



Testimony from Selfhelp Community Services

Joint Legislative Budget Hearings

Fiscal Year 2026-2027 Executive Budget Proposal Health and Human Services

Submitted by Katie Foley
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Thank you for the opportunity to provide written testimony on the impact of health and human service programs in New York State, particularly those that support older adults in their communities. My name is Katie Foley, Managing Director at Selfhelp. This testimony highlights the critical role Naturally Occurring Retirement Communities (NORCs) and Neighborhood NORCs play in supporting older New Yorkers, with a specific focus on Selfhelp's programs.

Thank you to the Legislature, for its ongoing and significant support for N/NORCs. Because of your enthusiasm for this program, we have been able to bring resources and attention to the needs of a large and rapidly growing older adult population. The Governor's recent commitment to double N/NORC funding, bringing the total value to \$16.055 million, is a testament to the Legislature's long-standing support for this program.

We respectfully urge the Legislature continue to champion N/NORCs in the FY26-27 State Budget, by supporting this historic increase – \$4 million for NORCs and \$4 million for Neighborhood NORCs– and including an additional \$1 million to address increasing healthcare costs. Furthermore, the Legislature must invest in the human services workforce with a 2.7% Targeted Inflationary Increase (TII) and ensure all nonprofit human services workers are eligible for this funding, as laid out in S.1580A (Persaud)/A.2590A (Hevesi).

N/NORCs are integrated care models bringing together social services and health care to support older adults in their homes and communities. These programs promote healthy aging, prevent unnecessary hospitalizations, and delay nursing home placements. At Selfhelp, our N/NORC programs provide case management, health and nursing services, recreational and cultural activities, volunteer opportunities, and other tailored services. These offerings are vital to the well-being of the 1,500 older adults we serve annually.

Selfhelp operates four NORCs, including one Neighborhood NORC, all located in Queens. Together, these programs serve approximately 1,500 older adults, providing essential services that enable them to age at home with dignity and independence. We are deeply grateful to the Legislature for its steadfast support of N/NORCs, which has allowed us to address the needs of a rapidly growing older adult population. The Governor's recent proposal to double N/NORC funding to \$16.055 million is a testament to the Legislature's long-standing commitment to this program.

A cornerstone of the N/NORC model is healthcare management, which includes services such as medication education, diabetes testing, flu vaccinations, and mobility screenings. However, despite being a contractual requirement under NYSOFA, nursing services remain an unfunded mandate. Historically, Selfhelp's N/NORCs relied on pro-bono nursing hours through



partnerships with hospitals and retired nurses. Unfortunately, changes in Medicaid billing and rising labor costs have rendered these arrangements unsustainable, forcing us to absorb these expenses to maintain the same level of care.

Since FY19-20, the Legislature has provided additional funding to support nursing services in N/NORCs, most recently allocating \$1 million. Each N/NORC receives \$23,256 from this funding, which is not subject to unit-of-service hour increases. We urge the Legislature to continue this investment in the FY26-27 budget to address the reduction in pro-bono nursing hours, rising costs, and the growing demand for healthcare services among older adults. N/NORC programs are a cost-effective alternative to institutional care. In New York, a private room in a nursing home costs nearly \$159,000 annually, according to Genworth's 2021 Cost of Care Survey. In contrast, NYSOFA estimates the average cost of serving an older adult in a N/NORC program is just \$480 per year. By investing in N/NORCs, the State can significantly reduce Medicaid expenditures while enabling older adults to remain in their homes and communities.

The demand for N/NORC programs continues to grow. The last program expansion in 2019 added 14 new sites, bringing the total to 43. At that time there were more applicants to the program than the State could afford to fund. With the proposed funding increase, NYSOFA could establish additional N/NORCs, serving hundreds—if not thousands—of older adults across the State. Recent legislative updates, such as the passage of S.3392 (May)/A.5915 (Kim), have also increased flexibility on building height criteria, allowing more communities, including many in upstate cities, to apply for NORC status.

Finally, we urge the Legislature to address the human services workforce crisis by including N/NORCs in the 2.7% TII. For years, N/NORC budgets have remained flat, exacerbating staffing shortages and turnover. This has directly impacted the consistency and quality of care for older adults. Including N/NORCs in the TII would provide much-needed resources to address inflationary pressures and ensure livable wages for the dedicated professionals who make these programs possible.

Older adults across New York State rely on N/NORC services to remain healthy, independent, and stably housed, while saving millions in Medicaid costs. We thank you for your continued support and consideration of these critical programs.

For further questions, you may contact Katie Foley, kfoley@selfhelp.net.