NYS 2026 Joint Legislative Budget Hearing on Health/Medicaid
Housing Works Testimony
February 11, 2025

Thank you for the opportunity to present testimony to the Joint Budget Hearing on Health/Medicaid. 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 provide a range of integrated services for over 15,000 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, incarceration, and, most recently, migrants displaced from their homes due to violence or other crises who seek safety and a better life in the United States. 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 medical and behavioral health care, to housing and 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** (EtE Coalition), a group of over 90 health care centers, hospitals, and community-based organizations across the State.[1] I was proud to serve as the Community Co-Chair of the State's ETE Task Force, and Housing Works is fully committed to realizing the goals of our historic New York State Blueprint for Ending the Epidemic (EtE)—a set of concrete, evidence-based recommendations for ending AIDS as an epidemic in all New York communities and populations. I am also a proud member of the **New York State Hepatitis C Elimination Task Force**.

Housing Works is a founding member of three other important community coalitions formed to advance public health priorities and address health inequities: the **Harm Reduction Coalition of New York State** (NYSHRA), which is an association of drug treatment providers, prevention programs, people who use drugs and their family members, committed to addressing racism in systems addressing substance use, and incorporating validated harm reduction approaches within prevention and treatment; **iHealth NYS**,[2] a collaborative of community-based organizations united to advocate for and negotiate on behalf of our communities, our members and the chronically ill healthcare recipients we serve and to represent those programs and people within the broader healthcare system; and **Save New York's Safety Net,** a statewide coalition of community health clinics, community-based organizations and specialized HIV health plans committed to serving vulnerable New Yorkers across the State, ending the HIV epidemic, and preserving 340B drug discount funding in order to achieve those goals.

While we continue to make progress towards ending New York's HIV epidemic, the impact of the unprecedented COVID-19 pandemic impacted our headway on the State's longstanding HIV, hepatitis C (HCV), and overdose crises, and hindered our efforts to address the stark and persistent health inequities experienced by the most vulnerable New Yorkers. We appreciate Governor Hochul's continued funding for core EtE activities in her Executive Budget proposal, and her recognition of the need to embrace a public health approach to substance use disorder and overdose

[1] We address certain key EtE priorities in this testimony and have attached the full set of EtE Community Coalition *FY26 NYS Budget and Policy Priorities*.
[2] https://www.ihealthnys.org

deaths. However, this year's Executive Budget again fails to include critical, evidence-based, and cost-effective investments to achieve HIV health equity and stop our HCV and overdose crises. The Governor's budget again misses the opportunity to end homelessness among people with HIV statewide, fails once more to support evidence-based overdose prevention centers, and falls far short of the proven investments required to eliminate hepatitis C (HCV) and to meaningfully address the persistent health inequities faced by New Yorkers due to low income, immigration status, chronic conditions, or other forms of marginalization.

I will focus here on the status of our State's efforts to address the urgent public health crises of overdose deaths, HIV and HCV–with a focus on our historic plans for Ending the HIV Epidemic and Eliminating HCV, as well as the need to improve drug user health and stop our ruinous overdose crisis, including the critical need for greater investment in essential non-profit health and human services providers and other health care investments that are absolutely essential if we are to move towards greater health equity for the most underserved and marginalized New Yorkers.

Make Urgent Investments to Stop the Overdose Epidemic and Improve Drug User Health

Housing Works, NYSHRA, and the EtE Coalition call upon the Governor and Legislature to make urgent additional investments in the FY26 budget to significantly and rapidly scale up the State's response to substance use disorder and the opioid crisis by increasing access to services, removing barriers to care, and embracing best practices including harm reduction approaches including evidence-based overdose prevention centers.

As we all know, impacts from COVID-19, from physical distancing to wide-ranging unemployment, led to isolation, stress, and despair among many people, including people who use drugs. These factors increase the risk of infectious disease and other poor health outcomes, the most tragic being the dramatic and unprecedented acceleration in overdose deaths. The national increase in drug-related mortality has hit New York hard. While the Governor has pointed to preliminary data that may indicate a small decline in NYS overdose deaths in 2023, the CDC reports that New York State lost more than 6,300 individuals to overdose in 2022 alone – an increase of some 400% since 2010 and over 82% since just 2019. In NYC, overdose deaths more than doubled between 2019 and 2023, with the greatest impact on Black and Latino New Yorkers and those living in high poverty neighborhoods.[3] Yet the Governor and Legislature took little action to address this crisis during last year's session.

While we have welcomed this Administration's stated commitment to a public health approach that recognizes the importance of harm reduction strategies, it is likely that avoidable harms including preventable deaths will continue at tragic scale unless we significantly scale up every evidence-based harm reduction strategy, including authorizing overdose prevention centers. The full range of harm reduction approaches to improve drug user health are in urgent need of investment by the Governor and Legislature to promote equity and evidence-based practice.

Approve and provide at least $10M in State funding for Overdose Prevention Centers

With the continuing surge in preventable overdoses, an ever more toxic drug supply, and the unacceptable disparity in deaths among Black, Latino, and low-income New Yorkers, it's time for

[3] N.Y.C. Dep't of Health & Mental Hygiene, *Epi Data Brief No. 142: Unintentional Drug Poisoning (Overdose) Deaths in New York City in 2023* (Oct. 2024), https://www.nyc.gov/assets/doh/downloads/pdf/epi/databrief142.pdf

New York State to employ all available evidence-based strategies to address the State's heightened opioid crisis, reduce related health inequities, and promote drug user health. In addition to existing harm reduction interventions and strategies, it is imperative that New York implement another proven strategy for preventing avoidable drug overdose deaths–Overdose Prevention Centers (OPCs). ***We support the Safer Consumption Services Act (bill numbers pending) and strongly urge the Hochul Administration to approve and the Governor and Legislature to enact legislation to allow and provide at least $10M in funding to support OPCs co-located with Syringe Service Programs across NYS.***

OPCs provide controlled, hygienic settings for people to use pre-obtained drugs with sterile equipment under the supervision of trained professionals who can intervene in case of an overdose or other medical event, while also gaining access, onsite or by referral, to routine health, mental health, drug treatment and other social services. OPCs are an evidence-based intervention proven to reduce overdose deaths while increasing access to health care and substance use treatment. Over 120 Overdose Prevention Centers operate effectively worldwide, and numerous studies have shown that they are highly effective in both reducing drug-related overdose deaths and increasing access to health care and substance use treatment. OPCs are endorsed by many local and national medical and public health organizations, including the American Medical Association and the American Public Health Association. Two NYC-approved sites, opened in November 2021, have already intervened to prevent over 1,700 overdose deaths to date, and have connected thousands of drug users to medical, behavioral health, and social services. It is time for New York to follow the lead of Rhode Island, Minnesota, and Vermont and pass legislation permitting the operation of OPCs and the use of State and local public funding to support their operation.

In fact, the NYS Department of Health Commissioner James McDonald, during his time with the Rhode Island Department of Health and on the Rhode Island Governor's task force on Preventing Overdose deaths, was responsible for developing the Rhode Island legislation and regulations authorizing the operation and funding of overdose prevention centers. He is well aware of the authority vested in States to address the public health crisis of overdose deaths. Yet in a letter responding to the NYS AIDS Advisory Council's call for the State to declare overdose deaths a public health crisis and approve OPCs, the Commissioner cited litigation pending in another federal circuit as the excuse for the Hochul Administration's failure to act. That case, initiated by the first Trump administration to stop operation of a Philadelphia safe injection facility, involves a quite different set of facts in a jurisdiction that had not acted to authorize OPCs. We call on the State to stop hiding behind irrelevant litigation and take action to authorize and fund this proven, evidence-based intervention. Supporting OPCs will save countless lives and continue NYS's longstanding leadership in the opioid response.

Invest an additional $10M to scale-up the full range of harm reduction funding and programming
We strongly urge the Governor and Legislature to invest an additional $10M in the FY26 budget in harm reduction services provided through the NYSDOH AIDS Institute, Office of Drug User Health, to support syringe exchange programs, Drug User Health Hubs, the purchase of harm reduction supplies, drug checking machines and vending machines. The Office of Drug User Health (ODUH), established in 2016, houses several initiatives, each aligned with the philosophy, principles, and practices of harm reduction. Harm reduction recognizes that people engage in drug-related and sexual behaviors that carry a risk for harm, including HIV and HCV infection, opioid overdose and, sometimes, death. Harm reduction empowers individuals to mitigate these risks in ways that protect themselves, their partners, and their communities.

Syringe Exchange Programs are not only just places where people can acquire and dispose of syringes, but also multi service agencies for people who use drugs. Program participants can avail themselves of individual counseling, support groups, care management/health home, insurance eligibility counseling, mental health support, low threshold medical care, reproductive health care and consultation, syringe exchange, accessible buprenorphine prescribing for opioid use disorder and other ancillary services such as drop-in-centers, meals/food, bathrooms, hygiene kits as well as many other services. Likewise, the Drug User Health Hub is an innovative model in health care for people who use drugs. Drug User Health Hubs respond to the urgency of the drug overdose crisis in New York State by improving the health care systems and partnerships that keep people who use drugs safe and alive.

Some 41,000 participants received services in the SEP/Hub in 2022 with 256,000 unique encounters, and 35,000 people received some type of Medication for Opioid Use Disorder (MOUD) counseling or clinical service in the SEP/Hub system.

Expansion of the SEP/Hub system in rural areas is particularly urgent. Recent HIV outbreaks among injection drug users have occurred in rural communities in Upstate New York due to harm reduction deserts.[4] Funding is needed to expand SEP services, including throughout rural areas. Additional funding for naloxone distribution is also needed. Naloxone is a highly effective tool for opioid overdose reversal that is used by medical professionals and the public alike. As naloxone distribution programs have expanded drastically, funding has not kept pace with the demand. Funding is also needed to expand the innovative AIDS Institute ODUH Drug Checking program. People who use drugs are facing an increasingly unpredictable and potent drug supply. The Drug Checking program is using technology to analyze substances and provide people with safer use information. Funding will support additional drug checking equipment and annual program operations and agency oversight.

Harm Reduction programs provide essential, evidence-based services for people who use drugs including medical care, education, counseling, referrals, medication for opioid use disorder, and syringe services. It is time to acknowledge, promote, and adequately fund harm reduction as an evidence-based model of treatment for substance use disorder.

Expand OASAS housing to include harm reduction models and provide $10M in additional funding for harm reduction-oriented supportive housing for people with substance use disorder

Since our founding in 1990, Housing Works has been committed to providing low-threshold, harm reduction housing that recognizes that safe, stable housing is an essential baseline for achieving other medical and behavioral health goals. Persons with substance use disorder experience high rates of homelessness and housing instability, exacerbating chaotic and harmful substance use and making it difficult or impossible to achieve harm reduction goals. Our experience and ample research demonstrate that stable housing is an essential component of effective harm reduction for individuals experiencing substance use disorder.

[4] NYSDOH AIDS Institute. "Health Advisory: Preliminary Data Indicate a Recent Increase In New Human Immunodeficiency Virus (HIV) Diagnoses Among People Who Use Drugs In Broome County." 23 Jan. 2023. Available at : https://www.health.ny.gov/diseases/aids/providers/health_advisories/docs/health_advisory_broome.pdf

The NYS Office of Addiction Services and Supports (OASAS) funds transitional and permanent supportive housing for people with substance use disorder, but limits access to this housing to individuals and families in recovery from substance use disorder or who began a course of abstinence-based treatment and/or recovery while experiencing homelessness, excluding persons engaged in a harm reduction approach. We call on the Governor and Legislature to expand OASAS supportive housing to include homeless people following a harm reduction path, not just those who have established success at abstinence and to provide an additional $10M in funding for harm reduction-oriented supportive housing for people with substance use disorder.

Oppose legislation to increase penalties for fentanyl or create "death by dealer" statutes
Housing Works, NYSHRA, and the EtE Coalition strongly oppose any legislation which adds additional fentanyl analogs and/or xylazine to the New York State Controlled Substance list, establishes new crimes for possession with intent to sell, and sale of fentanyl analogs, xylazine, and/or "imitation substances," and establishes stricter penalties related to overdose deaths where fentanyl or fentanyl analogs, xylazine, or "imitation substances" are involved.

Scheduling additional fentanyl analogs, xylazine, or "imitation substances" will not make New York safer. Rather than diminishing the harms of drug use, criminalizing people who possess and/or use drugs amplifies the risk of fatal overdoses, increases stigma and marginalization, creates racial and economic disparities in enforcement, and drives people away from needed treatment, health, and harm reduction services.[5] Substantial evidence demonstrates that criminal penalties do not have any effect on reducing either the supply of drugs or the demand for them. Additionally, the penalties incurred by substances being on the Controlled Substances list will not reduce fentanyl and other synthetic drug distribution in New York. The process of adding fentanyl and other substances into drug formulations is usually done early in the production process. According to the Drug Enforcement Administration, these substances are generally added to substances before they enter the US. Therefore, low-level sellers may not know the substances they are distributing contain fentanyl and/or other substances.

Likewise, creating new crimes for substances, including drug induced homicide, will only hinder overdose responses and repeats the mistakes of the war on drugs. Recent reforms to the criminal justice system in New York have aimed to repair and undo the harms caused by mass incarceration and the drug war. There is ample evidence that the harms of the drug war disproportionately impact poor people and communities of color. Increasing penalties on fentanyl and other synthetic substances is akin to the devastating crack vs. powder cocaine disparities of the past, which will only further increase racial disparities in criminalization of drug users. Increasing use of archaic drug-induced homicide statutes does not protect individuals. Arresting and detaining a person for selling or giving a small amount of drugs to another person does nothing to interrupt the availability of fentanyl or any other substances.

The imposition of harsh penalties for possession and/or distribution is also likely to undermine the work that New York is doing to prevent overdose deaths. For example, New York's Good Samaritan law encourages people to contact emergency services in the event of an overdose. The

[5] See, e.g., Friedman et al., Relationships of Deterrence and Law Enforcement to Drug-Related Harms Among Drug Injectors in US Metropolitan Areas, 20(1) *AIDS* 93, 93-99 (2006); Caitlin Elizabeth Hughes and Alex Stevens, What Can We Learn from the Portuguese Decriminalization of Illicit Drugs?, 6 *British Journal of Criminology* 50 (2010).

threat of police involvement and jail or prison time may make an individual hesitant to call emergency services rather than help the person who is experiencing an overdose.

Further criminalizing the sale of substances does nothing to increase public health and safety, nor curb drug use.

Support Renewed Efforts for Ending the HIV Epidemic

I urge members of the Assembly and Senate Health Committees to review all the important issues addressed in the ***End AIDS New York Community Coalition Ending the Epidemic New York State Budget and Policy Priorities*** for fiscal year 2026 that I have attached to my testimony. I will highlight some of these issues in this testimony.

We have made significant progress implementing the 2015 *Ending the Epidemic (EtE) Blueprint* recommendations developed collaboratively by HIV community members, providers, advocates, and New York State and local public health authorities. Our EtE efforts enabled us to "bend the curve" of the epidemic by the end of 2019, decreasing HIV prevalence in NYS for the first time. Recently released 2023 surveillance data show that despite a small increase in new diagnoses in 2023, the number of persons newly diagnosed with HIV in NYS decreased 37% from 2011 to 2023 and HIV incidence continues to decline. However, the 2023 data also show that these overall successes are not reaching all New York Communities. Stark and unacceptable disparities persist in HIV's impact on Black and Hispanic New Yorkers, transgender New Yorkers, and young men who have sex with men. In 2023, 76% of New Yorkers newly diagnosed with HIV were Black or Hispanic, and Black New Yorkers had the lowest rate of viral load suppression. In New York City, 83% of persons newly diagnosed with HIV in 2023 were Black (41%) or Hispanic/Latino (42%), and 40% lived in zip codes of high or very high poverty at the time of their diagnosis.

These disparities are driven in part by the State's failure to fulfill key *ETE Blueprint* recommendations. Despite repeated promises to fully implement the *Blueprint* recommendations of an appointed 64-person EtE Task Force, the State's Executive leadership has been unwilling to expand meaningful HIV rental assistance to homeless and unstably housed people HIV living outside of NYC, and despite increased use of pre-exposure prophylaxis, or PrEP, to prevent HIV, the State has failed to make the investments necessary to ensure equitable uptake of this essential prevention tool.

Additional financial investments and policy changes are necessary to fully implement *EtE Blueprint* recommendations to end AIDS as an epidemic in every region of the State and for all New Yorkers—including meaningful new investments to address the social and structural determinants that we know drive HIV health inequities and protection and improvement of HIV service delivery systems that serve the most vulnerable low-income New Yorkers.

Provide equal access to HIV housing assistance as HIV health care in every part of NYS
Housing Works and the Ending the Epidemic Community Coalition are dismayed that once again, the Executive Budget fails to include cost-neutral provisions that would end homelessness among people with HIV across New York by providing access to HIV rental assistance that is currently available only to PWH who live in NYC. Every low-income New Yorker with HIV experiencing homelessness or housing instability should have equal access to NYS housing resources necessary to benefit from HIV treatments and stop HIV transmission. Ongoing homelessness and housing

instability among people living with HIV in communities outside NYC is fundamentally unfair, perpetuates HIV health inequities, undermines the State's ability to end our HIV epidemic, and costs the State money.

We call upon the Senate and Assembly to include in your one-house budgets the adjustments to relevant Aid to Localities budget provisions and ELFA Article VII language included as an attachment to my testimony that are necessary to provide equal access to meaningful HIV housing supports for people with HIV experiencing homelessness or unstable housing in all parts of NYS. And that you invest an additional $3.5 million into Public Assistance in FY25-26 for this HIV housing, which is estimated to return some $4.6 million in Medicaid savings from improved HIV health outcomes according to and OTDA fiscal analysis of this proposal.

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.[6] Indeed, NYS data show that unstable housing is the single strongest predictor of poor HIV outcomes and health disparities.[7] 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.[8]

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 Emergency 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, as many as 2,700 households living with HIV remain homeless or unstably housed because the 1980's NYS regulations governing the HIV Emergency Shelter Allowance (HIV ESA) set maximum rent for an individual at just $480 per month – far too low to secure decent housing anywhere in the State, and local districts are not required to provide the 30% rent cap affordable housing protection. Only the NYC local department of social services works with NYS to approve "exceptions to policy" to provide meaningful HIV ESA rental subsidies in line with fair market rents and other low-income rental assistance programs.[9]

Language included in the last six enacted NYS budgets ***purports*** to extend access to the same meaningful HIV housing supports across the State, but as written has failed to assist even a single low-income household living with HIV outside NYC. This failed language, unfortunately carried over again 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.

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[6] 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.

[7] 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

[8] NYS Department of Health AIDS Institute, 2015. New York State's Blueprint for Ending the Epidemic. Available at https://www.health.ny.gov/diseases/aids/ending_the_epidemic/docs/blueprint.pdf

[9] The NYC Human Resources Administration's current payment standard for HIV Emergency Shelter Allowance rental assistance is 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.

Access to statewide HIV housing assistance has been a top priority of Housing Works and members of the EtE Community Coalition for years. The HIV Emergency Shelter Allowance program was established by NYS regulation in the 1980's. Action to make the program work for New Yorkers living with HIV in communities outside NYC is long overdue. Simply put, we cannot end our HIV epidemic in every community and for all New Yorkers until every person struggling to manage HIV infection while experiencing homelessness or housing instability has access to a safe, stable place to live. For that reason, ***the County Executives of Albany, Erie, Monroe, and Westchester Counties have written to the Governor to urge that statewide access to meaningful HIV Emergency Shelter Allowances we included in this year's budget***.

To finally provide equitable Statewide access to HIV housing supports, we urge the Legislature and Governor to correct the relevant Aid to Localities language on public assistance benefits and enact Article VII legislation necessary to: i) ensure that every local department of social services provides low-income PWH experiencing homelessness or housing instability access to the NYS HIV Emergency Shelter Allowance program to support 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 extremely 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 their costs for providing these HIV Shelter Allowances and of additional rental costs determined based on limiting rent contributions to 30% of income.

If this is not accomplished in the FY25 NYS budget, we call upon the Legislature to pass legislation introduced in the Senate (S442/Hoylman-Sigal) and Assembly (A3355/Bronson) to finally implement *EtE Blueprint* housing recommendations in the rest of the State outside NYC. The EtE Community Coalition stands ready to work closely with sponsors and allies to educate members of the Legislature on the critical need for and importance of this legislation.

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 LGBTQ+ youth, transgender women, and women recently released from incarceration. 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.

Advance PrEP equity

We urge the Governor and Legislature to ***include a budget investment of least $6M in additional HIV health care and supportive services appropriations combined with a suite of legislative and other actions that will open access to pre-exposure prophylaxis (PrEP) to prevent acquisition of HIV among those who need it most***.

Despite overall increases, PrEP uptake has been slow among persons of color, women and among New Yorkers over the age of 50 compared to others. In 2023, Black and Hispanic New Yorkers accounted for 76% of new HIV diagnoses, but only 22% of those who filled a PrEP prescription. In 2023, Black and Hispanic New Yorkers accounted for 76% of new HIV diagnoses, but only 22% of those who filled a PrEP prescription.[1] To reduce disparity and move towards equity in protection

against HIV transmission, persons experiencing disparity must utilize PrEP at significantly higher rates. For that reason, the NYS DOH has established PrEP equity targets for 2030 by race, ethnicity and sex at birth to move towards equity in protection against HIV transmission. There remains a lot of work to do. As of the end of 2023, we had achieved 65% of our 2030 PrEP target for men, but only 21% of the target for women. We had achieved 178% of the 2030 PrEP target for non-Hispanic White New Yorkers, compared to only 21% of the 2030 target for Black New Yorkers and 26% of the target for Hispanic New Yorkers.

New York State must take bold, new actions to increase funding for tailored and culturally competent PrEP outreach and remove barriers to acquiring PrEP prescriptions. New York can provide leadership in harnessing the power of new Longer Acting (LA) Products by removing potential barriers to their uptake, negotiating volume-based discounts, and ensuring public and private coverage of the medications, their administration, and related care advance health equity among people who face barriers to regular medication adherence and to simplify care for all.

New York needs a significant investment in resources for tailored and culturally competent PrEP outreach and services to reduce disparities and disease burden. Further, resources should be directed to community-based health centers as well as non-traditional community-based service providers to cover the growing costs of supportive primary care services, counseling, lab tests and other ancillary services that are necessary to deliver PrEP and are recommended in federal and state clinical guidance. ***We strongly urge the Governor and Legislature to maintain the current $4M investment, and increase it by $6M, in 2025-26 HIV Health Care and Supportive Services appropriations.***

This investment is the keystone of our policy recommendations to achieve equitable HIV prevention across New York State, alongside additional recommendations detailed in the attached Community Coalition FY26 Budget and Policy Priorities:

- Exempt lifesaving HIV ARVs and PrEP from Prior Authorization in Medicaid;
- Authorize Pharmacists to Dispense or Administer HIV PrEP via Standing Order;
- Ensure Best Pricing for new HIV Treatment and Prevention Options;
- Ensure Access to PrEP Across All Health Plans in Medicaid; and
- Expand Eligibility for Special Needs Plans (SNPs) to include those at greatest risk for acquiring HIV – young (20-39) men of color who have sex with men (MSM), women of color, and people who use drugs.

Develop a PrEP housing pilot program

We call on the Governor and legislature provide at least $10M in funds in the FY25 budget to create a PrEP housing pilot integrating temporary housing and integrated case management services for persons experiencing homelessness or housing instability and at heightened vulnerability for acquiring HIV infection, including young men who have sex with men and people of transgender experience. People with unstable housing face barriers to accessing PrEP, which reduces the risk of getting HIV from sex by about 99% when taken as prescribed. Young people with unstable housing experience up to 12 times greater risk of HIV infection than those with stable housing. Ending the epidemic requires implementing integrated solutions that address the comprehensive health, social services, and housing needs of people who could benefit from HIV prevention so they can stay healthy and prevent HIV acquisition.

Include $10M in additional FY26 funding to meet the needs of the increasing number of older New Yorkers living with HIV

New Yorkers over 50 currently represent 57% those living with HIV, and they are projected to makeup 70% of the HIV community by 2030 due to medical advances, the overall aging of the state, and new diagnoses. The 2023 New York State HIV/AIDS Annual Surveillance Report found that 15% of all new HIV diagnoses were among individuals aged 50 and older. However, prevention services and education often overlook this community due to ageism. Additionally, a higher percentage of women are being diagnosed with HIV after age 50, and the impact is disproportionately felt by people of color, with 47% of diagnoses among Black/African American individuals and 23% among Hispanic/Latino individuals. The rising rate of stage 3 HIV diagnoses among individuals aged 50 and older underscores the urgent need for specialized testing, treatment, and support. Many of these individuals are receiving their HIV diagnoses at an advanced disease stage and are concurrently diagnosed with AIDS.

Aging with HIV can increase the vulnerability to conditions like heart disease, osteoporosis, memory problems, and cancer. In addition, older people living with HIV often face higher levels of depression and social isolation because of HIV stigma and from losing friends and community members at the height of the HIV epidemic. New York must act now to address the complex medical and social needs of life-time survivors (i.e. people acquired HIV at birth or early in life) and older New Yorkers living with HIV. The $4M distributed to organizations that serve these populations through the AIDS Institute under the 2023 People Aging with HIV (PAWH) Pilot was an important step, but nowhere near enough to meet the demand and need for services.

Underfunded direct services needs included case management, outreach, psychosocial support/peer support (individual and group), mental health referral, insurance navigation, financial and long-term care planning, and health education as well as programs to reduce social isolation. Meeting the growing clinical and social service needs of this aging population also requires the establishment of clinical centers of excellence on HIV and aging in the rest of the State like those in NYC, as well as the creation of a Statewide training center of excellence for health care and social service providers. Free medical and social service education with continuing education credits must be provided to disciplines across the state to enhance the capacity to deliver high-quality health and social services and to improve health and quality of life outcomes for this population.

Invest an additional $10M in New York's Peer Workforce and Employment Opportunities for people with HIV.

Investing in New York's Peer workforce is an important tool for advancing EtE goals by driving improvements in health equity; health care utilization; patient care; and access to HIV prevention, treatment, and other supportive services proven to reduce health disparities. Certified Peer Workers have a potent "superpower" in that they reflect and represent the communities in which they work. Combined with specialized workforce development training, these qualities make Certified Peer Workers an exceptionally effective force in our efforts to end the epidemic and achieve health equity throughout New York State.

This investment will increase the effectiveness and impact of New York's health care system and expand employment opportunities for people living with and at risk for HIV (and people with a history of substance use, mental health issues, hepatitis C, etc.) in two ways:

- Investing $4 million in increased OTDA funding to expand the current HIV Employment Initiative (HEI) across New York State. Expanded funding will more equitably distribute vocational support and job placement resources to reach every county in New York and get us closer to reaching ALL HIV+ New Yorkers—urban and rural, across marginalized communities—with HEI services.
- Investing $6 million in Workforce Readiness and Job Placement Services that connect Certified Peer Workers to jobs on the front line of health and human services across New York State. Preparing and placing Peer Workers into quality jobs in health/human services organizations builds powerful, integrated care teams that better serve diverse communities while offering pathways to career advancement as Certified Peer Workers grow into their job, expand their skills, and forge professional networks. Ending the Epidemic through employment is a low-cost, high-impact, evidence-based strategy to: increase health care access; intensify the impact of under-resourced organizations through job placement of well-trained and deeply committed frontline Peer Workers; and provide life-changing economic mobility opportunities for people living with HIV.

Exempt lifesaving HIV antiretroviral drugs from prior authorization in Medicaid

We oppose and remain deeply concerned by discontinuation of Prescriber Prevails in Medicaid fee-for-service and managed care. Elimination of Prescriber Prevails and the imposition of utilization tools such as prior authorization and step therapy can restrict access to medically necessary drugs. These barriers are harmful to patient access and can prevent individuals from receiving the medication they need in a timely manner. Last year, legislation was signed into law that prohibits commercial plans from requiring prior authorization for the treatment or prevention of HIV or AIDS, but the law does not cover Medicaid plans. We must build upon the 2024 law and prohibit prior authorization in Medicaid, ensuring that all New Yorkers can access lifesaving treatments and preventive options without delay and regardless of insurance plan.

Fund an additional $15M for full implementation of the NYS Hepatitis C Elimination Plan

While we were extremely pleased by the November 2021 release of the New York State Hepatitis C Elimination Plan, a set of concrete recommendations developed with broad community and expert input under the direction of a Statewide HCV Elimination Task Force (HCV TF), we are deeply concerned that the additional financial investments to fully implement the Plan's recommendations have not been made, and that the FY26 Executive Budget continues to flat fund HCV initiatives at only $5M per year. It is imperative to fully implement the HCV Elimination Plan, completed in 2019, without further delay. We call on the Governor and the Legislature to provide at least $15M in additional funding for HCV elimination in the FY26 budget (bringing total HCV funding to at least $20M annually), to enable the NYSDOH to more robustly implement this lifesaving initiative. This would include $800,000 for six HCV-specific epidemiologists for areas outside of NYC. Given the continuous evolution of knowledge and expertise on HCV prevention and treatment, and the critical importance of community engagement to successful implementation of the Plan, we also call upon the NYSDOH to work with community members to develop a process and structure that will ensure continued community input on the development of any updates to HCV Elimination Plan recommendations, to engage community members in oversight and monitoring of Plan implementation, and to include community perspectives on key metrics for assessing progress, monitoring outcomes, and identifying areas for improvement.

Fund Essential Investments That Promote Health Equity

Finally, I will address investments in New York State's health care safety net that are essential to our ability to make progress on persistent health care inequities and public health goals including ending our HIV, HCV, and opioid epidemics.

Support NYS's Health Home Program for NY's most vulnerable Medicaid recipients with a 15% rate increase.

The NYS Medicaid Health Home program is designed to coordinate and manage care for individuals with complex medical needs, particularly those with chronic conditions, including HIV and HCV, substance use disorder, and/or serious mental health issues. Individuals in the Health Home program are among the most complex, vulnerable individuals in the Medicaid program (most dually or triply diagnosed) who rely on the program to help coordinate their care and avoid expensive emergency room visits and hospitalizations. Health Home's Care Managers/Coordinators coordinate all primary, acute, behavioral, and long-term services and are designed to treat the whole person and ensure the individual is properly connected to the care they need.

The Health Home program is highly successful, providing intensive case management and care coordination for 170,000 individuals statewide and across all districts. Health homes have improved the quality of care significantly for many with chronic health challenges, improving lives and driving down avoidable costs.[10] [11] Recent data show:

- A 37.8% reduction in In-Patient Hospitalizations resulting in cost savings of $8.764 Million or on average $2,486.00 per member
- A 17.2% reduction in Potentially Preventable Visits (PPV) to Emergency Rooms
- A 37% reduction in Potentially Preventable Readmissions (PPR)
- Significant improvements in engagement with community health care: Health Home members enrolled 9 months or more had a 54% increase in outpatient services, including primary care, and a 38% increase in pharmacy services, promoting independence and preventative care.

Over the past several years, the Health Home program has been subject to substantial budget cuts, resulting in agencies closing, smaller agencies forced to consolidate, and clients losing access to care. conditions and lead to increased emergency room visits and avoidable hospitalizations, which the Health Home program has helped decrease over the past few years

Meanwhile, inflation has caused major challenges across the healthcare industry, leading Governor Hochul to recognize that social service and healthcare providers urgently needed rate increases or COLAs to sustain their operations. While many sectors of the healthcare industry received rate increases, and some Human Services/Mental Hygiene programs funded by OMH, OASAS and OPWDD received a 4% COLA in FY24, the Health Home program was excluded from the COLA

[10] Neighbors CJ, et al. Effects of Medicaid Health Homes among people with substance use disorder and another chronic condition on health care utilization and spending: Lessons from New York State. *J Subst Abuse Treat.* 2022 Jan;132:108503. doi: 10.1016/j.jsat.2021.108503. Epub 2021 May 29.

[11] Wetzler S, et al. Impact of New York State's Health Home Model on Health Care Utilization. *Psychiatr Serv.* 2023 Sep 1;74(9):1002-1005. doi: 10.1176/appi.ps.20220264. Epub 2023 Mar 14.

and received a $100 million cut. Health Home agencies have been struggling with the same reimbursement rates for years, which has resulted in major staffing shortages, higher caseloads, and clients unconnected to care.

To sustain the successful and critical Health Home program in NYS, we urgently call on the Governor and Legislature to provide a 15% rate enhancement for Health Home services. This increase would still not bring the program back to 2023 funding levels but is essential to ensure the continued availability and effectiveness of the program.

The Health Home system is an essential element of New York's continuum of care for the most vulnerable Medicaid recipients, providing a unique community-based service that cannot be provided by managed care organizations or any other part of the medical and behavioral health infrastructure. Health Home care management providers deliver face-to-face visits with high need enrollees – meeting them in their homes and communities – where they are supplementing telephonic care management efforts employed by most MCOs. For individuals who have serious behavioral health needs and chronic medical conditions, just getting to healthcare services can be difficult if not impossible. At Housing Works, our Health Home program regularly receives requests from MCOs who are unable to reach high-need members. Health Home care managers are finding, engaging, and supporting individuals that MCOs and others have failed to find and engage, leading to more stable housing, increased food security, and connections to needed integrated healthcare.

Continued neglect of the Health Home program will exacerbate health inequities and are in direct contradiction of the goals of NYS's recently approved 1115 Medicaid Waiver.

Expand health insurance coverage for immigrant New Yorkers

Housing Works asks the Legislature to correct the Governor's continuing inexplicable failure to seek Federal funding to provide access to health insurance for an estimated 250,000 immigrant New Yorkers who are currently prohibited from enrolling in Medicaid, the Essential Plan, or public health programs due to their immigration status.

Primary health care, including HIV prevention and treatment, is a basic human right, so Housing Works and the EtE Community Coalition are extremely disappointed that New York's recent 1332 State Innovation Waiver under the Affordable Care Act to expand the Essential Plan to New Yorkers with incomes up to 250% of the Federal Poverty Level fails to include undocumented immigrants between the ages of 19-64, leaving these New Yorkers without access to health insurance coverage. Because they lack health coverage, many undocumented immigrants seek healthcare only through emergency departments, preventing or delaying learning their HIV status and severely limiting access to PrEP. We support passage of A3020/S2237, legislation that would direct NYS to seek to amend its 1332 Waiver to propose using the existing federally-funded Basic Health Plan/Essential Plan Trust Fund revenue in a passthrough account to pay for immigrant coverage. CMS has already granted Colorado and Washington permission through 1332 waivers to use the Trust Fund, which has an $8 billion surplus and can only be used to pay for health insurance coverage, to pay for immigrant health insurance. Failing to expand health coverage for immigrants is not only wrong, but also fiscally irresponsible, as NYS spends over $500 million on Emergency Medicaid (NYS DOB data) for immigrants every year—over $500 million could be repurposed for other priorities.

Especially in the current national environment, we urge the Legislature to include expanded coverage for adult immigrants in your one-house budget bills.

Repeal the Medicaid Global Spending Cap

The Medicaid Global Cap was introduced in 2011 as a mechanism to limit growth in Medicaid spending and instill discipline in Medicaid budgeting. The cap was set at an arbitrary, fixed moment in time and was not designed to keep pace with program growth. Medicaid is a critical safety net program and is a lifeline for PWH. It should be afforded the opportunity to grow in times of economic downturn or hardship, such as the COVID pandemic, to meet real need. Although the Global Cap indexed growth metric has been updated somewhat in an effort to more accurately reflect changes in enrollment and utilization, the two-year Global Cap was extended through FY25. Any cap on the Medicaid program remains arbitrary as it does not reflect actual need or real growth. Continuing to place a cap on Medicaid spending disproportionately impacts people living with disabilities, under-resourced communities of color and safety net providers, like community health centers and HIV service programs that rely upon Medicaid as a significant coverage source for their patient base. It is time to repeal the Medicaid global cap.

Address severe under-investment in the workforce and infrastructure of nonprofit providers

Effectively addressing behavioral health needs, ending the AIDS epidemic, and addressing persistent medical and behavioral health inequities also requires action to address years of severe under-investment in the workforce and infrastructure of nonprofit providers. Housing Works urges the Governor and Legislature to take action in this year's State budget to address urgent issues that threaten to undermine the stability and effectiveness of the State's essential health and human services organizations—by broadening the applicability of the COLA for State contracted human services workers and increasing the amount of the COLA proposed for this year, establishing a $21/hour minimum wage for State funded health and human services workers; and increasing the indirect rate on NYS contracts to a nonprofit's established federally-approved indirect rate.

Nonprofit service organizations that have been on the front lines of the HIV, HCV, COVID, Mpox, overdose, and mental health responses face ongoing and new challenges as the result of years of severe under-investment in their work force 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 to for community-based nonprofit providers to prepare for, negotiate, and participate in coming value-based payment arrangements for service delivery.

The New York State FY24 budget included a one-time 4% cost-of-living adjustment for eligible State contracted human services workers by funding the Cost-of-Living Adjustment (COLA) statute. This statute was first authorized in the FY07 budget but was deferred for ten years before being funded by Governor Hochul in FY23. However, programs created after the statute was enacted are not included in the FY24 COLA budget language, and so many workers under contract with the State may be left out. For example, the Health Home Care Coordination program was excluded from the COLA granted to other programs. It is vital to broaden the applicability of the COLA. No

worker should be left out due to technicalities, and all human services workers deserve the most basic COLA to keep up with inflation.

Nor do COLA adjustments for human services providers, although critical, 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, and amending each existing NYS human services contract as soon as practicable to increase the total contract amount to reflect the contracting agency's approved Federal indirect rate "below the line" without impacting contract funding for direct services.

Protect and sustain NYS health care safety net providers

Protecting New York's healthcare safety net is critical to advancing health equity and addressing racism as a public health crisis. After a two-year delay, the Medicaid pharmacy benefit carve-out ultimately was implemented on April 1, 2023. As a result of community-led advocacy, the enacted FY24 budget included hundreds of millions of dollars of funding to keep safety net providers whole. The 340B Reinvestment funding (or NYRx Reinvestment) pool is designed "to preserve and improve beneficiary access to care and avoid loss of services in areas of concern." New York State and CMS have delivered on their commitment in disbursing the funding to Ryan White Care programs and FQHCs. 340B Reinvestment funding is working and must be preserved and codified. The 340B Program is essential to community-based primary care, HIV and wrap around services in New York State. Therefore, the EtE Community Coalition joins the Save NY's Safety Net Coalition in urging New York State to:

- Protect safety net providers by ensuring that every New York State budget includes NYRx Reinvestment funds, including annual $135M state share for FQHCs and $50M for Ryan Whites, in perpetuity.
- Reintroduce and advance A.7789 (Paulin) /S.8992 (Rivera) establishing the "340B prescription drug anti-discrimination act." Legislative action is needed to protect the integrity of the 340B program and 340B savings by 1) prohibiting discriminatory restrictions that limit the dispensing of a drug or access to a drug by a contract pharmacy or covered entity; 2) creating a statutory obligation for pharmaceutical manufacturers to provide 340B priced drugs to contract pharmacies and 3) authorizing DOH to impose civil monetary penalties for violations. Similar provisions have been enacted in Arkansas and Louisiana and withstood legal challenges, resulting in pharmaceutical manufacturers eliminating their restrictions on drug shipments to contract pharmacies in those states.

Protect and safeguard access to transgender health care.

Housing Works and the EtE Community Coalition have been appalled by recent actions taken by New York health care providers to deny or limit access to the full range of gender affirming care, out of fear of President Trump's unlawful executive orders that seek to rescind the federal government's recognition of transgender people and restrict their access to care. We applaud the strong stance taken by NYS Attorney General Letitia James in warning hospitals that it would

violate state law for them to stop providing gender-affirming care, and her pledge to challenge the Trump administration in court if it takes additional steps to restrict that care. We call on the Governor and Legislature to remain true to New York's long record of recognizing, respecting, and protecting the rights of LGBTQ+ New Yorkers, and to stand firm and take whatever action is necessary to ensure access to gender-affirming care. Now is the time for New York to provide additional support and funding for providers and advocates who serve the LGBTQ+ community, and we stand ready to work with the State to fight against hate and advance the health care rights of all New Yorkers.

In conclusion, Housing Works calls on the Governor and the Legislature to continue to be bold when it comes to addressing the State's unprecedented public health crises and persistent and unacceptable health inequities. Our historic progress towards ending the State's HIV epidemic shows us what can be achieved by implementing evidence-based policies.

Thank you for your time.

Sincerely,
Charles King

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Attachments:

- End AIDS NY Community Coalition *Fiscal Year 2026 Budget and Policy Priorities*
- Proposed EFLA Article VII language and changes needed to relevant Executive Budget proposal Aid to Localities provisions to extend equal statewide access to HIV Emergency Shelter Allowances