



Housing & Health: Recent Evidence on their Bi-Directional Relationship

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Eviction & Poverty in American Cities



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John Eric Humphries (Yale University)
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Daniel Tannenbaum (University of Nebraska)
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FINDINGS PREVIEW

- Main question: What is the **impact of an eviction** on housing stability, housing outcomes, financial wellbeing, and **health care utilization**?
 - Reverse causality problem: Run-up of financial and health issues before the eviction
- Method: **Judge Leniency Instrumental Variable** (exploiting random assignment of cases to courts & judges and their tendency to give eviction verdicts or not)
- Results:
 - Moves (+28%)
 - Use of shelters (+300%)
 - No change in quality of neighborhood
 - Earnings (-8%)
 - Credit scores (-16.5 pts)
 - Total hospitalizations (+29%)
 - Mental health hospitalizations (+133%)



WHAT IS AN EVICTION?

New York State Eviction Process Timeline	
Eviction Step	Projected Timeline
Initial Notice Period	14-90 Calendar Days
Serving Summons	10-17 Working Days
Tenant Response Time	~10 Working Days
Court Ruling	10-17 Working Days
Court Serving Warrant of Eviction	1-3 Working Days
Final Notice Period	~14 Days

= 1 - 6 months total

LawDistrict www.lawdistrict.com

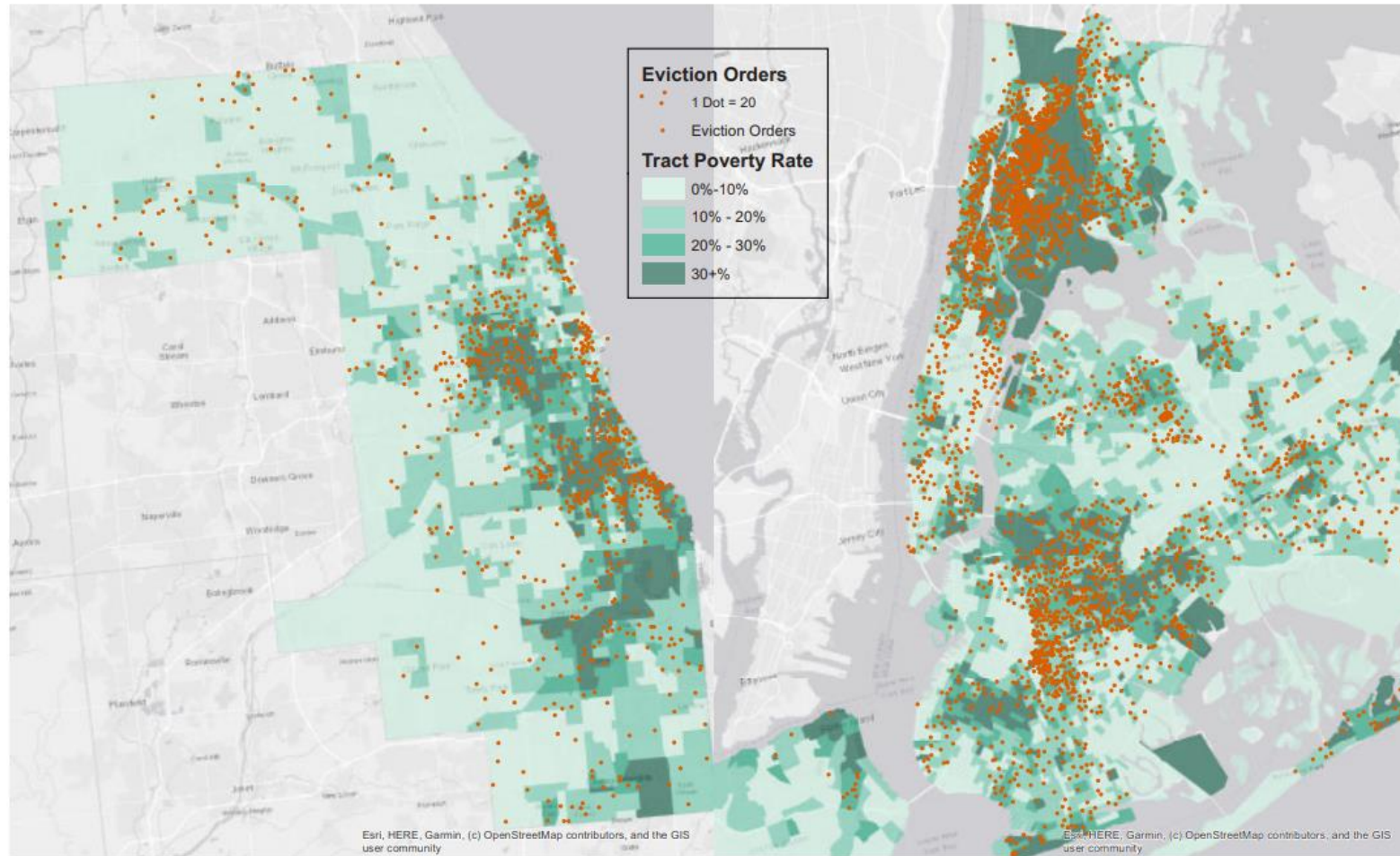
Randomly assigned to a court
Judges rotate through courtrooms

Alternative to eviction order:
formal agreement between
landlord & tenant

Landlord may or may not actually
follow through with eviction
(change locks, remove belongings)

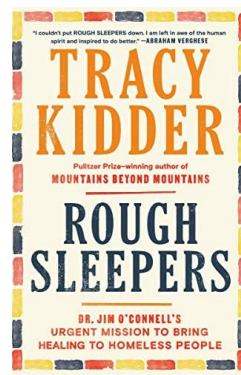
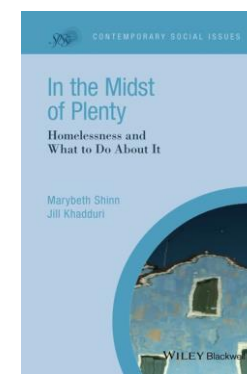
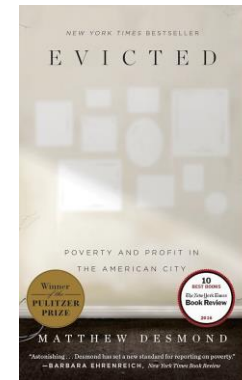
THE POLICY PROBLEM

- > 2M eviction cases are filed in the US annually



THE POLICY PROBLEM

- > 2M eviction cases are filed in the US annually
- An eviction on one's record can make it very difficult to secure future leases or loans
- Eviction is a major contributor to homelessness – a problem affecting 1.25M people annually
 - Studies have estimated a year of homelessness for one person results in \$15-\$35K in social services
- Reducing housing instability (both “literal” homelessness and other forms of instability) is a policy priority in many US cities, for a host of reasons:
 - Costly emergency shelter and social services
 - Has ripple effects across people's lives (kids change schools, hard to maintain health / care for chronic conditions, exposure to alcohol / substances, stigma and difficulty finding future employment)
 - A marker of a city's general wellbeing



CONTEXT OF THE STUDY

Chicago (Cook County)

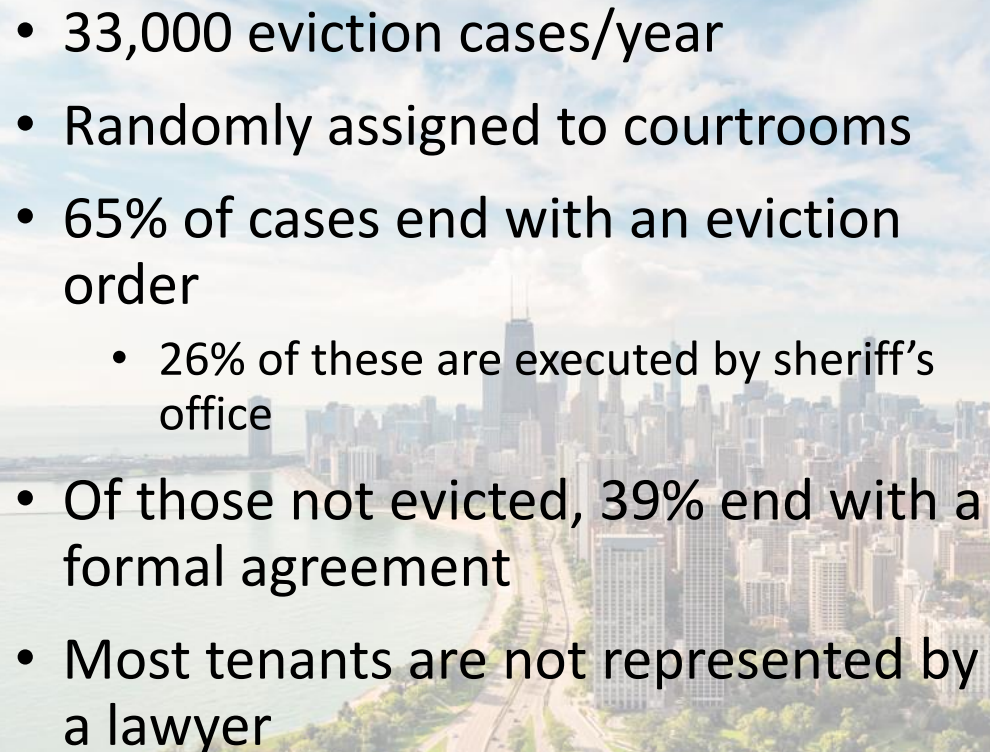


New York City

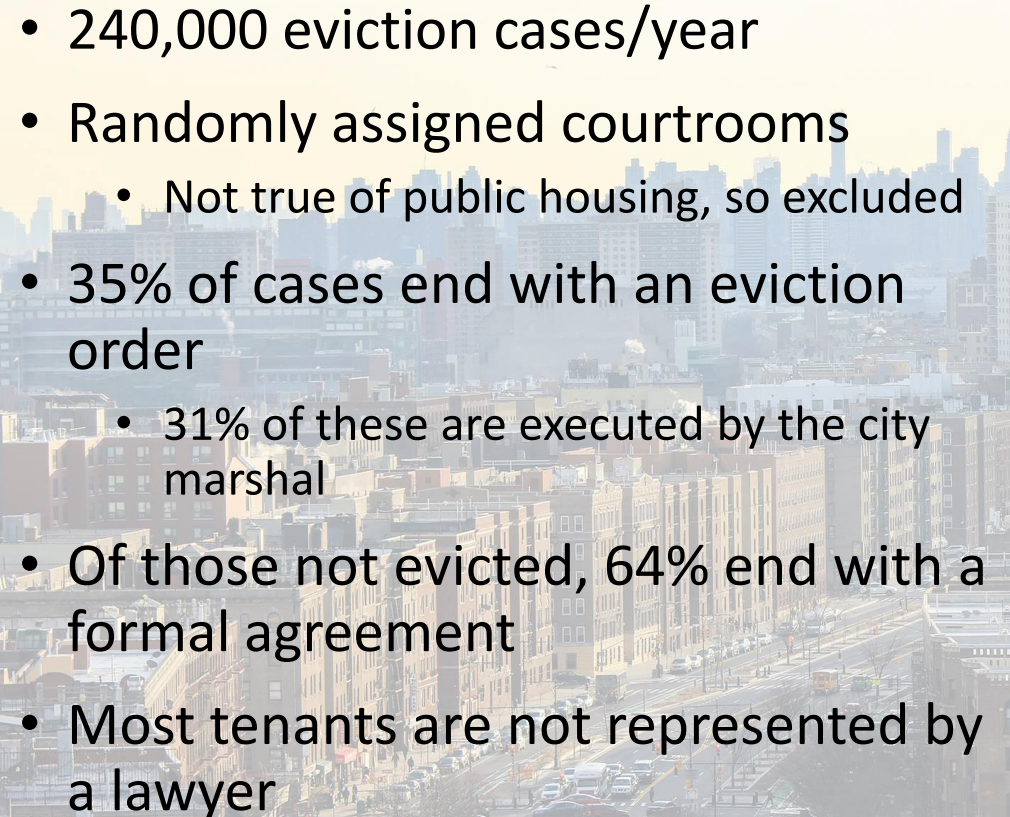


WHAT IS AN EVICTION?

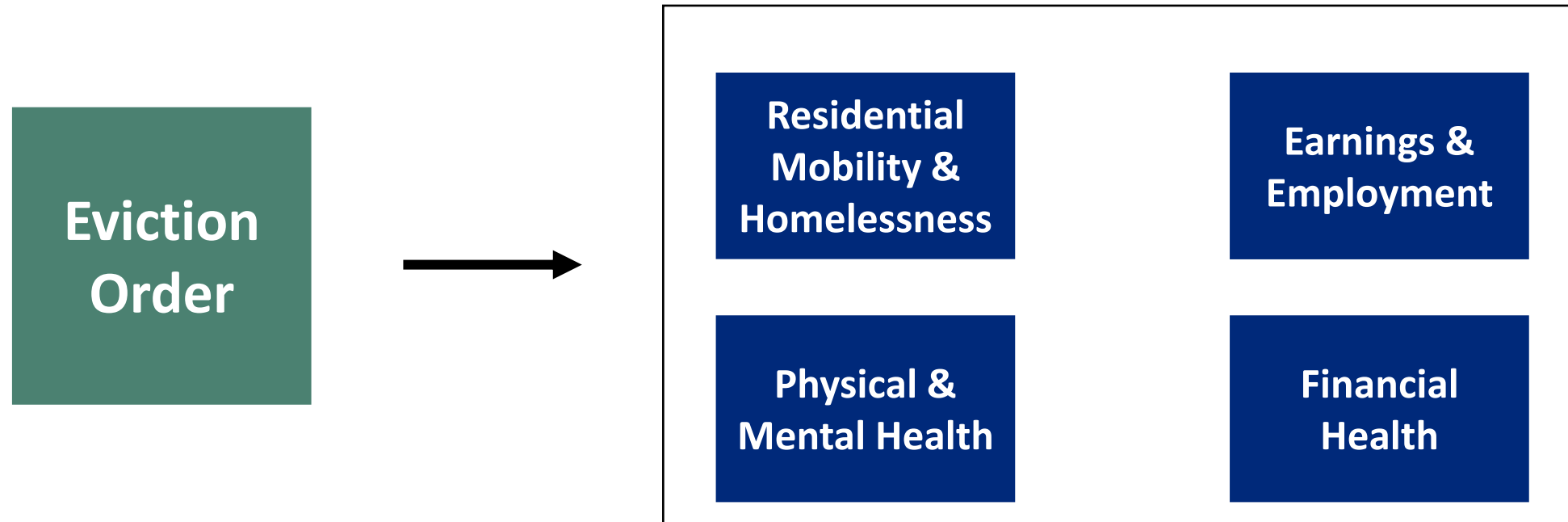
Chicago (Cook County)

- 33,000 eviction cases/year
 - Randomly assigned to courtrooms
 - 65% of cases end with an eviction order
 - 26% of these are executed by sheriff's office
 - Of those not evicted, 39% end with a formal agreement
 - Most tenants are not represented by a lawyer
- 

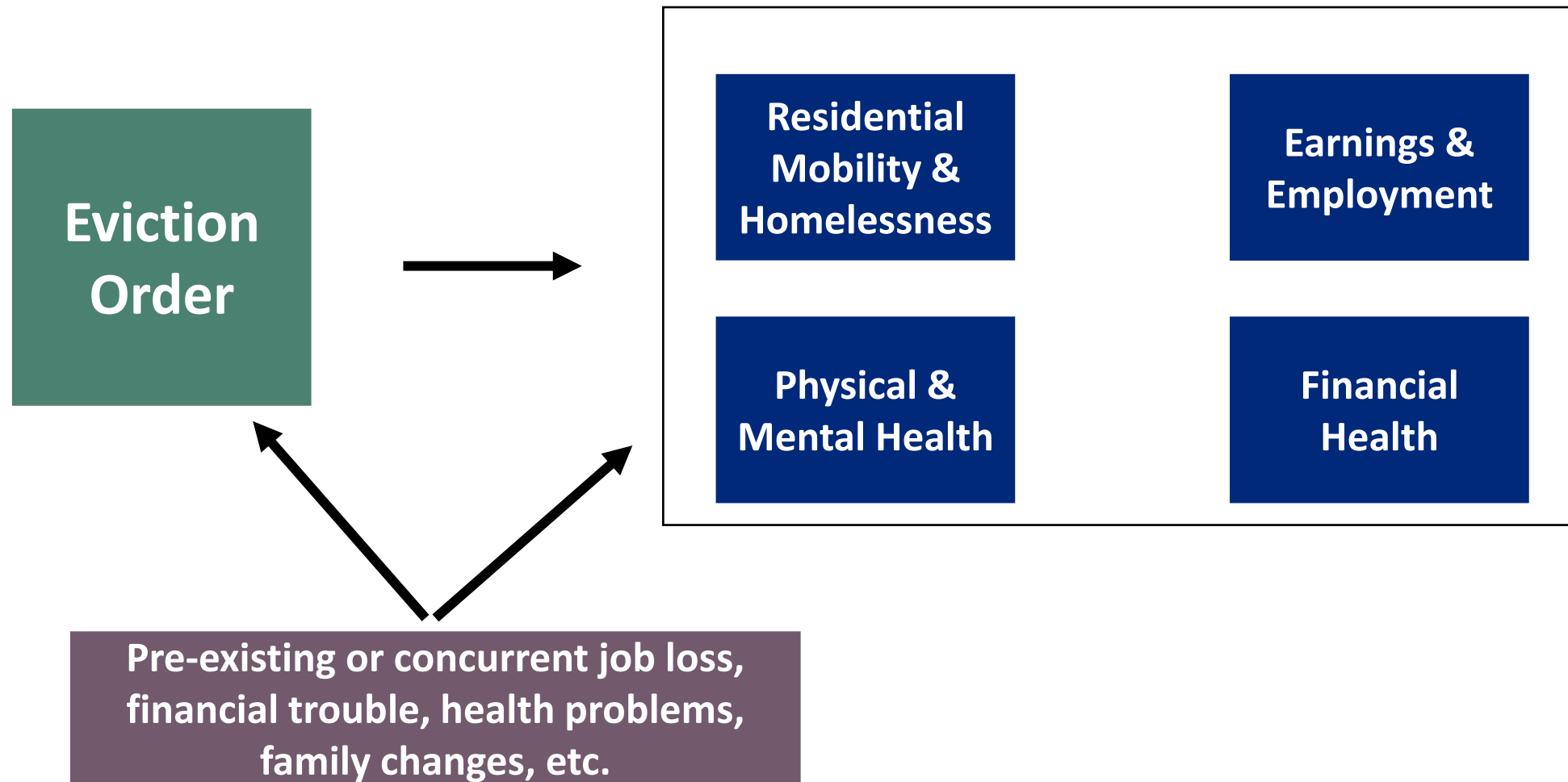
New York City

- 240,000 eviction cases/year
 - Randomly assigned courtrooms
 - Not true of public housing, so excluded
 - 35% of cases end with an eviction order
 - 31% of these are executed by the city marshal
 - Of those not evicted, 64% end with a formal agreement
 - Most tenants are not represented by a lawyer
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THEORETICAL MODEL



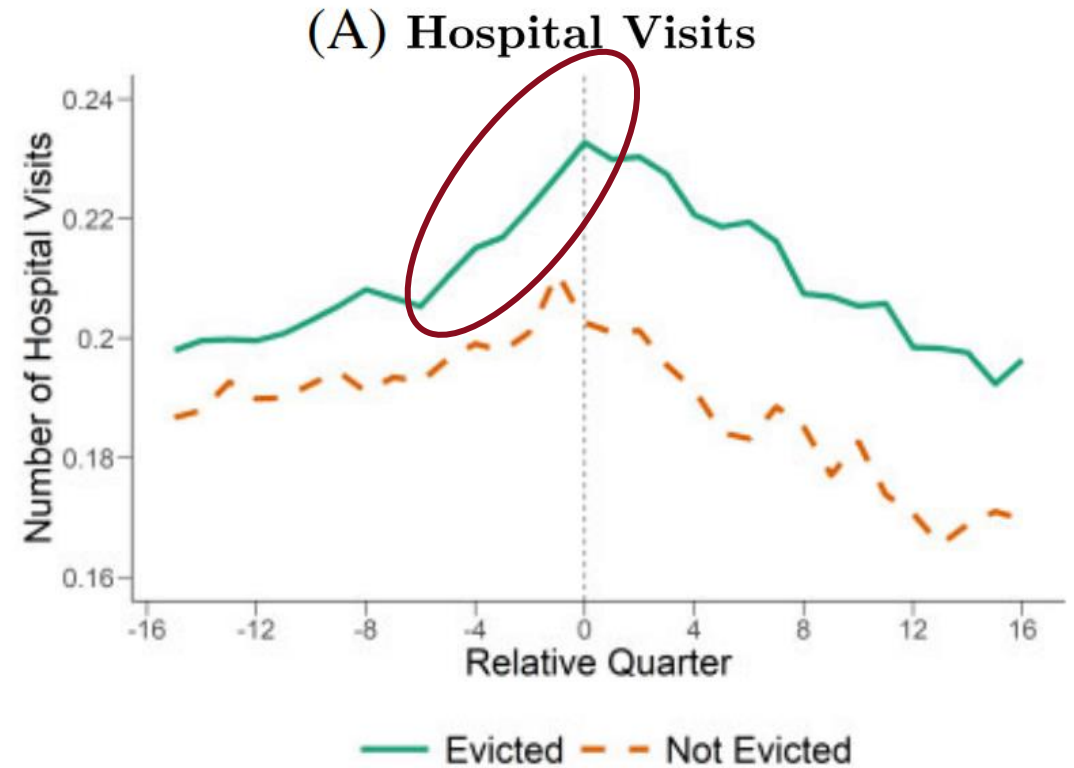
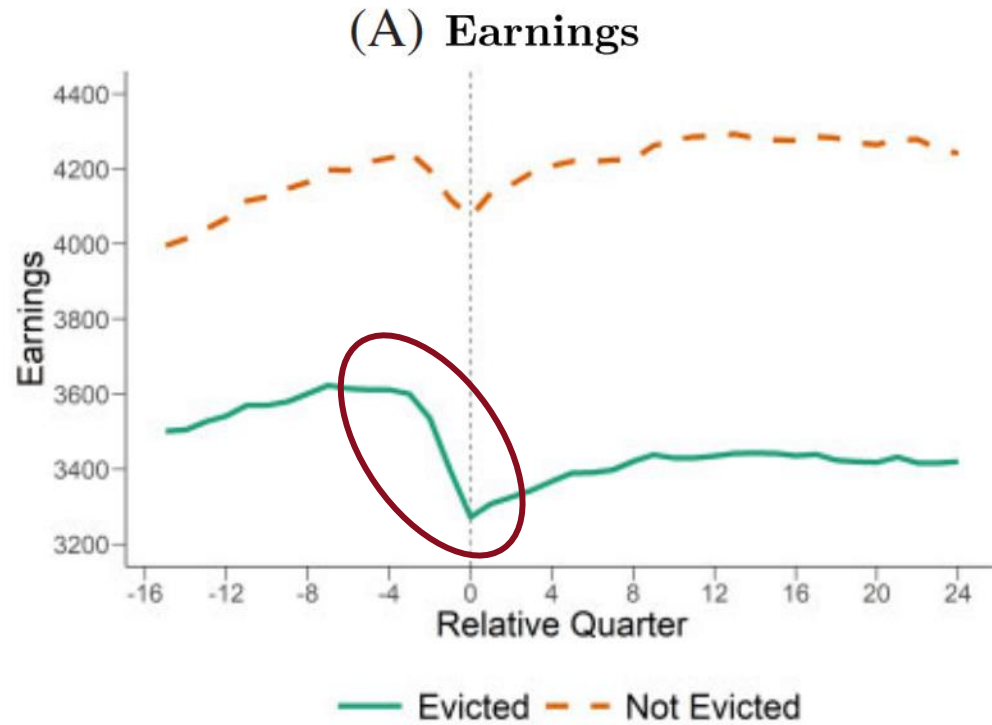
THEORETICAL MODEL



SELECTION ISSUE

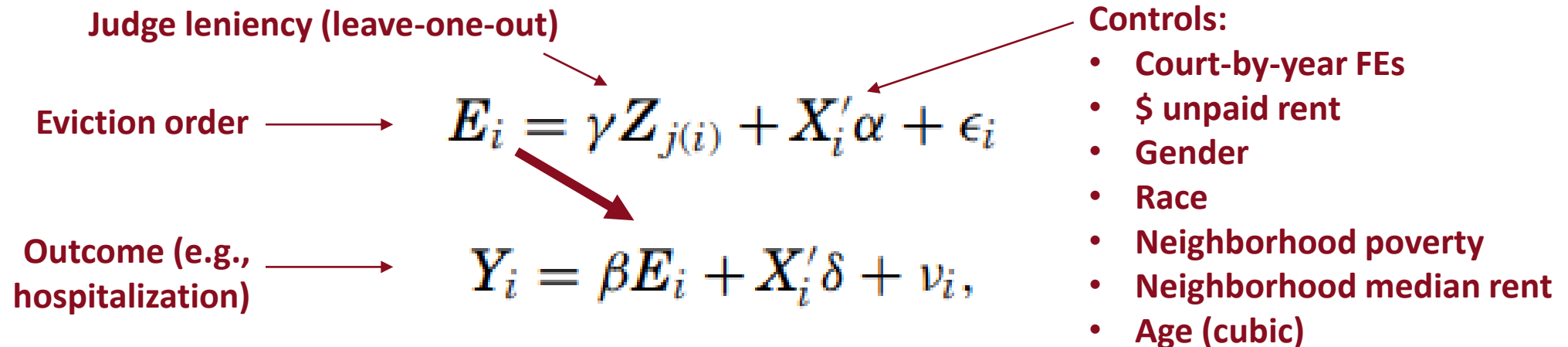
- People in eviction court differ in many ways from renters who don't become involved in eviction processes
 - Landlord characteristics
 - Individual characteristics
 - Neighborhood characteristics
- Of people who enter eviction court, those who actually end up with an eviction order differ from those who do not end up with an eviction order
 - Landlord characteristics
 - Individual characteristics
 - Neighborhood characteristics

SELECTION ISSUE



SOLUTION: JUDGE LENIENCY INSTRUMENT

- Cases are randomly assigned courtrooms/judges
- The judge working in a given courtroom has a certain predisposition toward making an eviction order
- “Compliers” =
 - Tenants who only receive eviction order when assigned to a harsh judge
 - Tenants who only avoid an eviction order when assigned to a lenient judge
- Two-stage least squares framework:



IV ASSUMPTIONS

Relevance

- Variation observed between 10th “stringency” percentile to 90th percentile:
 - 7 percentage point increase in eviction order probability in Cook County
 - 6 percentage point difference in New York

Exclusion Restriction

- Exclusion restriction concerns:
 - Judge impacts other aspects of case outcome (e.g., \$ owed)
 - Add this control into Cook County model, results unchanged
 - Any other ways judge leniency might affect health, other than through eviction order?

Exogeneity

	Cook County		New York	
	Evicted (1)	Stringency (2)	Evicted (3)	Stringency (4)
Age at case	-0.03329*** (0.00376)	-0.00012 (0.00020)	-0.00403*** (0.00016)	-0.00001 (0.00001)
Female	0.00882 (0.00644)	0.00041 (0.00036)	-0.04413*** (0.00310)	-0.00009 (0.00011)
Black	0.06297*** (0.00628)	0.00012 (0.00028)	0.00923*** (0.00323)	0.00010 (0.00018)
White	0.00358 (0.00582)	0.00011 (0.00030)	-0.01494** (0.00616)	-0.00032 (0.00027)
Hispanic	0.05957*** (0.00603)	0.00045 (0.00030)	-0.00743** (0.00368)	0.00001 (0.00017)
Neighborhood poverty rate (5 yr. avg.)	0.5540*** (0.04813)	0.00208 (0.00221)	-0.02487* (0.01453)	-0.00025 (0.00066)
Ad damnum (in 1,000s)	0.00731*** (0.00055)	0.00001 (0.00002)	0.00001*** (0.00000)	-0.00000 (0.00000)
No prior case	-0.04037*** (0.00221)	-0.00013 (0.00013)	-0.01228*** (0.00413)	-0.00014 (0.00014)
Joint action	0.01183** (0.00525)	-0.00061** (0.00025)		
Observations	301,000	268,000	150,662	150,662
Joint <i>F</i> -Statistic	102.3	1.497	224.8	1.007
<i>p</i> -value	.000	.104	.000	.443

DATA

Eviction Data

- Eviction records (court data) in NYC and Cook County, IL
 - Personal identifiers (name, address)
 - Outcome of case
 - Judge and landlord names
 - Amount claimed

Outcome data

- Housing stability
 - Address changes (benefits admin data, census, private firm)
 - Eviction executed indicator (court data)
 - Homeless services interactions (local admin data)
- Earnings & employment
 - Quarterly wages (UI admin data)
 - Employment status (UI admin data)
- Financial Health
 - Credit reports (Experian)
- Health (really, health utilization)
 - Hospitalizations & ED visits (SPARCS statewide hospitalization data – NY only)

RESULTS: EVICTION ENFORCEMENT

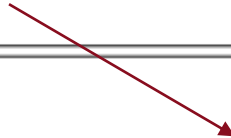
Non-evicted mean 

TABLE IV
IMPACT ON HOUSING SITUATION

	1 year after filing			2 years after filing		
	$\mathbb{E}[Y E = 0]$ (1)	OLS (2)	IV (3)	$\mathbb{E}[Y E = 0]$ (4)	OLS (5)	IV (6)
Enforcement	0.002 (0.031)	0.301*** (0.005)	0.435*** (0.039) [329,279]	0.002 (0.032)	0.313*** (0.005)	0.422*** (0.037) [307,837]
<i>By location</i>						
Cook County	0.004 (0.059)	0.270*** (0.004)	0.451*** (0.050)	0.004 (0.062)	0.275*** (0.004)	0.442*** (0.049)
New York	0.000 (0.017)	0.333*** (0.009)	0.419*** (0.060)	0.000 (0.018)	0.351*** (0.010)	0.401*** (0.057)
<i>By group</i>						
Female	0.002 (0.030)	0.290*** (0.005)	0.425*** (0.046)	0.002 (0.032)	0.302*** (0.005)	0.418*** (0.045)
Black	0.002 (0.032)	0.307*** (0.005)	0.464*** (0.046)	0.002 (0.035)	0.319*** (0.006)	0.436*** (0.044)

RESULTS: EARNINGS

TABLE VI
EFFECT ON EARNINGS AND EMPLOYMENT

	1–4 quarters after filing			5–8 quarters after filing		
	E[Y E = 0] (1)	OLS (2)	IV (3)	E[Y E = 0] (4)	OLS (5)	IV (6)
Earnings	4,300 (3,809)	-229 ^{***} (9)	-323* (175) [374,400]	4,254 (3,885)	-269 ^{***} (13)	-613 ^{**} (248) [336,396]
<i>By location</i>						
Cook County	4,821 (5,810)	-286 ^{***} (12)	-445* (249)	4,821 (5,956)	-320 ^{***} (17)	-627* (337)
New York	3,779 (4,926)	-172 ^{***} (14)	-201 (245)	3,687 (4,991)	-218 ^{***} (19)	-599* (363)
<i>By group</i>						
Female	4,136 (3,545)	-195 ^{***} (10)	-504 ^{***} (185)	4,094 (3,610)	-238 ^{***} (14)	-767 ^{***} (295)
Black	4,319 (3,664)	-199 ^{***} (12)	-377 (234)	4,252 (3,718)	-247 ^{***} (16)	-931 ^{***} (307)

RESULTS: HOSPITALIZATIONS (NY ONLY)

TABLE VIII
EFFECT ON HOSPITAL USE

	1–4 quarters after filing			5–8 quarters after filing		
	E[Y E = 0] (1)	OLS (2)	IV (3)	E[Y E = 0] (4)	OLS (5)	IV (6)
Number of hospital visits	0.739 (1.321)	0.055*** (0.006)	0.188** (0.094)	0.632 (1.208)	0.039*** (0.006)	–0.113 (0.142)
Number of emergency visits	0.588 (1.091)	0.045*** (0.005)	0.106 (0.089)	0.511 (1.010)	0.028*** (0.005)	–0.065 (0.124)
Number of mental health visits	0.047 (0.295)	0.016*** (0.001)	0.054* (0.030)	0.045 (0.346)	0.012*** (0.002)	–0.035 (0.055)
			[179,024]			[154,531]

Authors ask but cannot determine: Could an increase in hospitalizations reflect, to some degree, a search for shelter?
Why do the effects disappear after 5-8 quarters?

CONCLUSIONS AND POLICY IMPLICATIONS

- Signs of financial, physical, and mental health distress prior to eviction orders
 - Coming up: my dissertation paper on this
- Mobility, financial health, and physical/mental health utilization are negatively impacted by eviction orders, per IV estimates
 - Especially for women and Black tenants
- Averting evictions would likely benefit tenants
 - But what can be done to support tenants (and landlords) who are struggling in effective ways remains to be seen
- How to interpret the effects will also require additional research
 - Does increased health utilization signify worsening health, or a change in resource utilization patterns?
 - Why do effects on health utilization fade out?
 - What are the effects of *notice* of eviction or *actual* executions of eviction on health utilization?
 - What could we capture to measure “health” effects other than acute care utilization?