Denver, Colorado. Participants receive either $1,000 a month for 12 months or $6,500 upon enrollment and $500 a month for 11 subsequent months (plus an active control group receiving $50 per month). Findings in the first year suggest marked improvements in housing stability, with increased rates of home ownership and renting and fewer nights spent unsheltered. Financial well-being and stability also improved across all groups.[4] Similarly, the "Miracle Money" project in California, launched in May 2022, provides a monthly basic income of $750 and social support for one year to individuals experiencing homelessness.

---

[1] Bowden, V., & Patel, U. (2024, December 16). States and Localities Can Use Guaranteed Income to Support People Experiencing Homelessness or Housing Instability While Promoting Dignity and Racial Equity | Center on Budget and Policy Priorities. *Center on Budget and Policy Priorities*. https://www.cbpp.org/blog/states-and-localities-can-use-guaranteed-income-to-support-people-experiencing-homelessness-or

[2] Calhoun, K. H., Deziel, J., Harrop, E., & Brisson, D. (2024). A Systematic Review of Cash Benefit Programs for People Experiencing Homelessness in the United States. *Journal of Policy Practice and Research*. https://doi.org/10.1007/s42972-024-00112-0

[3] Dwyer, R., Palepu, A., Williams, C., Daly-Grafstein, D., & Zhao, J. (2023). Unconditional cash transfers reduce homelessness. *Proceedings of the National Academy of Sciences*, *120*(36), e2222103120. https://doi.org/10.1073/pnas.2222103120

[4] Brisson, D., Hoops Calhoun, K., Coddington, L., Jett Flaxman, Z., Locke, S., Mann, B., Traver, A., & Yang, H. (2024). *Denver Basic Income Project Year One Evaluation Report June 2024*. The Center for Housing and Homelessness Research University of Denver Graduate School of Social Work. https://static1.squarespace.com/static/64f507a995b636019ef8853a/t/6671a2285cf8513e1383ed9d/1718723132992/FINAL_DBIP+Year+One+Executive+Summary.pdf

Six months into the program, recipients were less likely to be unsheltered and closer to meeting their basic needs compared to those receiving usual homelessness services.[5]

In 2022, Project Community Connections, Inc. (PCCI) in Atlanta, GA, launched a pilot offering $400 monthly cash transfers alongside rental assistance and case management to 100 households experiencing homelessness. The program began with an exploratory cohort of 50 participants and expanded in 2023 to a second, experimental cohort. This iteration randomly assigned 50 participants to receive the cash transfers and core housing services, while a control group of 50 received housing services only.

Researchers from Appalachian State University and Washington University in St. Louis conducted a mixed-methods evaluation using surveys, administrative data, spending data, and focus groups to examine impacts on housing stability, financial security, and program engagement. This report focuses on findings from the second cohort and insights from the two-year pilot program.

Program Overview

Project Community Connections, Inc. serves households experiencing homelessness in the greater Atlanta, Georgia area. PCCI's goals are to ensure these individuals move into affordable, appropriate homes quickly and provide them with an array of supports to transition into stable housing successfully. These supports include:

[5] Henwood, B. (2023). *Miracle Money California – November 2023 Interim Report*. USC Suzanne Dworak-Peck School of Social Work. https://hpri.usc.edu/homeless_research/miracle-money-california-november-2023-interim-report/

- Housing counseling to identify clients' housing needs and develop a plan for finding them suitable housing;
- Housing advocacy to ensure that clients with major barriers to housing stability can access affordable housing;
- Landlord liaison services to ensure a successful transition into independent living situations for clients;
- Financial assistance, such as short-term rental and utility assistance, move-in cost assistance, and assistance with other housing-related needs;
- Case management services to help clients stay on track with their housing goals.

In 2022, PCCI began the Direct Funds Transfer (DFT) program, which provides selected clients with an unconditional $400 per month over 12 months for a total of $4,800. These funds were delivered via a prepaid card, and recipients can use them for their chosen purposes. The DFT funds were offered alongside PCCI's core services, allowing recipients to access an array of housing-specific supports while also receiving cash support that can be used for both housing and non-housing purposes. All recipients of PCCI's DFT payments were enrolled in PCCI's Rapid Rehousing program. This "housing first" program model aims to secure housing for unhoused households and families as quickly as possible.

Research Design

The project included two distinct cohorts. The first cohort, recruited in the first year of the study, was intended to be a pilot cohort to refine elements of the study design, data collection, and payment administration. As such, the only members of the first study cohort are those who received the PCCI payments. To recruit participants for the second cohort, PCCI followed a more standard experimental design in which all eligible PCCI clients were randomly assigned into a control group that receives PCCI's core housing assistance services and a treatment group that receives those same services in addition to the $400/month guaranteed income payments. However, these clients were also prioritized based on veteran status. Non-veterans were offered enrollment in the study first, and after these individuals were offered enrollment, any remaining slots were offered to veterans until the study recruitment goal of 100 participants (50 treatment, 50 control) was reached. The motivation for this was that veterans experiencing homelessness also qualified for separate support services through Veterans Affairs offices and other programs, while non-veterans did not qualify for these supports. In total, 75 non-veterans and 25 veterans participated in the study.

Data Collection and Analysis

The data for this study were collected through PCCI's administrative data, DFT spending data, longitudinal survey data, qualitative interviews, and focus groups. PCCI collected administrative data at program intake and, in some cases, during subsequent case management sessions and at program exit. This administrative data includes PCCI recipients' demographic characteristics, employment and earnings, physical and mental health, and indicators concerning their housing difficulties (e.g., number of times homeless, domestic violence victimization, etc.). In this study, we primarily rely on PCCI's administrative data to examine the profiles of study participants.

Spending data was provided by the prepaid card provider for the DFT program. All DFT funds were automatically deposited onto these prepaid cards, allowing us to track how DFT recipients use their funds. Spending data is reported at the transaction level, and each transaction is categorized by the type of vendor involved in the transaction. For example, a payment for a GED exam would be categorized as "Education," while a payment at a 7-11 store would be categorized as "Gas & Convenience Stores." This study reports the percentage of funds that went to each expenditure category. Spending data are available for all study participants.

Survey data were collected at program enrollment and at monthly intervals over the study period. This survey collected an array of outcome indicators, including difficulties in finding shelter, difficulties in managing bills, use of alternative financial services such as payday loans, food insufficiency, and mental/physical health. While the first cohort only administered surveys to payment recipients, the second cohort administered surveys to both treatment and control groups, allowing us to assess differences in survey outcomes over the course of the study period. Survey recruitment was done through email, phone, and text, and respondents completed the surveys on their own. In total, 66 participants completed any survey in the study (39 treatment and 27 control). This translates to a 66% response rate (78% treatment and 54% control). We administered outcome surveys on a monthly basis, with the first survey conducted soon after study enrollment and prior to the treatment group receiving their first payment (the baseline survey). The last survey was conducted one month after the payments ended. This approach allows us to assess participants' outcomes before the program began, the changes in their outcomes over the course of the program, and the extent to which these changes continued or reversed after the program ended.

To assess the differences in monthly outcomes between the treatment and control groups, we employ fixed-effects regression techniques and include controls for baseline age, number of children, gender, public benefits receipt, the length of time clients had been enrolled in PCCI services, and whether they exited PCCI's housing services during the study period (they would still receive the DFT payments even after exiting PCCI housing).

While the randomization into treatment and control groups would generally allow us to assess the impacts of the payments on program recipients, the sample size of the second cohort is quite

low (n=66 responding to any survey). These small sample sizes limit our ability to identify significant program effects, so rather than focusing on traditional metrics of statistical significance we will highlight descriptive or suggestive differences in program outcomes between treatment and control groups.

Qualitative data were collected via focus groups with PCCI caseworkers and participants. Focus groups with caseworkers and participants occurred separately in June 2024. Nine PCCI caseworkers attended the caseworker focus group, and fourteen participants attended the participant focus group. Focus groups lasted approximately 60 minutes. Caseworkers received a $20 Tango gift card for attending the focus group during their workday, while participants were given a $50 Tango gift card to offset travel and potential lost work time. Transcription was completed via the rev.com platform.

Participant Characteristics

Table 1 draws on PCCI's administrative data to examine the characteristics of DFT study participants. The vast majority of participants (88%) identified as either black or black plus some other race/ethnicity, while (61%) identified as female. The average age of participants was 44. Physical and mental health conditions were common in this group. For example, 57% reported at least one disabling condition, and 37% reported a mental health disorder. Everyone in the study had been homeless at least one time in the prior 12 months, and 21% reported multiple spells of homelessness. 32% of participants reported experiencing homelessness because they were fleeing domestic violence. At the time of their entry into PCCI, 41% of study participants reported earning any income, and earned $1,740 per month on average.

Table 1 also examines differences between the treatment and control groups. Though small sample sizes limit our ability to draw conclusions about these differences, we do see that the treatment group was directionally more likely to identify as female and have a chronic health condition than the control, while being less likely to report a disabling condition, a mental health condition, or multiple spells of homelessness. The treatment group was also less likely to report staying in an emergency shelter but more likely to report staying in a place not meant for habitation. The income and employment measures for both groups were largely the same, though the treatment group was more likely to report being on any public benefits.

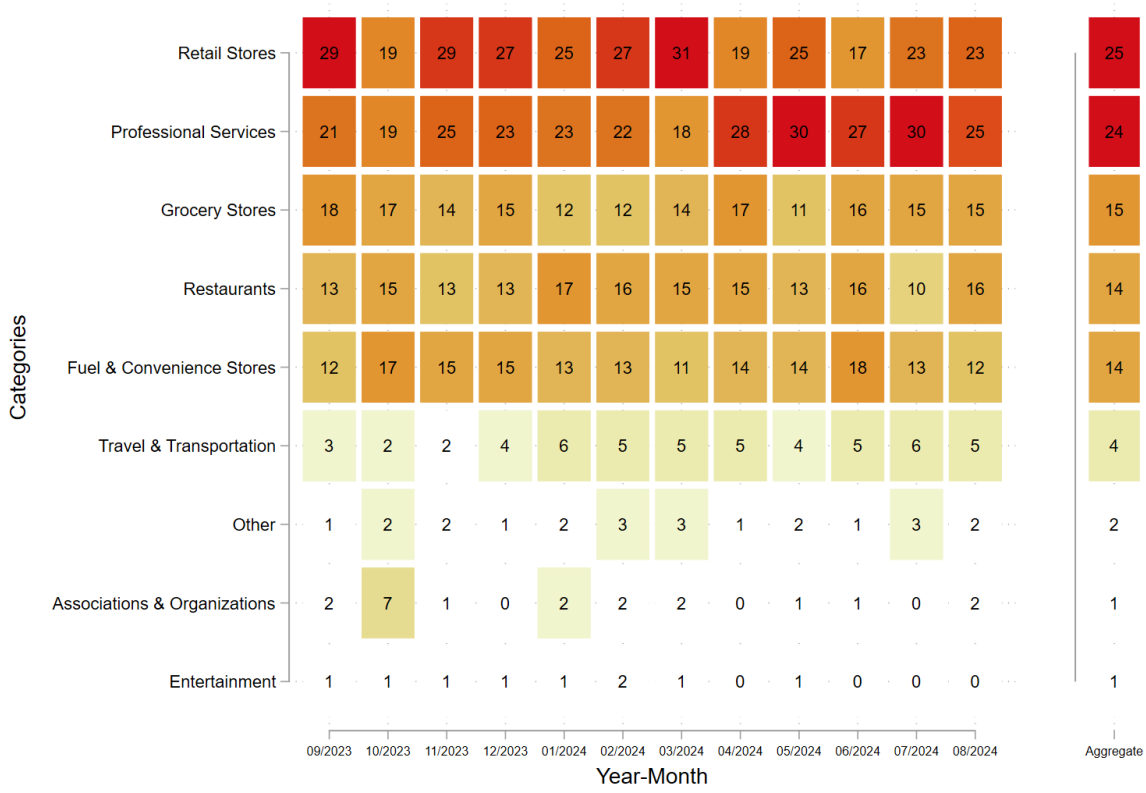
Table 1. Characteristics of Study Participants (Administrative Data)				
	Overall	Control	Treated	Difference
Socio-Demographic Characteristics				
Race/ethnicity				
Black	83%	82%	84%	-2%
White	12%	14%	10%	4%
Black+Other	5%	4%	6%	-2%
Female	61%	52%	70%	-18%
Age (mean)	44.09	45.4	42.78	2.62
Physical/Mental Health				
Disabling Condition	57%	62%	52%	10%
Physical Disability	21%	11%	30%	-19%
Chronic Health Condition	42%	44%	40%	4%
Mental Health Disorder	37%	33%	40%	-7%
Housing Indicators				
Number of times homeless, past 3 years				
1 time	79%	73%	86%	-13%
2 times	15%	23%	7%	16%
3 times	1%	2%	0%	2%
4+ times	5%	2%	7%	-5%
Domestic Violence Victim	32%	22%	40%	-18%
Housing Status				
Emergency Shelter (%)	38%	44%	32%	12%
Place Not Meant for Habitation (%)	49%	44%	54%	-10%
Rental with Support (%)	12%	10%	14%	-4%
Rental without Support (%)	1%	2%	0%	2%
Other (%)	0%	0%	0%	0%
Income and Benefits				
Earned Any Income	41%	40%	42%	-2%
Monthly Income ($)	1739.97	1707.17	1771.2	-64.02
Benefits	59%	48%	70%	-22%
Observations	100	50	50	100
Notes:				
*A mental health disorder may include serious depression, serious anxiety, hallucinations, violent behavior, thoughts of suicide, or anything that the client defines as a serious mental health diagnosis for themselves that is expected to be of long duration.				

Study Results

In this section, we first present how the funds were spent via the DFT transaction data. We then report on the impact of the DFT program on clients. To do so, we highlight themes that emerged from the client focus groups and supplement those themes with evidence from the survey and administrative data. Finally, we present our findings on caseworkers' perceptions of the DFT program by highlighting themes emerging from the caseworker focus groups.

Spending

Figure 1. Percentage of DFT Funds Spent, by Spending Category



Note: N=50 (DFT recipients only).

Drawing on data from the DFT card provider, we examine how DFT recipients spent their funds in Figure 1. Overall, the most common places in which DFT recipients spent their funds were retail stores (25%), professional service providers (e.g., laundry, insurance, phone services; 24%), and grocery stores, restaurants, and convenience stores (14-15% each). We also see that, overall, spending patterns remained fairly stable over the course of the year participants were receiving the payments, though retail purchases tended to be higher in the winter holiday months, while professional service purchases tended to be higher in the spring and summer months.

Study Outcomes - Clients

In June 2024, Cohort Two participants were invited to attend a focus group led by the Co-Principal Investigator to discuss their experiences with the program. Fifteen participants attended the focus group, which revealed several key themes, including initial disbelief about the program's benefits, profound gratitude for the support received, a heightened sense of financial security, improved housing stability, better budgeting capabilities, enhanced transportation and healthcare access, and the ability to make significant purchases. Participants also shared valuable feedback on the program, expressing overall satisfaction and offering suggestions for improvement.

Disbelief

Participants initially expressed disbelief about the program and the benefits it offered. Many found it hard to believe that they were receiving such assistance, especially after experiencing hardships. One participant recounted, "*It came to my email address. And I was like, 'Ah, this can't be real, I don't believe it.' Because I just got blessed with an opportunity to get housing."* This sense of disbelief was not uncommon among participants who had faced significant challenges and were unaccustomed to receiving such substantial aid. The skepticism often turned into relief and gratitude once the reality of the program set in.

Gratitude

Gratitude was a recurring theme as participants reflected on how the assistance helped them during their transition from homelessness to more stable living situations. One participant expressed, *"It was like I'd already been blessed, and I had enough….And I was like, 'Okay, this is very overwhelming.' Because it was like hey, as I'm going from off the streets into an apartment I need this, or I may need this here. The PEX Card kind of came in and helped, kind of did a few things or helped kind of stabilize."* The participants often felt overwhelmed by the support they received, which they described as crucial during their transitions to stable housing. The consistent support from the program allowed them to stabilize their lives and focus on rebuilding.

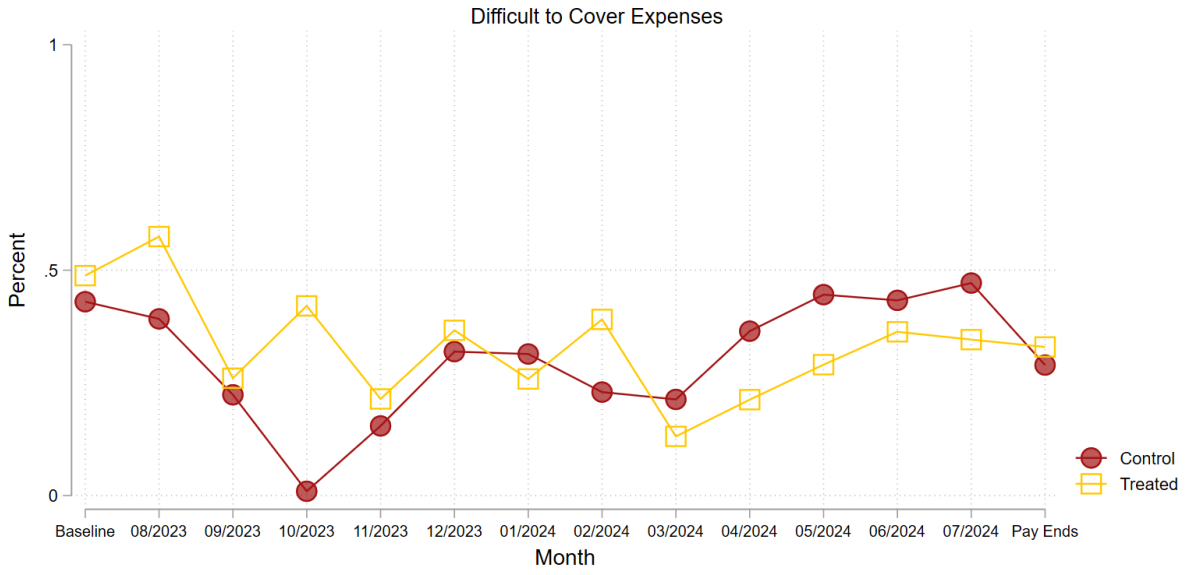
Sense of Security

The guaranteed income further provided a profound sense of security for participants, allowing them to plan and manage their finances more effectively. For example, one participant noted, *"I mean, it is the insurance of knowing every month that money is going to be there, so I can guarantee a bill collector or someone, hey, I'll have the money, or these funds, available on this date."* This sense of financial stability was echoed by others who mentioned that knowing the money would arrive consistently helped them to make more assured financial commitments and

avoid the stress of financial uncertainty. This security also extended to their ability to cover essential expenses reliably, which significantly alleviated daily anxieties.

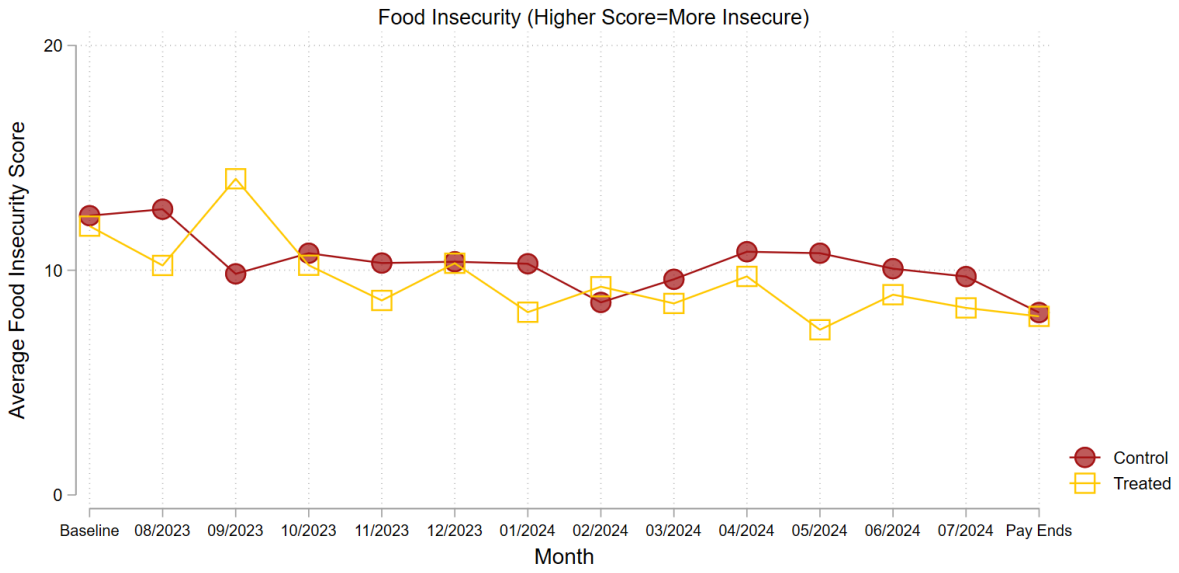
Our quantitative findings found some differences in DFT recipients' ability to cover essential expenses, though these differences are not large. For example, Figure 2 shows that the treatment was slightly more likely to report expense difficulties early in the program, but in the second half of the program period, were consistently less likely to report expense difficulties. In Figure 3, we examine levels of food insecurity in the treatment in control groups, as measured through the USDA Six-Item Short Form. We find that food insecurity is similar between treatment and control groups, though the treatment group did have a consistently lower level of food insecurity over the study period.

Figure 2. Expense Difficulties in a Typical Month, by Treatment Group



Note: N=63.

Figure 3. Food Insecurity in Past Four Weeks, by Treatment Group

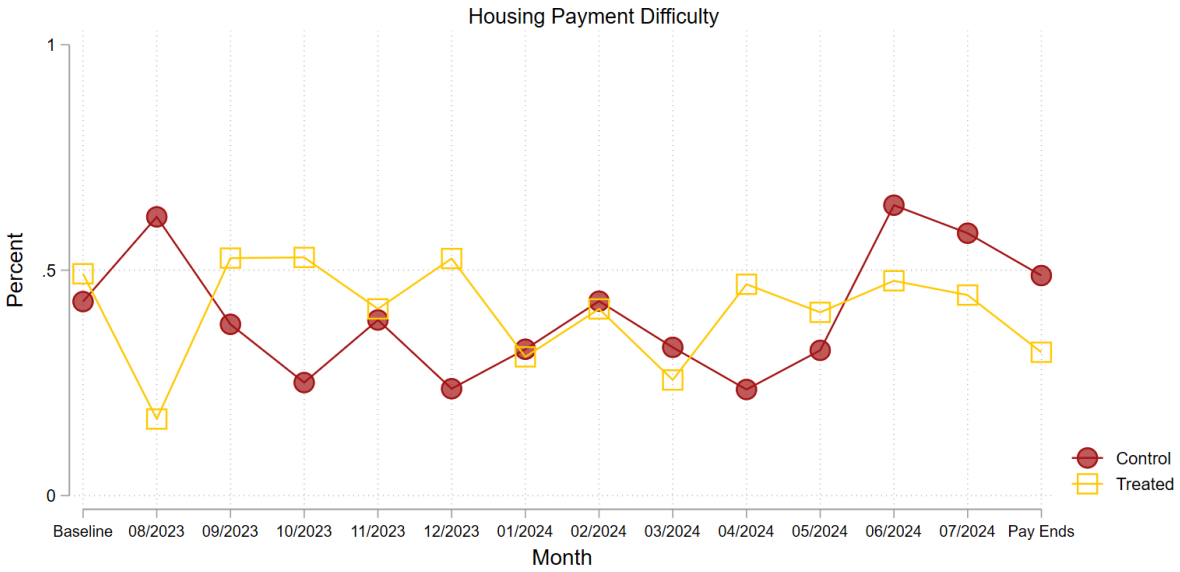


Note: The food insecurity measure comes from the Household Food Insecurity Access Scale.[6] *The maximum score in this scale, which indicates the highest level of food insecurity, is 27. N=65.*

We also find similar inconsistencies when it comes to measures of hardship in the data. For example, Figure 4 tracks the rates at which study participants reported difficulties making their housing payments. Here, we do not see any consistent differences between treatment and control groups, though the treatment group does appear less likely to report housing payment difficulties toward the end of the program. However, when we asked about difficulties in making utility payments (Figure 5), we see that the treatment group was consistently less likely than the control to experience issues with utility payments in the second half of the program.

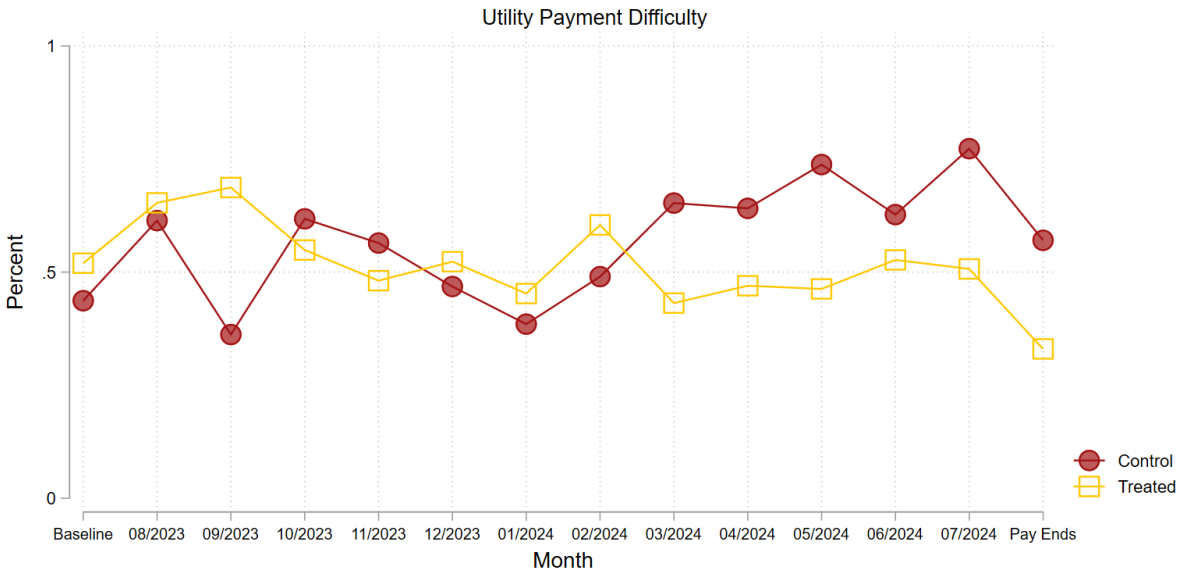
[6] Coates, J., Swindale, A., & Bilinsky, P. (2007). Household Food Insecurity Access Scale (HFIAS) for Measurement of Food Access: Indicator Guide (v. 3). Washington, D.C.: FHI 360/FANTA.

Figure 4. Skipped Housing Payments in Past Month, by Treatment Group



Note: N=63.

Figure 5. Skipped Utility Payments in Past Month, by Treatment Group



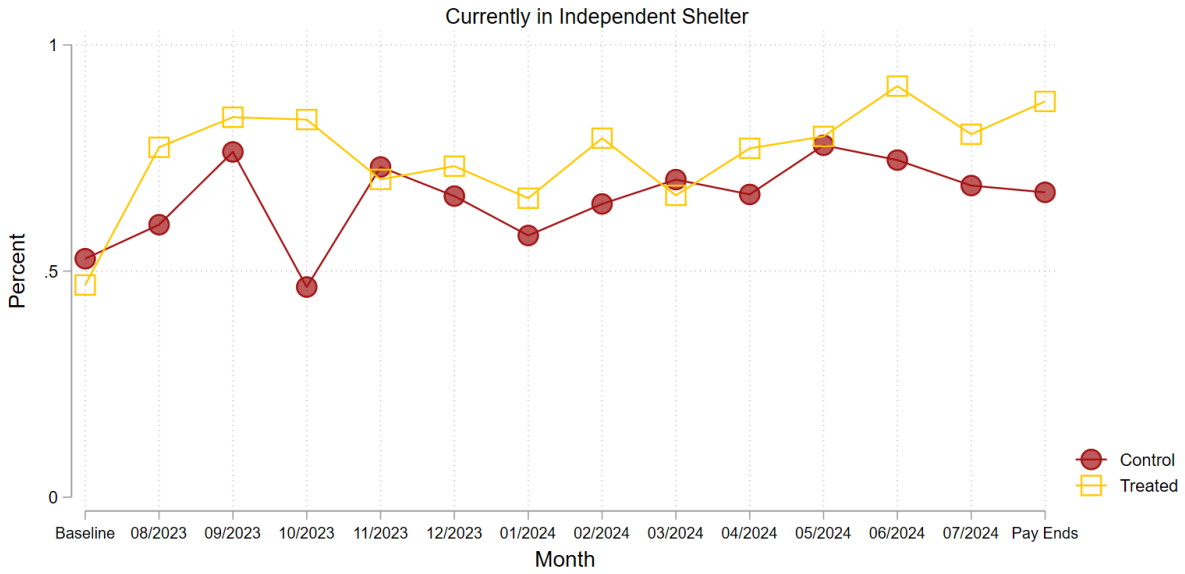
Note: N=62.

Housing Stability

Focus group participants noted that the guaranteed income provided a critical complement to PCCI's other services in their ability to secure and maintain housing. One participant explained, *"That's what made me come to PCCI. I was in an apartment two weeks after I joined PCCI. It didn't take long at all."* This quick transition into stable housing was a direct result of the program's support through PCCI's case management, housing assistance, and the PEX card program, highlighting the program's effectiveness in addressing the most pressing needs of people experiencing homelessness. The additional financial resources of the PEX card allowed participants to supplement housing-related expenses not covered by other services and also establish income for rental applications, which were critical in their journey toward stability. As one participant explained, *"Most of these senior citizen apartments, they want your income to be two times the rent. So that $400 dollars pulls me over the line."*

Survey data suggest mixed results for housing stability indicators. We see suggestive differences that the treatment group experienced some improvement in their ability to secure independent housing during the study period. In each wave of the survey, we asked participants about their current housing situation, including whether they were living on the street, in an apartment, with friends and family, and so on. We then defined a housing situation as "independent" if participants were paying for housing with their own money (e.g., apartments, homes, or motels they were paying for). In Figure 6, we see that the treatment group was actually somewhat less likely than the control to report being in independent housing at baseline, but during the period the payments were active, the treatment group became more likely to move into independent housing, and their rate of independent housing remained higher than the controls after the DFT payments ended.

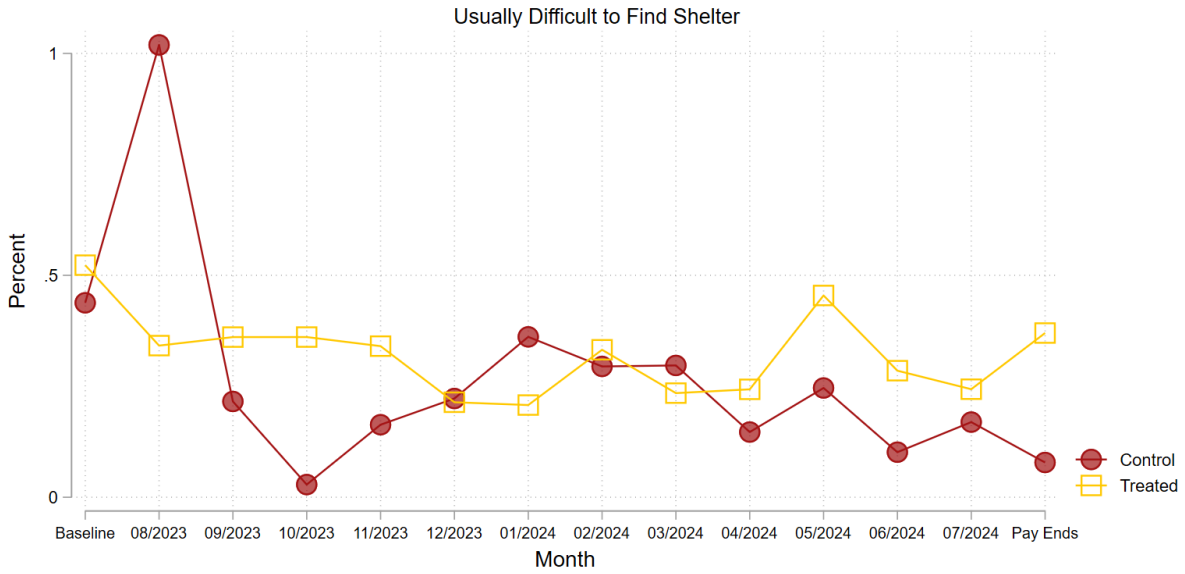
Figure 6. Independent Shelter Status, by Treatment Group



Note: Our measure of independent shelter is based on RAND's Course of Homelessness Study Questionnaire. Independent shelter includes an apartment or home that the person owned or paid rent on, a hotel or motel room they paid for, or a boarding/halfway house. Dependent shelter includes an array of shelter types including rooms paid for with vouchers, staying with family or friends, hospitals, nursing homes, and jails. N=65.

At the same time, there was an interesting divergence between treatment and control groups in terms of perceptions of how difficult it was to find shelter (Figure 7). Both groups experienced notable declines in the reported difficulty of finding shelter over the first 12 months of the study, with rates declining from around 50% at baseline to about 30% during the period the payments were active. However, after the DFT payments ended, the treatment group experienced a jump in the reported difficulty of finding shelter, while the control group continued to experience declines.

Figure 7. Difficulty Finding Shelter in Past Month, by Treatment Group

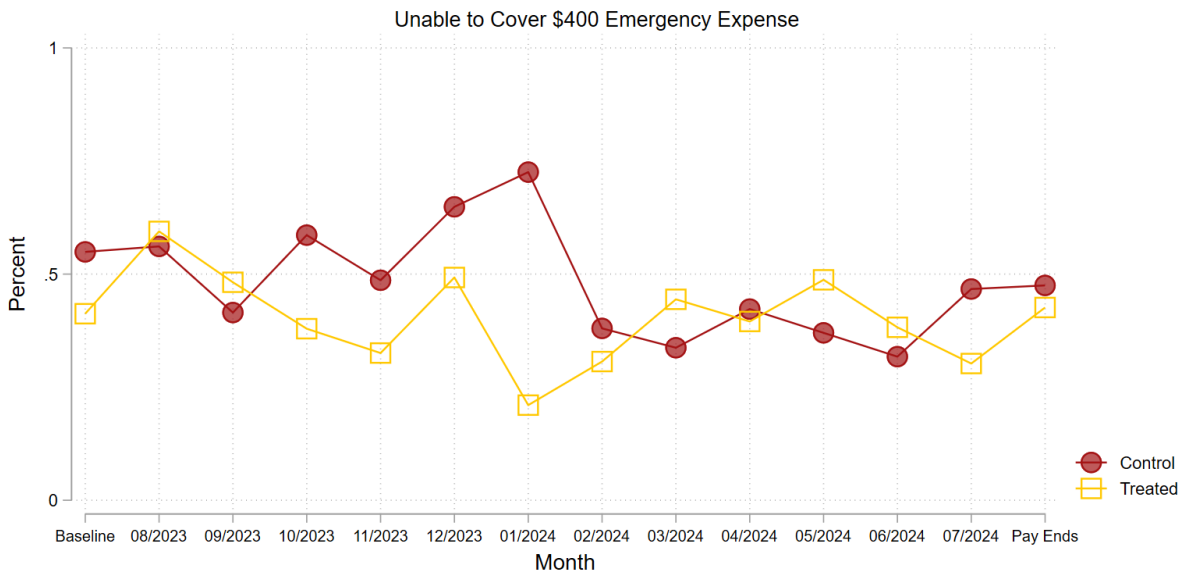


Note: This measure was also drawn from RAND's Course of Homelessness study. N=65

Better Able to Budget

The regular, predictable income also helped participants manage their budgets, allowing them to plan for expenses more effectively. As one participant described, "*Well, before that PEX Card, I was having a problem budgeting money. As far as my bills and rent went. But, once I knew that $400 was coming to me every month. Extra $400, it caused me to save from my regular check also. So I kept adding them together, and it has helped out a whole lot."* This improved ability to budget was transformative for many, enabling them to save money and plan for future expenses. The reliability of the guaranteed income made financial planning more straightforward and reduced the stress associated with unpredictable finances.

Figure 8. Ability to Manage $400 Emergency Expense, by Treatment Group



Note: This survey question is based on a question developed for the Federal Reserve's Survey of Household Economics and Decisionmaking, which asks respondents to list the ways in which they would cover an unexpected emergency expense of $400. Response options include covering the expense with cash on hand (including credit card debt paid in full at the next statement), taking on different types of debt, selling something, or being unable to cover the expense. N=65.

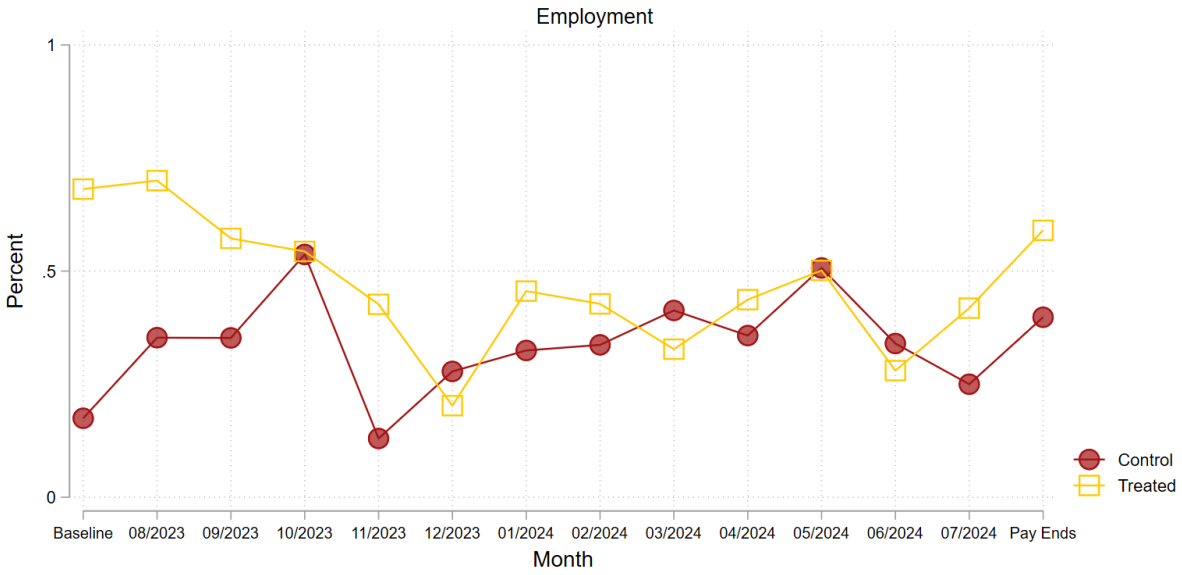
In the survey, we examined study participants' ability to manage financial emergencies by drawing on a question asking how participants would cover a small, unexpected $400 emergency expense (e.g., with money they already had on hand, by taking on debt, by selling things, etc.). In this question, respondents could also indicate that they would be unable to cover this expense. Interestingly, we find that DFT recipients were substantially less likely than the control group to report being unable to cover this expense early in the program, though these differences dissipate in the second half of the program (see Figure 8).

Transportation Security

Additionally, the cash assistance enabled participants to afford transportation, which is essential for accessing work and other necessary services. One participant shared that they used the card for *"Gas back and forth to work. That's an important one"* and another mentioned using the money for "car insurance." Reliable transportation is a critical need for maintaining employment and attending to daily responsibilities. The program's support made it possible for participants to cover transportation costs, thereby improving their overall mobility and access to opportunities.

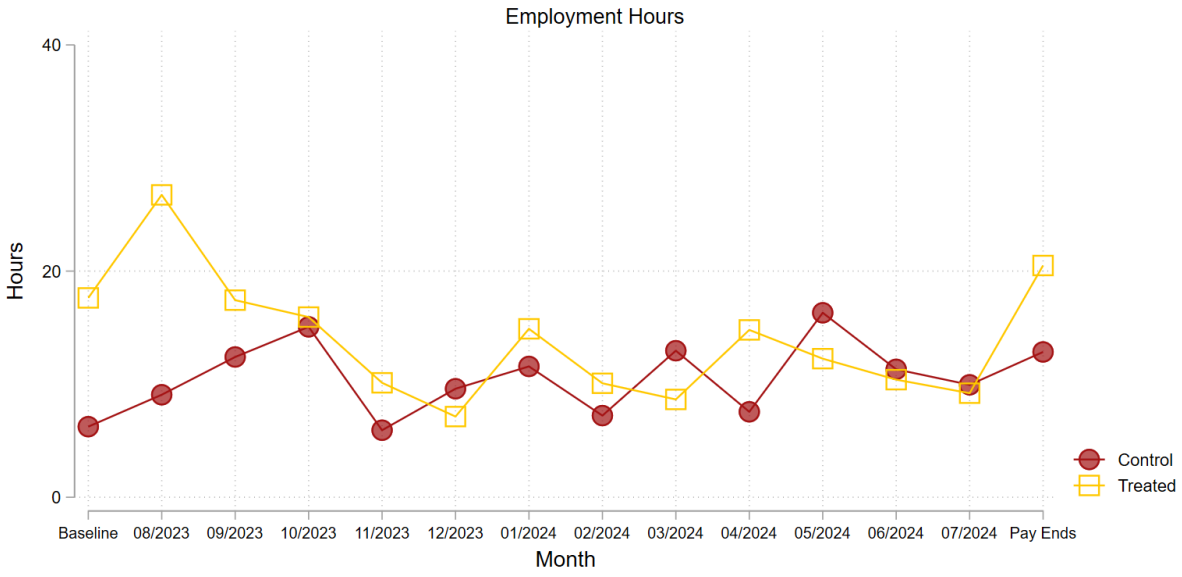
As mentioned above, for some participants, the extra funds removed barriers to employment such as transportation. One explained, "*I'm still waiting to be housed but I have this to get me where I need to be if I need gas for my job."* However, others experienced more complex barriers, such as one focus group participant who had experienced an injury at work and explained, *"When I went out on workers comp, [PCCI] covered part of my rent."* We see this complexity in the survey data as well. While the treatment and control groups experienced fluctuations in their employment over the study period, treatment participants were more likely to be employed at the program's end. We see similar fluctuations in numbers of hours worked in the past week, with treatment participants reporting more hours worked in the final month compared to the control group.

Figure 9. Any Work in the Past Month, by Treatment Group



Note: N=65

Figure 10. Hours Worked in Past Week, by Treatment Group



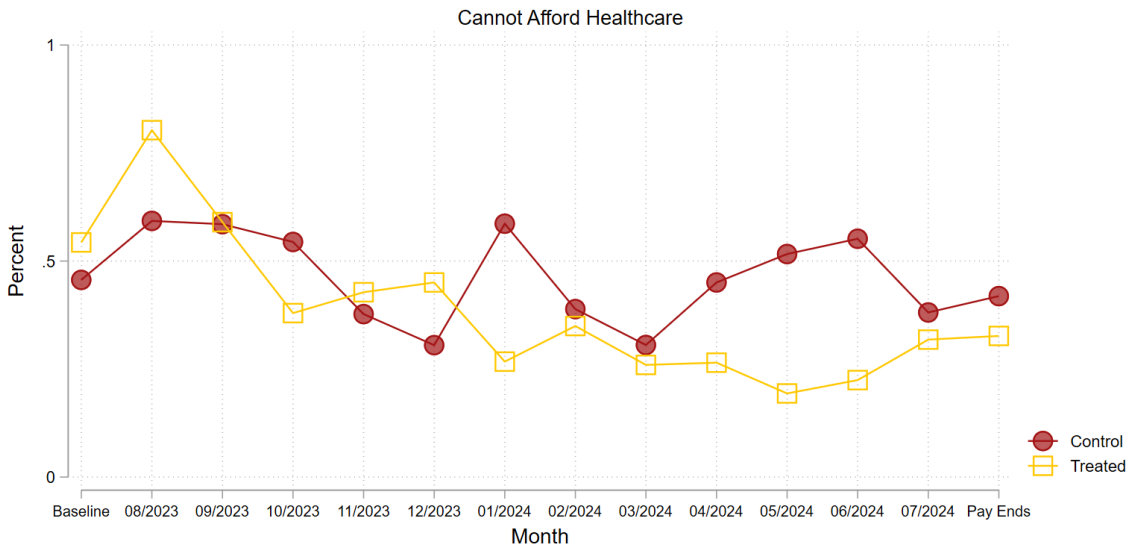
Note: N=65

Healthcare Access

Some participants used the funds to pay for healthcare expenses, which improved their overall well-being. For instance, one participant mentioned that the PEX card *"paid for [my] medication,"* and another said it *"covers the copays."* Access to healthcare is often a significant barrier for those experiencing homelessness, and the financial assistance provided by the program helped participants afford necessary medications and treatments. Participants felt that this improved access to healthcare contributed to better physical and mental health outcomes.

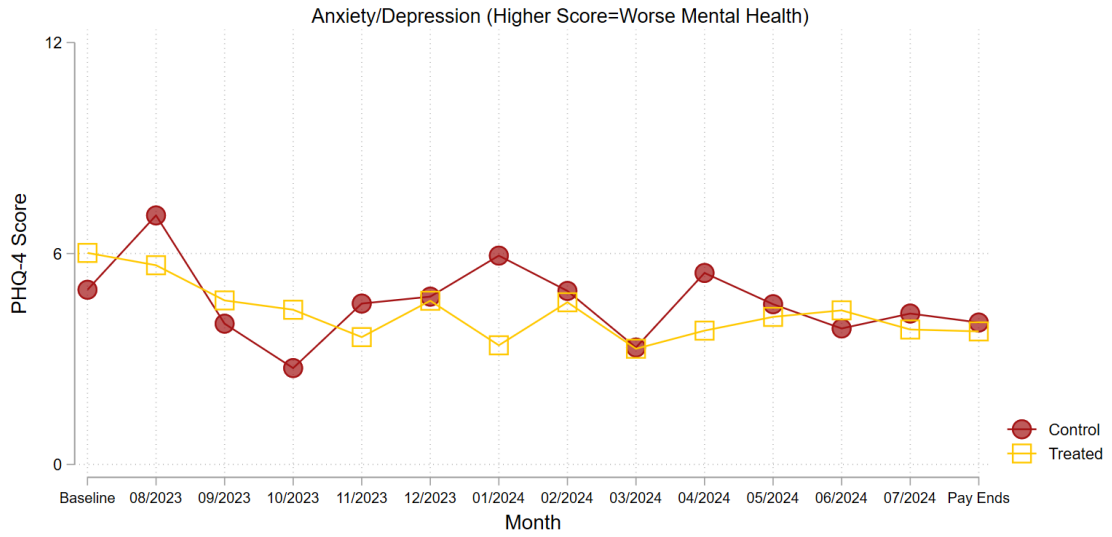
We find additional evidence of this in our survey results. DFT recipients were consistently less likely to report than the control group that they could not afford healthcare in the second half of the program period (Figure 11). We also see suggestive evidence that DFT recipients' health indicators improved. For example, Figure 12 examines the differences in PHQ-4 scores–a common measure of anxiety and depression–between the treatment and control groups and finds that, while the treatment group had slightly higher rates of anxiety/depression at baseline, their anxiety/depression levels then fell below the control for most of the study period. At the same time, the results are more mixed when we examine the reported number of days in a month participants felt like their physical/mental health was poor (Figure 13).

Figure 11. Could Not Afford Medical Care in the Past Month, by Treatment Group



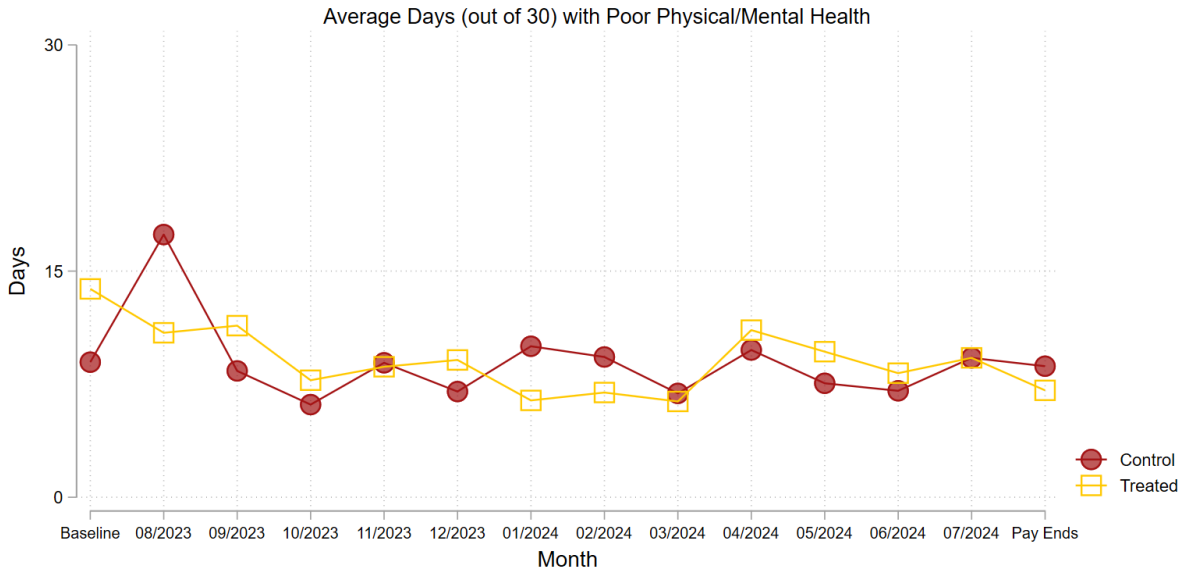
Note: N=64.

Figure 12. Anxiety and Depression Scores (PHQ-4), by Treatment Group



Note: The PHQ-4 is a standard screener for anxiety and depression. Scores range from 0-12, with 0-2 indicating no mental health disorder, 3-5 indicating mild disorder, 6-8 indicating moderate disorder, and 9-12 indicating severe disorder. N=65.

Figure 13. Average Days in the Past 30 with Poor Physical or Mental Health, by Treatment Group



Note: This measure was based on the Health-Related Quality of Life scale, which asked respondents how many days out of the last 30 they felt their physical or mental health was not good. N=65.

Doing More

The additional income allowed participants to make purchases and investments they couldn't afford previously, enhancing their quality of life. One participant recounted, *"It helped me make bigger purchases too…I was able to buy furniture for my apartment."* This ability to make larger purchases or save for future needs was a significant benefit of the program for many participants. They also expressed the overall cost savings of having the funds to buy in bulk. For example, one participant said, *"Instead of me getting four things of toilet paper, I can get a whole big old thing."*

Program Feedback

Participants shared various feedback about the program, including suggestions for improvement and overall satisfaction with the assistance provided. One participant noted, "*Yeah, that's what I like. And this is my first rodeo for actually joining or signing up for something like this here. Because what I pretty much expected with the worst, with a lot of things, so I don't have to worry about the let-down. But when I came, it was like, 'Wow, yeah? Are you really looking out for my best interest?' You're going to help me with this? So I think it was more so that sticks and stands*

out." Overall, participants expressed high levels of satisfaction with the program and its impact on their lives. They also provided constructive feedback aimed at improving the program's implementation and accessibility. For example, some participants expressed that they occasionally have difficulty using the card at certain stores that had limitations on the types of cards that are accepted, but this experience was infrequent. When asked about the ideal length of the program, participants largely agreed that two years would be optimal. As one participant mentioned, *"I feel like two years is enough time for everybody, anybody, to at least get a foundation for themselves."* Others wished that the card could be used to help establish a credit history.

Study Outcomes - Caseworkers

Caseworkers involved with the program were similarly invited to a focus group in June 2024. The nine participants revealed that the PEX card program effectively bridged financial gaps, fostered better relationships and communication, enhanced client autonomy, promoted healthier mindsets, and received positive feedback for its impact and implementation.

Bridging Gaps

Caseworkers noted that the PEX card was instrumental in bridging various financial gaps for clients, addressing needs that were not covered by other resources. One caseworker mentioned, *"PEX card has been helpful as far as them being able to pay the utilities because we don't do utilities. So they're able to use that. So it also takes the load off me with trying to find the systems for utility assistance because they can use the PEX card."* The card provided flexibility in covering essential expenses such as groceries, gas, and application fees, which significantly reduced the burden on both clients and caseworkers. Another caseworker highlighted the impact on food security by stating, *"Because a lot of clients you would think that they should be able to get that [food assistance], but some of them actually don't. Some of the veterans aren't and if they do it's only a little bit that they get. So that card actually helps them with groceries as well."* From the caseworkers' perspective, the PEX card filled critical financial gaps, enabling clients to focus on other areas of their lives.

Increased Client/Caseworker Trust and Communication

Caseworkers also reported that the PEX card fostered better communication and trust with their clients. One caseworker explained, *"I think when clients are receiving the PEX, they're more open to communication with the agencies. I had a few clients that were enrolled in SSVF but also receiving HUD-VASH, so they had a voucher. Before they got the PEX card, it was hard to get in touch with them because HUD was already helping with rent payments. We could assist with the application and cover administrative fees and security deposits. But once they received the PEX cards, they started reaching out to me instead of me always having to call. They would check in and ask if I needed anything from them."* Another explained, *"Once you offer something and they*

see there's no strings attached, there's not anything that we really want from them, but to just help them be successful, then they can see that you do care. You do want to help me." The unconditional nature of the financial support helped build a positive relationship, as clients felt that the support was genuinely aimed at their well-being without any hidden agendas.

Caseworkers also noted a change in their own perceptions about how clients would use the funds. One caseworker remarked, *"It also helped change our perception of what we think clients experiencing homelessness would do with extra money. We may think they're going to buy alcohol, they're going to buy cigarettes, they're going to do those kinds of things, but actually they're not doing that. It's interesting. So we actually see a different picture of what we're working with."* This mutual trust and respect led to more effective communication and collaboration, as both parties recognized the responsible and beneficial use of the financial assistance.

Increased Client Autonomy

The autonomy granted by the PEX card was a recurring theme among caseworkers. They observed that clients appreciated having control over how they spent the money, which contributed to a healthier mindset and more responsible financial behavior. One caseworker noted, *"And it shows that we really want them to have self-sufficiency. So even though the card comes from us, we don't tell them how to use it. We can assist them in talking to them how to budget it and what to do with it, but we're still letting them show how they can be self-sufficient with assistance too."* This autonomy helped clients develop better financial habits and a sense of independence. Another caseworker shared, *"I think basically just with the ones who aren't working, that's something for them to use. Say when it's time for maybe to start paying a portion of your rent. If you were working and lost it, you still have some income coming in."* Caseworkers felt that the ability to manage their own funds empowered clients and encouraged long-term self-sufficiency.

Healthier Mindset

Similarly, caseworkers reported that the reduced financial stress led to better mental health and a more positive outlook on life, as one reported, *"That is amazing what $400 would do not just change what they're able to do but also the mindset."* Another caseworker explained, "*A lot of my clients that do have alcohol abuse history and drugs, a lot of the triggers come from them not having enough income. So when they do get a little bit of money, 'okay, well let me indulge in some activities' versus with them having a PEX card, they don't have that stress that makes them want to drink or it makes them want to smoke."* The assurance of regular financial support helped clients focus on their recovery and personal development. Another caseworker added, *"I think the long term is that okay, 'now I have my basic needs met. Now let me focus on the long term.' And if the relationship from the rapport is there and they're trustworthy, they feel good about*

themselves, then they can aspire, they can maybe even dream again. It's the small things that count and they go a long way, especially when you have nothing."

Program Feedback

Finally, caseworkers also provided valuable feedback on the program, highlighting its positive impacts and suggesting areas for improvement. One caseworker shared*, "I think it builds a strong positive relationship between you and the client because like everyone is saying, it's something like here, no strings attached, here's this money, we just want you to use it and whatever you see is successful for gas or electricity or your rent payments or whatever the case may be."* They appreciated the flexibility and lack of restrictions associated with the PEX card, which enhanced client trust and cooperation. Another caseworker emphasized the need for expanding the program to include more clients, *"I'm not sure how the lottery system work or how people were chosen or how often the cards are available or given out, but clients that really need it that don't have it, you can see that it's a big deficit."* Others encouraged the program to be based on household size as one caseworker explained, "*$400 to a single is different from a single father with five kids or single mother with them or two parents together if one is unable to work."* The feedback underscored the program's success and the potential benefits of scaling it up to reach more individuals in need.

Conclusion

The findings from the PCCI Cohort 2 evaluation underscore the potential of unconditional cash transfers for individuals and families experiencing homelessness. This pilot program not only provided financial stability but also fostered improvements in housing security, financial autonomy, and overall well-being for its participants. By combining guaranteed income with robust housing support services, PCCI has demonstrated a comprehensive and effective model for addressing the multifaceted challenges of homelessness.

Key findings from the program include:

1. **Housing Stability**: Participants in the treatment group exhibited greater ability to transition into independent housing and maintain it during the program. Although differences in housing payment difficulties between the treatment and control groups were modest, participants highlighted the critical role of cash support in securing housing and meeting eligibility criteria for rentals.
2. **Financial Security and Budgeting**: Treatment group participants reported enhanced budgeting capabilities, reduced reliance on emergency financial measures, and increased ability to cover essential expenses. The predictability of monthly payments allowed for strategic financial planning, fostering a sense of security.
3. **Healthcare Access and Mental Well-being**: Cash transfers enabled participants to afford healthcare services and medications, contributing to improved physical and mental

health outcomes. Additionally, reduced financial stress alleviated triggers for substance use and facilitated recovery for some participants.

4. **Employment and Transportation**: While complex barriers to employment persisted, the guaranteed income removed critical obstacles such as transportation costs, enabling participants to pursue and sustain employment opportunities.

The results of the PCCI program align with broader findings in the field of unconditional cash transfers. As observed in programs such as the Denver Basic Income Project and Canada's "Miracle Money" initiative, PCCI's cash transfers significantly reduced housing instability and financial precarity without leading to increased spending on temptation goods. However, PCCI's unique integration of cash transfers with housing-first services differentiates it by targeting the specific needs of individuals experiencing homelessness, including tailored support through case management and landlord advocacy. This combination proved instrumental in addressing systemic barriers to housing access that cash assistance alone may not overcome.

The PCCI model offers valuable insights for policymakers and service providers:

- **Integrated Support Models**: Combining cash transfers with targeted housing services can amplify the impact of financial aid, particularly for populations facing entrenched barriers like homelessness.
- **Scalability and Equity Considerations**: Future iterations should consider adjustments based on household size and extend program duration to support sustained stability. This could enhance outcomes and further mitigate disparities among participants with varying needs.
- **Focus on Autonomy and Trust**: Unconditional cash transfers promote financial autonomy and build trust between service providers and clients, which are essential for fostering long-term self-sufficiency and positive relationships.

In summary, the PCCI Cohort 2 pilot reinforces the potential of guaranteed income as a powerful tool for addressing homelessness, particularly when paired with supportive services. The program's impacts on financial stability, housing security, and well-being serve as a compelling case for the expansion of such initiatives, offering a blueprint for scaling effective interventions to address systemic challenges in housing and social equity.