NYS 2021-22 Joint Legislative Budget Hearing on Human Services
Housing Works Testimony • February 9, 2021

Thank you for the opportunity to present testimony to the Joint Budget Hearing on Human Services. My name is Charles King, and I am the Chief Executive Officer of Housing Works, a healing community of people living with and affected by HIV/AIDS. Founded in 1990, we now provide a range of integrated services for over 25,000 low-income New Yorkers annually, with a focus on the most vulnerable and underserved—those facing the challenges of homelessness, HIV/AIDS, mental health issues, substance use disorder, other chronic conditions, and incarceration. In 2019, Housing Works and Bailey House merged, creating one of the largest HIV service organizations in the country. Our comprehensive prevention and care services range from housing, to medical and behavioral care, to job training. Our mission is to end the dual crises of homelessness and AIDS through relentless advocacy, the provision of life saving services, and entrepreneurial businesses that sustain our efforts.

Housing Works is part of the End AIDS NY Community Coalition, a group of over 90 health care centers, hospitals, and community-based organizations across the State. Housing Works and the Community Coalition are fully committed to realizing the goals of our historic State *Blueprint for Ending the Epidemic* (EtE) for all New Yorkers, which we cannot achieve without urgent action to fully implement the *Blueprint's* recommendations on housing as HIV health care.

We established Housing Works early in the AIDS crisis, years before effective antiretroviral therapies became available, to meet the needs of homeless New Yorkers with HIV whose lack of safe housing put them at great risk for tuberculosis and other life-threatening infections unavoidable in crowded congregate shelters or while living on the streets. In 2020, we found ourselves in the midst of another deadly pandemic for which there was no prevention or cure, and that like HIV, poses a particular threat to persons experiencing homelessness, who have no safe place to shelter from exposure to the virus, or to recover from COVID-19 disease. Finding it unacceptable to leave New Yorkers experiencing homelessness at heightened risk of COVID-19 infection and poor health outcomes in congregate shelters or on the streets, Housing Works is grateful to have the opportunity to operate a New York City Department of Homeless Services (NYC DHS) isolation shelter that provides New Yorkers experiencing homelessness a safe, private room in which to recover from COVID-19, 24-hour medical staff, three meals a day, and behavioral health care as needed. We are also pleased to report that we will shortly enter into an agreement with NYC DHS to open a stabilization hotel for people experiencing homelessness on the streets, in the subways, or other places not meant for sleeping.

Sadly, the COVID-19 and HIV epidemics are similar in another way—like HIV, New York State and City Health Department data show that certain New Yorkers, especially low-income Black and Hispanic/Latinx community members, face a disproportionate burden of disease. These disparities reflect deep-seated racial and ethnic health inequities that must be addressed even, or perhaps especially, while we are in the throes of an unprecedented and frightening new public health emergency.

My testimony addresses both the urgent housing needs of New Yorkers with HIV who live outside of NYC, as well as the broader but equally urgent need to transform New York's response to homelessness.

Housing for New Yorkers living with HIV outside NYC

Safe, stable housing is essential to support effective antiretroviral treatment that sustains optimal health for people with HIV (PWH) and makes it impossible to transmit HIV to others.[1] Indeed, NYS data show that unstable housing is the single strongest predictor of poor HIV outcomes and health disparities.[2] For that

[1] Aidala, et al (2016). Housing Status, Medical Care, and Health Outcomes Among People Living With HIV/AIDS: A Systematic Review. *American Journal of Public Health*, 106(1), e1–e23.
[2] Feller & Agins (2017). Understanding Determinants of Racial and Ethnic Disparities in Viral Load Suppression: A Data Mining Approach. *Journal of the International Association of Providers of AIDS Care*, 16(1): 23

reason, NYS's *ETE Blueprint* recommends concrete action to ensure access to adequate, stable housing as an evidence-based HIV health intervention.

The *Blueprint's* housing recommendations have been fully implemented in New York City since 2016, where the local department of social services employs the NYS HIV Enhanced Shelter Allowance program to offer every income-eligible person with HIV access to a rental subsidy sufficient to afford housing stability, and provides a 30% rent cap affordable housing protection for persons who rely on disability benefits or other fixed income.

Upstate and on Long Island, however, as many as 4,200 low-income households living with HIV remain homeless or unstably housed, because State law limits the 30% rent cap to residents of NYC, and the 1980's regulations governing the HIV Enhanced Shelter Allowance set maximum rent at just $480 per month – far too low to secure decent housing anywhere in the State. Only the NYC local department of social services approves rental subsidies in line with fair market rents.

The COVID-19 crisis has added a new level of urgency for action to ensure that every New Yorker with HIV is able to secure the safe, appropriate housing required to support optimal HIV health. A large-scale analysis by the NYS Department of Health found that New Yorkers with HIV have experienced significantly higher rates of severe COVID disease requiring hospitalization and of COVID-related mortality than the general population. Overall, PWH with a COVID-19 diagnosis died in the hospital at a rate 2.55 times the rate in the non-PWH population, and rates of severe COVID-19 disease resulting in hospitalization were found to be highest among PWH not virally suppressed and those with lower CD4 counts, suggesting that less controlled HIV virus increases COVID-19 severity and death.

It is time to ensure that homeless and unstably housed New Yorkers with HIV throughout the State have equal access to the vital NYS housing supports necessary to effectively manage HIV infection, prevent premature mortality, and stop ongoing sexual transmission. The ongoing failure to meet this housing need is undermining our EtE goals—as demonstrated by HIV surveillance data that year after year show stark differences in the HIV care continuum for New Yorkers with HIV who live in NYC and those who live in the balance of the State. Recently released data show that at the end of 2019, 70% of all NYC residents with HIV were retained in continuous care, compared to just 55% in the rest of the State; and the rate of viral load suppression was 77% among all NYC residents with HIV, compared to 64% viral suppression among New Yorkers with HIV outside NYC.[3]

To provide fair and equal access to lifesaving housing assistance across the State requires enabling all local districts to approve rents under the NYS HIV Enhanced Shelter Allowance (ESA) program that are in line with local fair market rents and extending the 30% affordable housing protection to eligible low-income persons with HIV who live outside of NYC. And because EtE Community Coalition members have been told by social services commissioners outside NYC that they lack the resources required to expand housing options for their community members with HIV who remain homeless or unstably housed, the State must provide the funding to cover the costs of the program over and above the local social service district's share of the basic $480 per month rental assistance they are required to provide under the existing State ESA regulations.

For the past three years, the NYS budget has included language that purported to expand HIV housing assistance in the balance of the State outside NYC, but that was cynically written in a manner that would not in fact make such assistance available. Language included in the last three enacted budgets has allowed but not required local departments of social services to provide these enhanced HIV housing benefits, with no

[3] Ending the Epidemic Dashboard NY. Retrieved February 2, 2021, from www.etedashboardny.org/

NYS funding to support the additional costs to local districts. Not a single person with HIV has been housed as a result.

Likewise, a rest-of-state HIV housing pilot project included in the past two State budgets was designed to fail. The innovative pilot would have leveraged a NYS investment of $5 million annually with dollar for dollar matching funds from regional MCOs or other health payors, who would work in cooperation with community-based providers and local social service districts to pay the difference between the basic ESA commitment of the social service district and the enhanced rental assistance required to secure housing. Ample evidence shows that dollars spent on HIV rental assistance generate Medicaid savings from avoided emergency and inpatient care that offset the cost of housing supports.[4] The proposed pilots encourage the innovative use of these health care savings to fund housing assistance. However, the budget language included a "poison pill" that undermined the ability of local districts to secure local partners, by requiring that any savings realized through improved housing stability be recaptured to reduce the State investment, while requiring the local partner providing the matching funds to continue to pay 100% of costs for housed participants in perpetuity. As we predicted when advocating for a fix to this budget language each year, no local district proposed to opt into the pilot program as written, with the result that the pilot funding was not spent, and no household living with HIV was housed.

The pilot project is not included in the FY21-22 Executive Budget, and there has been no change to the language that authorizes statewide enhanced rental assistance but provides no NYS funding to support local social service districts to offer the assistance.

Housing Works and the ETE Community Coalition urge the Legislature to introduce and pass legislation to standardize HIV Enhanced Shelter Allowance rental assistance program rents statewide in line with 100% of FMR; cap the share of rent for extremely low-income PWH with disability or other income at 30% of income statewide; ensure access to public assistance in a manner that respects the unique needs of people with HIV and preserves confidentiality; provides NYS funding to support 100% of the costs of the enhanced rental assistance that exceeds the local social services districts' 29% share of the $480/month basic assistance set forth in the ESA regulation. Such legislation has been introduced in past years, and the ETE Community Coalition stands ready to work closely with past and/or new sponsors to review and refine draft language.

At Housing Works, we have seen firsthand the healing power of safe, secure housing—especially for persons who face the most significant barriers to effective HIV treatment. Currently, over 90% of the residents of our HIV housing programs are virally suppressed, including housing serving vulnerable groups such as HIV-positive LGBT youth, transgender women and women recently released from incarceration. We believe that every homeless or unstably housed New Yorker with HIV deserves the same equal access to life-saving housing supports, regardless of which part of New York State they call home.

Transforming New York's Response to Homelessness

From our beginning, Housing Works has been committed to a low-threshold, harm reduction approach to housing assistance, where admission and retention in housing is based on behaviors, rather than status as a drug user, person with mental health issues, or other condition. Residents are held accountable, as we all are, for the behaviors and conditions necessary to live safely with neighbors, are entitled to privacy within their own home, and are encouraged to feel safe to share behavioral health needs or crises without concern about jeopardizing housing security or being required to engage in a particular course of treatment.

Housing Works has evolved in response to client needs from an initial 40-unit city-funded housing program in 1990, into a large multi-service organization that offers integrated medical, behavioral health and supportive services, and almost 600 units of housing, including Housing Works-developed community

[4] Basu, et al. (2012). Comparative Cost Analysis of Housing and Case Management Program for Chronically Ill Homeless Adults Compared to Usual Care. *Health Services Research*, 47(1 Pt 2): 523-543.

residences that serve people with HIV who face particular barriers to both the housing market and retention in effective HIV care.

Then came 2020, with New Yorkers experiencing homelessness at particular risk of COVID-19 disease and poor COVID outcomes. Homelessness remains at record levels in NYC. When the COVID crisis began in March, approximately 70,000 persons were sleeping in City shelters each night, including over 19,000 single adults in congregate settings where numerous persons sleep in a single room and share bathrooms and other common areas. Thousands more New Yorkers were struggling to survive on the streets or other places not intended for sleeping, while contending with a drastic reduction in access to food, bathrooms, showers, and other resources typically provided by drop-in centers and other settings that were rapidly closing to them.

Not surprisingly, as of the end of October, the NYC Department of Homeless Services (DHS) had tracked 104 deaths from COVID-19 among people experiencing homelessness, including 95 sheltered individuals. An analysis of available data, conducted by the Coalition for the Homeless in collaboration with researchers at New York University, found that through the end of October, the age-adjusted mortality rate due to COVID 19 among sheltered homeless New Yorkers was 406 deaths per 100,000 people, 70% higher than the overall NYC mortality rate of 231 deaths per 100,000 people.

As noted above, on March 17th, Housing Works opened a Department of Homeless Services Isolation Hotel with 170 rooms to provide a safe, private, and supported space for people experiencing homelessness to recover from COVID-19 illness. We have served over 500 guests so far, applying lessons learned from years of providing harm reduction housing for people with HIV.

Our experience has demonstrated that a true harm-reduction approach is critical to successful voluntary isolation – even down to providing unhealthy snacks and cigarettes for smokers, so that they don't need to go down the street to the bodega – and that voluntary isolation is critical to successful contact tracing and disease management, so that vulnerable folks are not afraid to be tested or to share their contacts for purposes of tracing. Private rooms are both humane and necessary – especially for people with mental health issues who cannot manage a shared space with a stranger. Onsite medical and behavioral health services are also key. Most of our isolation residents showed up with multiple chronic conditions that had been untreated or undertreated and presented health issues as serious or more serious than COVID-19 infection. Finally, we've learned that good case management, even during a short (14+ day) stay, can be life-altering if we take the opportunity to identify needs and explore options. Sometimes this means refusing to transfer a resident until an appropriate discharge plan is in place.

When the City shut down the subway system, displacing scores of homeless people who refuse shelter care, we and other advocates again demanded action from the City, and Housing Works began the process of opening up a stabilization hotel for people who live on the streets and in our subways. So, we continue to learn about the needs of people experiencing homelessness in our City.

Most significantly for Housing Works, once we became involved for the first time in the City's homeless response, what we came to deeply appreciate is how awful and dehumanizing the City shelter system is, and we increasingly came to believe that the Coronavirus is providing us with an opportunity to transform the way homeless people are treated in New York City.

What is needed to transform our homeless response? Resources of course, but what is perhaps more vital are new approaches, a new vision for what is acceptable, and of course, collaboration to build and sustain the political will for systemic change.

Housing Works is very pleased to see $250 million in the FY22 executive budget for supportive housing, moving forward the State's commitment to create 20,000 new units, and we urge the Legislature to approve this funding. We also welcome the Five-Year Capital Plan commitment of capital funding to further the

State's investment in the construction of high-quality, affordable housing as part of the Governor's State infrastructure plan.

Finally, we strongly support the Governor's State of the State comments endorsing strategies to facilitate conversion of underutilized commercial spaces to housing, as well as provisions included in the Transportation, Economic Development and Environmental Conservation Article VII bill that would establish a five-year period during which property owners can convert office buildings and hotels to residential use in New York City boroughs outside of Manhattan and in certain parts of Manhattan. However, the Governor has made no mention of state financial assistance for such conversions, which tend to be so costly as to be uneconomical. We call on both the Governor and the Legislature to build upon this innovative opportunity to put in place guidance and capital resources that will ensure that properties are available to meet the urgent need for housing that is affordable for low-income New Yorkers, and that non-profits like Housing Works have the opportunity to pursue use of these properties for housing with deep affordability and for supportive housing programs.

At Housing Works, we have formed an internal visioning committee research and explore models of support and housing assistance for New Yorkers experiencing homelessness. Let me share some of our ideas, including the stabilization model we hope to open soon in the mid-town transportation hub between 34th and 42nd Streets.

Seeing the COVID crisis as a pivotal opportunity for new Medicaid investments to improve health outcomes and reduce costs among homeless persons with chronic medical and behavioral health issues, Housing Works has proposed to NYS three potential 1115 waiver applications:

1) **Comprehensive Care for the Street Homeless: From Street to Home**
   This proposed wavier would seek a Medicaid match to existing City and State homeless service dollars that would allow the development and operation of programs that would combine key elements of existing street-based medicine, drop-in centers, and Safe Haven programs operating in NYC to create a single, holistic model that supports street homeless individuals in receiving community-based healthcare and stabilization services needed to move them along the housing continuum from the street to permanent housing.

2) **Medical Respite**
   Housing Works is pleased to see and supports Executive Budget language in the Health and Mental Hygiene Article VII bill that would allow the Department of Health to authorize and implement licensed medical respite pilot programs for people experiencing, or at risk, of homelessness who have a medical condition that would otherwise require a hospital stay or who lack a safe option for discharge and recovery.

   To advance this much-needed model of care, Housing Works proposes a waiver to authorize a Medicaid match to existing City and State homeless service dollars that would allow use of Medicaid dollars to support program costs for room and board as medical care. Medical Respite programs provide a safe place for homeless individuals to recuperate following an acute inpatient stay or to recover from a medical or behavioral health condition that cannot be effectively managed in a shelter or on the street but does not require inpatient hospitalization.

3) **Medically Enriched Supportive Housing**
   A third Medicaid waiver would authorize the State to create and operate Medically Enriched Supportive Housing (MESH) programs to comprehensively meet the needs of homeless individuals with complex chronic health conditions and repeated hospitalizations or stays in a medical respite, by placing them in supportive housing staffed by a team of integrated health care professionals. MESH will address the needs of individuals who need more intensive services than those available in supportive housing but who do not qualify for assisted living programs or skilled nursing facilities.

Even short of such Medicaid waivers, we at Housing Works are excited by the prospect of moving towards value-based Medicaid reimbursement models that will allow greater flexibility to provide the care, including housing, required to improve health outcomes among people with chronic conditions who are experiencing homelessness.

Housing Works is even now working to combine funding sources to shortly open an exciting new pilot "street to home" program with support from the Department of Homeless Services – our Comprehensive Stabilization Services Pilot Program. In response to the COVID crisis, DHS is funding stabilization hotels for homeless single adults, both to de-densify congregate shelters, and for those who sleep on the street because they refuse placements in city shelters. However, these stabilization hotels do not receive funding to provide medical or behavioral health care, despite residents' needs for services to address multiple co-morbidities.

Housing Works is close to finalizing a contract with DHS to support an integrated Stabilization Center that combines stabilization hotel beds and a drop-in center with onsite health and supportive services. A harm reduction stabilization hotel will operate 24/7/365 and offer residents private rooms, intensive case management services, access to onsite medical and behavioral health services, and peer supports at the co-located drop-in center. Located in an underutilized hotel, the Stabilization Center will offer primary care and behavioral healthcare services, case management support, housing placement assistance, and navigation and referral services.

The overarching goal of the Stabilization Center – like all Housing Works services – is to improve the health and well-being of clients experiencing street homelessness by providing low-threshold services delivered in a respectful manner using a harm reduction approach. We plan to evaluate the pilot rigorously, to continue to build our own competence to offer effective services, and to provide the evidence necessary to support advocacy for system-wide change. We are actively exploring opportunities presented to repurpose other underutilized hotels and commercial spaces to create affordable housing, including supportive housing programs.

We cannot end homelessness in New York, unless we address its drivers. Those include the gross lack of affordable house, mass incarceration that removes people from the workforce and deprives them of access to low-income housing, and the insistence on treating mental illness and substance use disorder among low income New Yorkers of color as criminal justice rather than public health issues. And we certainly do nothing to help homeless people by warehousing them in mass congregate shelters designed to strip them of their autonomy and even of their dignity. In a world grappling with the COVID pandemic and its aftermath, we must insist on policies, investments and innovation that treat people who find themselves homeless as people worthy of dignity, autonomy, respect and care. We look forward to working with all of you towards this vision of a transformed NYC homelessness response.

In conclusion, Housing Works, along with organizations, individuals and communities across the State, ask for the Legislature's support to at last fully implement the *ETE Blueprint* by investing in essential housing supports for people living with HIV in the rest of the State outside NYC. Equally urgent is our request that the Legislature work with us to transform our current State and local responses to the experience of homelessness to meet real need in a manner that supports every person's basic human rights.

Sincerely,

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