

**NYS 2022-2023 Joint Legislative Budget Hearing on Human Services
Housing Works Testimony • February 2, 2022**

Thank you for the opportunity to submit written testimony to the Joint Budget Hearing on Human Services on behalf of Housing Works, a healing community of people living with and affected by HIV/AIDS. Founded in 1990, Housing Works now provides 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 health 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 also plan, this year, 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 still in the throes of an unprecedented new public health emergency.

This testimony addresses both the urgent housing needs of New Yorkers with HIV in all parts of the State, the broader but equally urgent need to transform New York's response to homelessness, and the imperative to address years of severe underinvestment in the human services workforce and the infrastructure needs of nonprofit organizations.

Housing as Healthcare for All New Yorkers with HIV

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

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.

unstable housing is the single strongest predictor of poor HIV outcomes and health disparities.² For that reason, NYS’s 2015 *ETE Blueprint* recommends concrete action to ensure access to adequate, stable housing as an evidence-based HIV health intervention.³

The *Blueprint’s* housing recommendations have been fully implemented in New York City since 2016, where the local department of social services employs the longstanding NYS HIV Enhanced Shelter Allowance program to offer every income-eligible person with HIV experiencing homelessness or housing instability access to a rental subsidy sufficient to afford housing stability, as well as a 30% rent cap affordable housing protection for PWH who rely on disability benefits or other income too low to support housing costs.

Upstate and on Long Island, however, over 4,000 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 for an individual at just \$480 per month – far too low to secure decent housing anywhere in the State. Only the NYC local department of social services provides meaningful HIV ESA rental subsidies in line with fair market rents and other low-income rental assistance programs.⁴

The ongoing failure to meet the housing needs of New Yorkers with HIV who live outside of NYC undermines the individual health of New Yorkers with HIV, HIV prevention efforts, and our statewide Ending the Epidemic 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. NYS HIV surveillance data show that at the end of 2019, 71% 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 78% among all NYC residents with HIV, compared to just 64% viral suppression among New Yorkers with HIV who live outside NYC.⁵

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 the inability to effectively manage HIV infection increases COVID-19 severity and death.⁶

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 benefit from antiretroviral, prevent premature mortality, and stop ongoing sexual transmission. the balance of the State.

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

³ NYS Department of Health AIDS Institute, 2015. New York State’s Blueprint for Ending the Epidemic. Accessed January 9, 2022 at https://www.health.ny.gov/diseases/aids/ending_the_epidemic/docs/blueprint.pdf

⁴ We are extremely pleased that the NYC Human Resources Administration recently announced that the NYC payment standard for HIV Emergency Shelter Allowance rental assistance has been increased to 108% of HUD FMR, in line with Section 8 Housing Choice Vouchers and other low-income housing assistance, to ensure that PWH are not disadvantaged in the housing market.

⁵ Ending the Epidemic Dashboard NY. Retrieved December 10, 2021, from www.EtEdashboardny.org/. Recently released 2020 data show continued but slightly narrowed disparities, with 61% retained in continuous care and 78% virally suppressed in NYC compared to only 56% and 74% in the balance of the State. However, the NYS and NYC departments of health caution that data for the year 2020 be interpreted with caution due to the impact of the COVID-19 pandemic on access to HIV testing, care-related services, and case surveillance activities.

⁶ Tesoriero, et al (2021). COVID-19 Outcomes Among Persons Living With or Without Diagnosed HIV Infection in New York State. *JAMA network open*, 4(2), e2037069. <https://doi.org/10.1001/jamanetworkopen.2020.37069>

To provide fair and equal access to lifesaving housing assistance across the State, all local departments of social services must approve rents under the NYS HIV Enhanced Shelter Allowance (ESA) program up to 110% of HUD Fair Market Rates (FMR) for the locality and household size – in line with Section 8 Housing Choice Vouchers and other low-income rental assistance programs – and the 30% affordable housing protection must be extended 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 100% of the costs of the assistance that exceed the support local districts are currently required to provide under Office of Temporary and Disability Assistance (OTDA) HIV Enhanced Shelter Allowance regulations.

For the past three years, the NYS enacted budget has included language that purports to provide equal access to HIV housing assistance in all parts of the State, but that is written in a manner that has not in fact made such assistance available in any local social services district outside NYC. This language, continued in the recently released Executive Budget, allows but does not require local departments of social services to provide meaningful HIV housing assistance, and provides no NYS funding to support the additional costs to local districts outside NYC. Significantly, not a single person with HIV has been housed as a result of this budget language.

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.⁷ The proposed pilot program encouraged the innovative use of these health care savings by local partners to fund housing assistance and related costs. However, the budget language included a “poison pill” that undermined the ability of local districts to secure local partners, by denying local partners the ability to determine how best to use savings, 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.

Housing Works and the ETE Community Coalition call upon Governor Hochul and the Legislature to correct the current Aid to Localities language and enact necessary Article VII legislation to: i) ensure that every local department of social services provides low-income PWH experiencing homelessness or housing instability access to HIV Enhanced Shelter Allowances for rent reasonably approximate to up to 110% of HUD Fair Market Rates (FMR) for the locality and household size (the standard for Section 8 Housing Choice vouchers and other low-income rental assistance programs); ii) make the NYC-only HIV affordable housing protection available Statewide to cap the share of rent for low-income PWH at 30% of disability or other income; and iii) notwithstanding other cost-sharing provisions, recognize the fiscal reality of communities outside NYC by providing NYS funding to support 100% of the costs of HIV Shelter Allowances in excess of those promulgated by OTDA, and of additional rental costs determined based on limiting rent contributions to 30% of income. If this is not accomplished in the Fiscal Year 2022-2023 NYS budget, we call upon the Legislature to introduce and pass legislation to finally implement *EtE Blueprint* housing recommendations in the rest of the State outside NYC. 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.

⁷ 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.

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 80% 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 over 700 units of housing, including Housing Works-developed community residences that serve people with HIV who face specific 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. When the COVID crisis began in March of 2020, approximately 70,000 people were sleeping in City shelters each night, including over 19,000 single adults in congregate settings where numerous people 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 February 2021, the NYC Department of Homeless Services (DHS) reported 113 deaths from COVID-19 among people experiencing homelessness, including 101 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 February 2021, the age-adjusted mortality rate due to COVID 19 among sheltered homeless New Yorkers was 436 deaths per 100,000 people, 49% higher than the overall NYC mortality rate.

To address this crisis, Housing Works opened a Department of Homeless Services Isolation Hotel in March 2020, 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 2,500 guests so far, applying lessons learned from years of providing harm reduction housing for people with HIV.

We have learned a great deal from this experience, including the critical importance of a true harm-reduction approach – 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 individuals 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 show up with multiple chronic conditions that have been untreated or undertreated and present 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.

Most significantly, as we continue to learn about the needs of people experiencing homelessness in our City, we have come to deeply appreciate how awful and dehumanizing the City shelter system is, and have come to believe that the COVID-19 pandemic has provided us 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.

Of course, we cannot end homelessness in New York unless we address the gross lack of housing that is affordable and accessible to low-income households. Ensuring equitable access to housing assistance across voucher programs is a key step towards this goal, and Housing Works commends the NYS Legislature for passing legislation – recently signed by Governor Hochul – to increase the value of State Family Homelessness and Eviction Protection Supplement Program (State FHEPS) vouchers, to create a more meaningful pathway for low-income families to enter safe and stable housing. Likewise, we applaud action taken this year by the NYC Council and HRA to increase the value of the City FHEPS vouchers and maximum allowable rents under the HIV Emergency Shelter Allowance program. We believe that setting a uniform payment standard for all low-income housing assistance programs is critical to ensure that no population is left behind in the increasingly challenging rental market.

Continued NYS investment in supportive housing is also critical, as is the commitment of capital funding to further the State's investment in the construction of high-quality, affordable housing. Housing Works is pleased to see the introduction of a five-year affordable housing plan in the Executive budget, including \$25 Billion for the creation and preservation of 100,000 affordable homes, including 10,000 supportive housing units. We also support the language allowing the conversion of hotels and commercial spaces for residential use and urge the legislature to continue to work with Governor Hochul to prioritize this space for permanent housing with deep affordability, including supportive housing units.

Meanwhile, homelessness remains at record levels in NYC, with some 50,000 people in shelters each night, and thousands more New Yorkers struggling to survive on the streets or other places not intended for sleeping. Bailey House and Housing Works have formed an internal visioning committee to 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.

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 waiver would seek a Medicaid match to existing City and State homeless service dollars that would support 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 unsheltered homeless individuals with community-based healthcare and stabilization services needed to move them along the housing continuum from the street to permanent housing.

2) Medical Respite

We fully support 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 necessary components of effective 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 individuals experiencing homelessness who have complex chronic health conditions and histories of 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 far more costly 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 NYC 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 planning to open an integrated Stabilization Center this year under contract with DHS that combines stabilization hotel beds and a drop-in center with onsite health and supportive services. Our 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 housing, 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. We are hopeful that Governor Hochul’s recent signing of Legislation S.2987-A/A.5679 declaring racism a public health crisis and establishing a Department of Health working group to promote equitable health outcomes will be a positive step toward addressing some of these drivers. In addition, we 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 New York State and City homeless response.

Addressing Severe Under-Investment in the Human Services Workforce and Nonprofit Infrastructure

Finally, Housing Works urges the Governor and Legislature to take action in this year's State budget to begin to address urgent issues that threaten to undermine the stability and effectiveness of the State's essential human services organizations. Nonprofit service organizations that have been on the front lines of both the HIV and COVID responses face ongoing and new challenges as the result of years of severe under-investment in their workforce and essential infrastructure needs – leaving them struggling to attract and retain staff while also dealing with inadequate or outdated systems for information technology, electronic data, financial management, human resources and other key functions. Inadequate State contract reimbursement rates have resulted in poverty-level wages for human services workers, who are predominantly women and people of color, and limit the ability to invest in critical systems. Essential human services workers are among the lowest paid employees in New York's economy, resulting in high turnover and serious disadvantage in an increasingly competitive labor market. Building infrastructure capacity is not only essential to effective and efficient service delivery but will be required in order for community-based nonprofit providers to prepare for, negotiate, and participate in coming value-based payment arrangements for service delivery.

We welcome the 5.4% Cost of Living Adjustment (COLA) for human services providers included in the Executive budget, but while critical, this step will not address the fundamental issue of inadequate compensation. We call for a \$21/hour minimum wage for all New York State funded health and human service workers and a comprehensive wage and benefit schedule comparable to compensation for State employees in the same field. We also urge the Governor and Legislature to invest in the infrastructure needs of nonprofits providing critical services for the most vulnerable New Yorkers—at a minimum by taking action in this year's budget to increase the indirect rate on NYS contracts from the current 10% to a nonprofit's established federally-approved indirect rate.

In conclusion, Housing Works, along with organizations, individuals and communities across the State, asks 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. We also ask 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. Finally, we ask for immediate action in this year's budget to require State contracts for human services that are sufficient to support the right of human services workers to a living wage and enable human services nonprofits to begin to meet critical infrastructure needs.

Sincerely,

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