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Allocating Interventions Based on Predicted Outcomes: A Case Study on Homelessness Services

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Abstract

Modern statistical and machine learning methods are increasingly capable of modeling individual or personalized treatment effects. These predictions could be used to allocate different interventions across populations based on individual characteristics. In many domains, like social services, the availability of different possible interventions can be severely resource limited. This paper considers possible improvements to the allocation of such services in the context of homelessness service provision in a major metropolitan area. Using data from the homeless system, we use a counterfactual approach to show potential for substantial benefits in terms of reducing the number of families who experience repeat episodes of homelessness by choosing optimal allocations (based on predicted outcomes) to a fixed number of beds in different types of homelessness service facilities. Such changes in the allocation mechanism would not be without tradeoffs, however; a significant fraction of households are predicted to have a higher probability of re-entry in the optimal allocation than in the original one. We discuss the efficiency, equity and fairness issues that arise and consider potential implications for policy.

Introduction

Homelessness represents a long-standing problem with considerable individual and social costs. Homeless services coordinated at the community level (i.e, homeless system) struggle to keep up with demand for housing assistance, and little evidence supports the accuracy of current decision making in the allocation of limited homeless services (Brown et al. 2018; Fowler et al. 2017; Shinn et al. 2013). Advances in machine learning and AI techniques have made it possible to apply learning algorithms to social problems ranging from police patrol to poaching. Many of these solutions have had success in mitigating the problem to which they were applied (McCarthy, Vayanos, and Tambe 2017; Mukhopadhyay et al. 2016, e.g.). In this paper, we test the feasibility of data-driven approaches to inform policies that guide homeless service delivery. Specifically we ask the question of whether one can use individual predictions of success for certain types of homeless services to improve outcomes across the population.

Ethics and fairness: Since we are considering a problem of allocating scarce, shared societal resources using algorithmic approaches, it is important to foreground the discussion of ethical issues and fairness concerns. The use of techniques from artificial intelligence and machine learning (and more broadly, algorithmic approaches) in different societal contexts have increasingly raised concerns regarding fairness, accountability, and transparency (O'Neil 2016). In a number of situations, data-driven allocations have unintentionally introduced systematic biases that perpetuate inequities, such as racial disparities in credit lending, hotspot policing, and crime sentencing (Ensign et al. 2017; Pleiss et al. 2017; Corbett-Davies et al. 2017). The complexity involved in the development of decision algorithms has called into question the ability to design adequate protections against systematic misuses. In response to these types of concerns, the European Union recently issued the "General Data Protection Regulation" (GDPR), which imposes restrictions on how individual data can be used for algorithmic decision making in ways that "significantly affect" users. The GDPR coincides with a broader argument for not just full transparency, but rather *human interpretability* regarding how decisions are derived from algorithmic approaches to ensure adequate assessment of fairness.

However, requirements for human interpretability could also diminish the potential of AI to solve societal problems. Algorithmic approaches generate novel solutions that may not correspond to human intuition; requirements for full explainability of these complex processes limits the inherent value of applications to thorny social problems. In a recent *Wired* op-ed, David Weinberger raises a compelling example related to autonomous vehicles. If they were able to lower the number of fatalities in US vehicle crashes by 90%, would it really be worth losing that benefit because of the difficulty of explaining (or legal liabilities that may be associated with) the remaining crashes? Certainly, the answer to this partly depends on whether the remaining crashes disproportionately affect some portion of the population, and perhaps other considerations. Weinberger goes on to argue that while the governance of AI applied to social problems is critical, it can be achieved through existing processes for resolving policy issues (Weinberger 2018). The right approach is then to specify appropriate optimization goals, arrived at through the social processes of policy-making, which could be based on both efficiency and equity considerations.

Resource allocation for social services: A key difference in making resource allocation decisions on the basis of predictions in the social services setting, when predictions are being made based on observational data, is that the importance of causal modeling is magnified. As opposed to the types of problems that Kleinberg et al. (2015) call "prediction policy problems", or for example using machine learning predictions of default to manage risk (Butaru et al. 2016), we need useful counterfactual estimates of the effects of different interventions in order to even define the resource allocation problem. There has been significant recent progress in causal modeling from a machine learning perspective (Johansson, Shalit, and Sontag 2016, e.g.). For our work we use Bayesian additive regression trees (BART) (Chipman, George, and McCulloch 2007; Chipman et al. 2010), which have the benefit of providing coherent probabilistic estimates of heterogeneous treatment effects. Thus, it allows us to predict individual outcomes under counterfactual allocations.

While there is a long history of mechanism design research on assignment problems, school allocation, organ allocation, refugee matching, etc. (Kominers, Teytelboym, and Crawford (2017) provide an excellent recent introduction to market design), and much recent interest in the AI and broader computer science community in mechanism design for social good[1], there has been limited prior work on homelessness specifically. The most relevant study is that of Azizi et al. (2018), who consider allocation policies specifically for homeless youth. They formulate a dynamic allocation problem between arriving homeless youth and two types of housing resources (rapid rehousing and permanent supportive housing) in order to fairly and efficiently allocate youth to these resources; our focus moves beyond accurate screening to forecast response to multiple interventions using counterfactual approaches. Ours is one of the first studies to consider using machine-learning based estimates of counterfactual outcome probabilities to estimate the value of, and thus inform, allocation decisions for homeless services. We present this work as a proof-of-concept, based on a real administrative dataset across the whole range of homeless populations in a metro area, to address the following question: *By optimizing allocations based on predicted outcomes, how much could we potentially improve outcomes, and what would be the distributional effects of these improvements?*

Problem setup: Homelessness providers coordinate community-wide services that vary in level of intensity to meet household needs. In the US, services range from time-limited nonresidential supports to ongoing rental assistance with intensive case management (United States Congress 2009). At any given time, the homeless system allocates many households to many interventions, each subject to capacity constraints. Fundamentally, homeless services aim to stabilize households and reduce future demand for assistance. One commonly used metric of successful services tracks the number of households that use additional homeless services within two years of initial contact; counts are generated from administrative data that record entries and exists across homeless services (HUD 2012). However, routine capacity constraints make it challenging to measure success, since those in need may not be able to receive services.

In this work, we take advantage of unique local administrative records to assess whether households reenter homeless assistance within two years of initial contact, regardless of whether they actually use the services. The data available to us links homeless service records with *requests* for assistance through a regional homeless hotline. We build and evaluate counterfactual models (using BART) for whether a household would have re-entered the homeless system if assigned to a different intervention, and solve a capacitated assignment problem in order to minimize the number of households re-entering the system within two years, subject to capacity constraints on each intervention.

Preview of results: Using administrative data on a weekly basis over the course of 166 weeks, we find that the BART model is well-calibrated. It predicts (out-of-sample), in expectation, 2227 (43.72%) of households would re-enter the system, and 2193 (43.04%) actually did. In the optimized assignment we find, the BART model predicts that only 1624 households (31.88%) would re-enter the system. Thus, there may be substantial benefits achievable (by this re-entry metric) from improving the combined prediction-allocation mechanism. However, these benefits do not come without tradeoffs. They are not even close to pareto-improving. In fact, as many households increase their probability of re-entry, according to the predictions, as those that decrease their probability of re-entry. We also formulate and solve a constrained version of the allocation problem, which guarantees that no household increases their probability of re-entry by more than 5 percentage points in the new allocation. In this case, 37.38% of households are predicted to re-enter.

Implications: Our work is intended as a proof of concept and a case study. We bring data to bear on the question of how much AI techniques can improve social service provision, with full awareness that the precise results presented may depend on specific modeling choices, and the reliability of the counterfactual estimates. We expect this work to contribute to the emerging dialogue on intervening based on machine learning predictions. It is very important to consider fairness, ethics, and the long-term dynamics of systems that use these kinds of predictive modules. At the same time, the current state of practice in social services allocation is far from evidence-based; therefore, not engaging these questions with actual data and estimates could be leading to significant societal harm.

Background and Data

Homelessness represents a complex public health challenge for communities across the United States. Federal guidelines define homelessness as residence in unstable and nonpermanent accommodations. This includes shelters, places not meant for habitation (eg., cars, park, abandoned buildings), as well as being at imminent risk for eviction. Counts

[1]For example, see the ACM EC workshops on Mechanism Design for Social Good in 2017 and 2018.

estimate that more than 550,000 people experienced homelessness in the United States on a single night in January, 2016 (Henry et al. 2016), and 1.4 million people used homeless services at some point during the year (Solari et al. 2016). Families with children under 18 years of age comprised 35% of the homeless population. Experiences of homelessness and associated turmoil carries life long implications, as well as significant social costs (Khadduri et al. 2010; Culhane, Park, and Metraux 2011).

The homeless system represents the primary community-wide response to housing crises. Funds allocated by Congress on an annual basis support the delivery of five types of homeless assistance. Service types vary in intensity, and relatedly, availability. The most intensive service - Permanent Supportive Housing - provides long-term rental assistance plus comprehensive case management to address barriers to stability, such as mental health and substance abuse treatment; it is reserved for the highest risk households and consumes the greatest amount of financial resources. Transitional Housing also offers comprehensive case management but only up to 24 months in congregate settings. Rapid Rehousing allows up to 24 months of rental assistance without additional intensive case management. At the end of two years, households in Transitional Housing or Rapid Rehousing either move on their own or step-up to Permanent Supportive Housing, if available. Emergency Shelters offer immediate accommodations for those with no other place to go, and typically serve a large number of households for a brief period of time. Shelters are intended to stabilize households and divert high-risk families to the longer-term housing interventions. Finally, Homelessness Prevention provides households at imminent risk for homelessness with short-term and non-reoccurring assistance to mitigate housing crises. Local non-profit provider networks determine the delivery of day-to-day services within general structures determined by federal funding priorities.

Despite substantial investments, homeless rates remain stubbornly high in the United States. An enormous challenge is that of matching service types to need. While federal guidelines mandate that local agencies provide services based on risk assessments (United States Congress 2009), existing tools fail to discern high and low risk households beyond chance (Brown et al. 2018; Shinn et al. 2013). Homeless service providers have limited evidence for adapting responses to household characteristics. Moreover, there are no tools that assess the impact of service matches on overall system performance in reducing reentries.[2]

Algorithmic approaches offer substantial promise for addressing the optimization of homeless service delivery. Administrative records systematically track service usage and household characteristics over time, and provide rich sources of information from which to glean insights into service improvements. Therefore, potential exists to evaluate improvements in prediction that support decision making. However, as mentioned above, the application of data-driven approaches for delivery of scarce resources to address homelessness requires careful consideration of fairness. The feasible application of any algorithms must be transparent and assess unintended sources of bias (O'Neil 2016).

[2]Annual evaluations of homeless system performance monitor rates of return to the homeless system within 24 months; future federal funding depends in part on demonstrating trends toward reductions in reentries.

Data Collection

Data for the project come from the homeless management information system (HMIS) of a major metropolitan area from 2007 through 2014. The HMIS records all housing services provided to individuals and families seeking federally funded homelessness assistance. Local service providers enter information on requests and receipt of services in real time through a web-based platform in accordance with federal mandates for collection of universal elements. A local non-profit organization contracted with the homeless system hosts the platform and provides support, including user training, technical assistance, and active quality control.

Records provide information on the characteristics and services delivered to households in contact with the homeless system. Household-level characteristics includes an array of information on demographics, housing risk assessments, and eligibility determinations. Services include entry and exit dates from the five federally defined types of homeless assistance: homelessness prevention, emergency shelter, rapid rehousing, transitional housing, and permanent supportive housing. In addition, the metropolitan area coordinates requests for assistance through a homeless hotline, and household-level data record information on every call, including dates and referral for services. Household identifiers allow linkages of information across time. Data sharing agreements with regional homeless systems allow access to de-identified records in accordance with the relevant Institutional Review Board.

Data Cleaning and Feature Selection

For this project, we extract data provided by 75 different homeless agencies and link participants across programs by a unique, anonymous identification number. We then aggregate data by household using a unique household identification number. This results in a dataset of households containing household characteristics available upon entry into the system, as well as information on all entries and exits from different homeless services. Permanent supportive housing is meant as an intervention that households transition into after a certain period of time or the conclusion of a particular intervention, and is meant for those who need continuing support. Because of the nature of this intervention and the fact that we focus on first entries into the homeless system, we exclude permanent supportive housing from our analyses.

The primary outcome (the label we are trying to predict) is reentry into the homeless system. Operationally, reentry is defined as requesting services within two years of exit from the system, regardless of whether services were actually received. This ensures that we capture further need, and not just availability of services. When transitions between services (e.g. homeless shelter to rapid rehousing) occur on the same day, we assume that they represent a continuation of homeless services. We consider households to have exited from the system when the time between leaving one service and entering another exceeds one day. Our analyses include households who entered the homeless system after the start of 2007 and exited before the end of 2012 to provide a minimum two-year follow-up for all households.

Since the data captures homeless services across time, it contains both time-invariant (e.g., race, gender, ethnicity) as well as time-variant (e.g., monthly income, age) features. We select values of time-variant features that are collected at the time of first entry into the homeless system and have adequate amounts of available data for use in our model. Most of the variables we selected were categorical, and missing values are treated as a separate category in these cases.

Data Characteristics

The dataset includes records on 7474 households. Of these, 3216 (43.03%) reentered the homeless system within two years of exiting. Table 1 shows the number of households assigned to each service type, as well as the percentage reentries within 2 years for each intervention. Of the 3216 who reentered, 1522 (47.33%) were placed in a subsequent service, while 1694 (52.67%) called the hotline for assistance but by the end of the two year period had not been placed in another service.

A single feature vector consists of covariate data for head-of-household, spouse, and children (e.g. race, gender, and disability information) as well as which service type the household was assigned to. The target variable, or label, is a binary indicator of whether or not they reentered the homeless system within 2 years of exiting. Table 2 shows a summary and examples of the features included.

Analyzing Interventions

The application requires a method that can handle the challenges of counterfactual inference using observational data, while simultaneously providing a well-grounded probabilistic model. Bayesian nonparametric modeling for causal inference has a number of advantages that fit this application (Chipman et al. 2010; Hill 2011; Johansson, Shalit, and Sontag 2016). These models provide robust estimates of treatment effects using observational data like administrative service records. They can handle a large number of features or predictors, as well as complex data that include interactions and nonlinearities seen in studies of housing assistance in child welfare. We use BART (Bayesian Additive Regression Trees), an ensemble model that outperforms propensity score and nearest neighbor matching algorithms for causal inference on observational data, especially when the data are complex (Hill 2011). BART can also explicitly address heterogeneous response to interventions based on empirically identified features in the data, generating individual treatment effect estimates (or counterfactual predictions) in addition to population-level ones.

Building the Model

BART (Chipman, George, and McCulloch 2007; Chipman et al. 2010) models the data by approximating $f(x) = E(Y|x)$ as a sum of binary regression trees. The sum-of-trees model includes trees of different sizes and allows BART to incorporate both additive and interaction effects of various orders. BART uses a regularization prior to restrain the effect of each tree and then uses a Bayesian backfitting MCMC algorithm to draw samples from the posterior distribution. At the start of the MCMC draws, a chain of single-node trees is instantiated. During each iteration, each tree can increase or decrease its number of nodes or swap decision rules between a parent node and a child node. Then, BART computes a new sample from the approximated posterior distribution f^* as a sum of the results from the current set of trees. These posterior samples consist of 1000 post-burn-in samples for each observation. Using BART to model the data produces a set of posterior draws *for each household in the dataset*, allowing population-wide as well as household-specific inference. Model fitting and counterfactual inference were done using the R package `BayesTree` written by the model's creators (Chipman et al. 2010).

Population Treatment Effects

The key decision variable is the choice of intervention to which a household should be allocated. For the larger enterprise proposed in this work to make sense, it is important that different interventions actually have different effects. While Table 1 shows apparent differences in the probability of reentry based on intervention, these differences could be due to unobserved variables or selection bias because of the non-random provision of services. Therefore, we start by systematically investigating the differential effects of these housing interventions (homelessness prevention, emergency shelter, rapid rehousing, and transitional housing) on the probability of reentry into homeless services within two years.

We compare service types by doing pairwise inference. We select data for each pair and build a BART model based on this data. We use BART to approximate the posterior distribution of reentry based on this model for the factual service type as well as the counterfactual (if all covariates remain the same but service type changes). Then, we take the mean and 2.5% and 97.5% quantiles of the difference between counterfactual samples and factual samples in order to find treatment effects and 95% estimated credible intervals for service type. We do this for all pairs of service types as well as for homelessness prevention compared to any other service type.

Pairwise differences show that population-wide treatment effects for emergency shelter, transitional housing, and rapid rehousing are not largely different from one another. The only pairs for which there seem to be meaningful treatment differences are those that included homelessness prevention. On average, those assigned to prevention see a 11.55 percentage point decrease in probability of reentering the homeless system compared to having been assigned to any other service, with a 95% estimated credible interval of [8.17,13.67].

Service Type	Number Assigned	Percent Reentered
Emergency Shelter	2897	56.20
Transitional Housing	1927	40.22
Rapid Rehousing	589	53.48
Homelessness Prevention	2061	24.16
Total	7474	43.03

Table 1: Summary of assignment to services across the dataset as well as reentry statistics for each type of service

Type	Number	Examples
Binary Features	3	Gender, Spouse Present, HUD Chronic Homeless
Non-Binary Categorical Features	61	Veteran Status, Disabling Condition, Substance Abuse
Continuous Features	4	Age, Monthly Income, Calls to Hotline, Duration of Wait
Total Features	68	

Table 2: Summary of features

Optimal Allocation Using Estimated Personalized Treatment Effects

In order to frame the optimal allocation problem, we need two main sets of variables estimated from the data. First are the actual predictions of probability of reentry for households given they are placed in each of the possible interventions. For this, we use out-of-sample BART predictions. Second are the capacities of the different interventions - that is, the number of beds available at a given time. In order to estimate these, we aggregate data on a weekly basis, and match the number of entering households into the interventions to the capacities of those interventions in that week. One week is granular enough to give some flexibility to the optimizer, while also not leading to waits that are outside the tolerance of the system. We note here that we solve the problem in a static manner every week, although there could, of course, be interesting dynamic matching issues at play (Akbarpour, Li, and Oveis Gharan 2017; Anshelevich et al. 2013).

The Optimization Problem

Let x_{ij} be a binary variable representing whether or not household *i* is placed in intervention *j*. Then, the Integer Programming problem is given by

$$\begin{aligned} \min_{x_{ij}} \sum_i \sum_j p_{ij} x_{ij} & \\ \text{subject to} \quad \sum_j x_{ij} = 1 & \quad \forall i \\ \sum_i x_{ij} \leq C_j & \quad \forall j \end{aligned}$$

where p_{ij} is the probability of household *i* reentering if they are placed in intervention *j* and C_j is the capacity of intervention *j*.

We use this IP framework and Gurobi optimization software to find an optimal allocation for households who entered the system during each week.[3] Only households who entered the homeless system between October, 2009 (after initial implementation of the rapid rehousing intervention) through December, 2012 were included in the optimization resulting in 166 separate weeks optimized.

Over the 166 weeks, 2193 out of 5095 households (43.04%) actually reentered the homeless system. Using BART predictions to estimate how many households would reenter in expectation produces an estimate of 2227 households (43.72%), suggesting that the predicted reentry probabilities given by BART are reliable. Using these predicted probabilities to find an optimal allocation, predicted reentries reduce to 1624 households (31.88%). Thus, the optimal allocation framework reduces the predicted number of reentries into the homeless system by 27.08% over this period, a truly substantial potential improvement in outcomes.

Fairness Considerations

An immediate question is whether the optimal allocation is capturing some inherent inefficiency in the allocation system, and is therefore pareto-improving or at least improving allocations for a substantial portion of the population. This turns out to not be the case. In the optimal allocation, 1690 (33.17%) individual households are allocated to a service in which they have a lower probability of reentry than the service in which they actually participated. Another 1743 (34.21%) are allocated to the same service they were originally assigned. Importantly, 1662 (32.62%) households are allocated to a service in which they have a *higher* probability of reentry. Therefore, the optimal number of expected reentries is achieved by, in effect, hurting as many households as it helps in the original allocation. At the same time, the benefits to those who are helped are so strong that they outweigh the costs to those households who are hurt in an additive welfare model. Figure 1 quantifies this by showing

[3] This is essentially a capacitated version of the assignment problem, which can, with a little tweaking be re-formulated as a weighted b-matching problem, known to admit a polynomial time solution. In practice, the optimization is extremely fast in Gurobi, and time requirements are dominated by running BART. Also, the optimization here leads directly to the formulation in the next section that adds additional complex constraints to the problem.

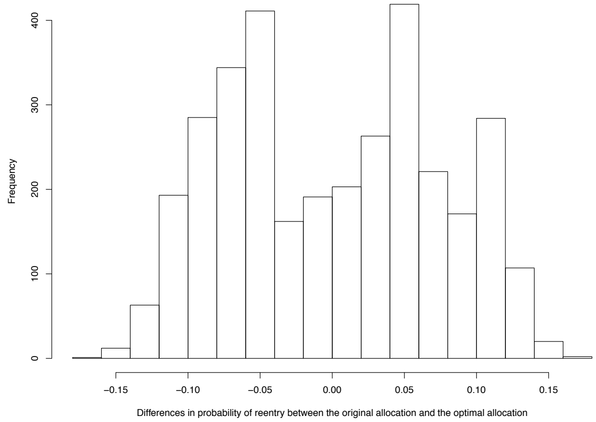

Figure 1: Histogram of improvement in reentry probability under the unconstrained optimized allocation (the 1743 individuals whose probability of reentry was unchanged are not included)

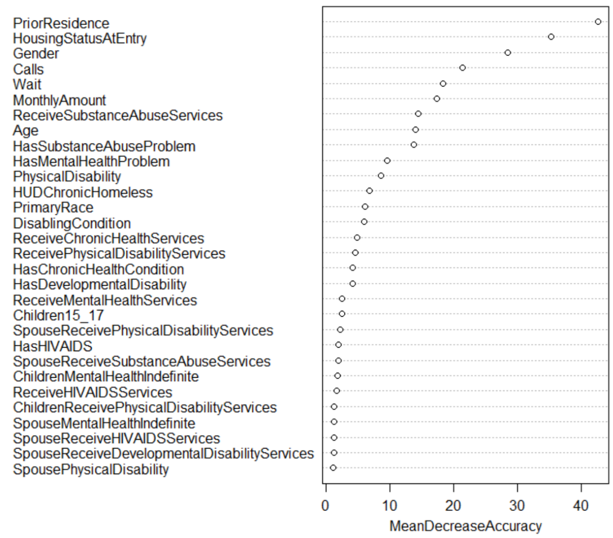

Figure 2: Plot of the mean decrease in accuracy of features for predicting whether the optimal allocation will increase or decrease a household's probability of reentry

the distribution of changes in the probability of reentry between the two allocations.

To further explore differences between those who benefit from the optimal allocation and those who are predicted to do worse, we used a random forest to predict whether a household will have a higher or lower probability of reentry after the optimal allocation using all original features and ignoring service type. We then were able to get measures of variable importance from the random forest model. Figure 2 shows the "mean decrease in accuracy" measure (a standard permutation test for random forest feature importance) for the 30 most influential features. This analysis shows that the two most influential variables for deciding which households will have a lower probability of reentry and which will have a higher probability are prior residence and housing status at entry. Table 3 shows summary statistics for a few of the most influential features for the group who improved, the group who was harmed, and the group who did not change. We used Student's t-tests for difference in means to assess whether values of Calls Before Entry, Wait Before Entry, Monthly Income, and Age of Head of Household for the group who improved and the group who was harmed were significantly different. We found that all differences were significant with p-values less than 0.002.

Perhaps the most striking fact to emerge from this analysis is that the optimal allocation seems to help those who stand out as being more in need. Households with lower monthly incomes, longer waits and fewer calls to the hotline before being placed, and those who are have more serious substance abuse problems are more likely to be placed in interventions that are better for them in expectation. This suggests an ability to improve upon the allocation rules currently used by the homeless system. One possible explanation is that in the current system, it seems inappropriate to assign people who are in more need to homelessness prevention. However, as our results suggest, homelessness prevention is more effective on average than any other service.

Constraining Increased Probability of Reentry

It is possible that the inefficiency of the original allocation is in part due to humans making decisions in the interests of equity. One way to potentially deal with fairness concerns like these is to make them explicit in the optimization. As an example, we consider what happens if we add a constraint that prevents any household from suffering too high a predicted cost from the change in allocation:

$$\sum_j p_{ij} x_{ij} \leq \sum_j p_{ij} y_{ij} + 0.05 \; \forall i$$

where each y_{ij} is a binary variable representing whether or not household i was originally placed in intervention j. This constraint keeps households from being allocated to a service in which their predicted probability of reentry is more than 5 percentage points higher than that of the service they participated in originally.

When we include this constraint, the solution to the optimization problem yields an allocation with a predicted 1904 households (37.38%) reentering the system within two years. This is obviously higher than the optimized allocation without the constraint, but still a 14.66% decrease compared to the predicted reentry number for the original allocation. Looking again at individual households, 948 households (18.61%) are allocated into a service where they had a lower probability of reentry, 3175 (62.72%) are allocated into the service they were originally assigned to, and 972 (19.08%) are allocated into a service in which they had a higher probability of reentry. Because of the added constraint, no households suffer a penalty of more than 5 pp in

Continuous Feature	Mean (SD) for Group Who Improved	Mean (SD) for Group Who Was Harmed	Mean (SD) for Group Who Did Not Change
Calls Before Entry	8.74 (12.25)	4.81 (8.45)	7.61 (12.09)
Wait Before Entry	449.41 (546.49)	389.24 (544.59)	416.94 (542.51)
Monthly Income	848.95 (1043.23)	1410.10 (2404.61)	1058.143 (1297.56)
Age of Head of Household	41.04 (12.35)	44.57 (12.58)	42.29 (12.77)

Categorical Feature	Values	Percentage of Population	Percentage Who Improved	Percentage Who Was Harmed	Percentage Who Did Not Change
Prior Residence	Emergency Shelter	7.83	47.62	21.55	30.83
	Staying or living in a family member's room, apartment or house	5.65	33.68	31.25	35.07
	Place not meant for habitation	7.50	47.64	31.94	20.42
	Rental by client no ongoing housing subsidy	13.03	2.71	60.39	36.90
	Owned by client no ongoing housing subsidy	10.56	0.37	63.94	35.69
	Missing	38.55	44.86	17.46	37.68
Housing Status At Entry	Homeless	20.01	25.68	9.93	8.26
	At imminent risk of losing housing	1.28	1.07	38.45	19.28
	At-risk of homelessness - prevention programs only	0.08	0.06	13.90	9.01
	Stably Housed	0.46	0.53	4.03	2.01
	Client doesn't know	78.16	72.66	33.69	61.45
Gender	Male	41.32	35.25	33.92	30.83
	Female	58.68	31.71	31.71	36.59
Head of Household Has Substance Abuse Problem	No	68.24	30.54	35.06	34.40
	Alcohol abuse	6.24	36.79	28.30	34.91
	Drug abuse	12.89	38.05	28.31	33.79
	Both alcohol and drug abuse	9.93	40.32	27.47	32.21
	Missing	2.69	41.61	21.17	37.23

Table 3: Summary statistics for the most influential features for determining which households will benefit from the optimal allocation (due to the large number of prior residence categories, those making up less than 5% of the population were omitted from the table)

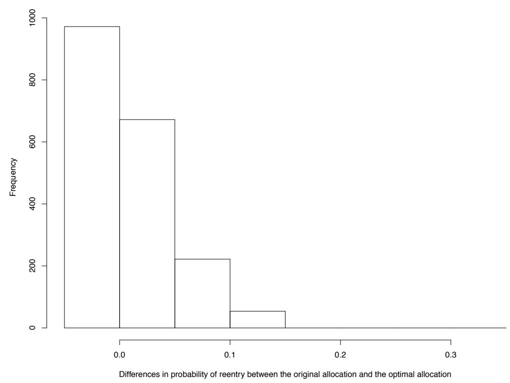

Figure 3: Histogram of improvement in reentry probability under the constrained optimized allocation (the 3175 individuals whose probability of reentry was unchanged are not included)

the new allocation – in fact Figure 3 shows that the majority that do worse suffer very small penalties.

Discussion

This paper tests the feasibility of using data-driven counterfactual approaches to inform policies that guide homeless service provision. We analyze the potential for different allocation mechanisms to improve outcomes using counterfactual estimates of probability of reentry into the system. We estimate that optimal assignments, done on a weekly basis, could reduce the number of reentries into the system significantly. However, a significant number of households are also hurt by the changed allocation (albeit less than the others are helped). Thus, data-driven benefits for the homeless system as a whole do not necessarily improve outcomes for all. In an attempt to reduce the harmful effects to part of the population, we impose an additional constraint to prevent households from suffering too much of an increase in the probability of reentry, satisfying a notion of approximate fairness (assuming the original allocation is fair). This still reduces the number of reentries into the system when compared to the actual allocation, but including the constraint reduces the overall benefits from optimizing the assignment of households to interventions.

It is critical that fairness and justice considerations be thoroughly analyzed and addressed before algorithmic allocations are implemented. One potential solution is allowing workers to override certain allocation decisions. This idea has previously been adopted as part of a screening instrument used in New York City (Shinn et al. 2013). Shinn and colleagues also mention that analysis of the reasons behind these overrides can help to inform future models of this type. The addition of potential override reasons to an allocation model could help to increase fairness, tune future versions of the model, as well as make the transition to an allocation program smoother by allowing homeless service workers to maintain control over allocations.

The findings must be considered in context of study limitations. The observational nature of the data makes it difficult to rule out all potential confounding variables that we were not aware of or to which we did not have access. However, the dataset included all variables measured consistently by the HMIS for which there was enough available data.

Avenues for future work include further analyzing traits of households who were reallocated to services in which they have a higher or lower probability of reentry. It is very important to make sure that allocation systems such as this are not disproportionately harming specific groups. Additionally it would be interesting to look at which new allocations result in lower or higher probabilities of reentry. For example, are more people who end up with higher probabilities of reentry being allocated to emergency shelters rather than homelessness prevention? Answering questions like this will help us learn how to decrease the number of households harmed by this type of service allocation.

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