NYS 2027 Joint Legislative Budget Hearing on Health/Medicaid
Housing Works Testimony
February 10, 2026

Thank you for the opportunity to present testimony to the Joint Budget Hearing on Health/Medicaid. My name is Ginny Shubert, and I am a Co-Founder and Senior Advisor on Policy and Research 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 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.[1] Housing Works Chief Executive Officer, Charles King, was proud to serve as the Community Co-Chair of the State's ETE Task Force, and as a 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 now federal actions targeting the most vulnerable New Yorkers pose new threats to our efforts to address the stark and persistent health inequities they experience. We appreciate Governor Hochul's level funding for core EtE activities in her Executive

[1] We address certain key EtE priorities in this testimony and have attached the full set of EtE Community Coalition *FY27 NYS Budget and Policy Priorities*.
[2] https://www.ihealthnys.org

Budget proposal, and her recognition of the need to embrace a public health approach to substance use disorder and overdose 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, provides no new investments to advance equity in access to proven HIV prevention tools, 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.

New York's HIV and LGBTQ+ communities have never been in greater need for New York State leadership. We face an unprecedented series of federal attacks on Medicaid, erosion of the national public health infrastructure, instability in funding for programs key to achieving the end of the epidemic like healthcare, housing, and harm reduction, and federal actions targeting LGBTQ+ communities already disproportionately impacted by HIV. Together, these attacks place lives at risk and jeopardize New York's ability to sustain our plan for Ending the Epidemic, and our decades of progress in HIV prevention, care, and health equity. We are deeply disappointed by the Governor's failure to recognize or address these risks, and urgently call on the New York State Legislature to work with the Governor to enact a final budget that meaningfully confronts these challenges with concrete actions that demonstrate the State's ongoing commitment to our communities.

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.

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 2027 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. However, while recently released 2024 surveillance data show that the number of persons newly diagnosed with HIV in NYS decreased 36% from 2011 to 2024, it is troubling that NYS has now seen three years of slight increases in the number of new HIV diagnoses, after years of decline. The 2024 data also show the persistence of stark and unacceptable disparities in HIV's impact on Black and Hispanic New Yorkers, transgender New Yorkers, and young men who have sex with men. In 2024, rates of new HIV diagnoses among non-Hispanic Black and Hispanic New Yorkers were 9.2 and 5.4 times higher than the rate for non-Hispanic Whites, and Black New Yorkers had the lowest rate of viral load suppression. In New York City, 85% of persons newly diagnosed with HIV in 2024

were Black (44%) or Hispanic/Latino (41%), and 42% 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.

Ensure critical funding to sustain the State's HIV response, including restoring and baselining historical Legislative adds

Housing Works and the EtE Community Coalition acknowledge and are grateful for the significant investments made by the State since the adoption of the EtE Blueprint recommendations, to fund programs and services to achieve our shared goal of ending the HIV/AIDS epidemic. During this time of federal attacks on Medicaid and funding cuts for programs essential to achieving the end of the epidemic (healthcare, housing, harm reduction, among others) and other federal actions targeting the very communities still disproportionately impacted by the epidemic, sustained significant investments by the State are even more critical.

We are grateful that the FY2027 Executive Budget sustains level funding for core Ending the Epidemic and NYS Department of Health AIDS Institute programs and services that have driven progress towards our historic Ending the Epidemic goals and urge the Legislature to support this critical funding. We must note, however, that core NYS EtE support has been flat funded for a decade, with no increases since 2016. That funding enabled us to bend the curve of the epidemic in 2019, but now we fear that we are moving in the wrong direction. Especially considering federal efforts to undermine the national HIV response, it is time to reconsider the adequacy of funding to support ongoing progress towards our Ending the Epidemic goals. We have the science to end New York's HIV epidemic even without a cure, if we can muster the necessary political commitment and funding.

At a minimum, we strongly urge the Legislature to **add back the full amount of the historical legislative adds for CSPs/MSAs/CDIs not included in last year's budget, and work with the Governor to baseline those legislative adds in the FY27 Budget to ensure they remain in future budgets.** Each State budget has historically included $1,050,500 in legislative adds to strengthen HIV prevention and support through the Regional Prevention and Support Programs (formerly known as Community Service Programs, "CSPs") and Targeted Prevention and Support Programs (formerly known as Multiple Service Agency Initiatives or "MSAs" and Community Development Initiatives or "CDIs"). These long-standing AIDS Institute contracts fund trusted community-based organizations to deliver essential services like testing, linkage to care, behavioral health support, PrEP and PEP education, harm reduction and more. For the first time in decades,

three-quarters of the funding that has historically been included in the State budget was omitted from the FY26 Budget. Of the $1,050,500 historically included through these legislative adds, only $262,500 was included in the FY26 Budget. These programs and the community-based organizations that operate them are critical to accomplishing the State's Ending the Epidemic goals and achieving health equity across the State.

We urge the Governor and the Legislature to not only ensure that the full amount of the historical legislative adds in the amount of $1,050,500 is included in the FY27 Budget, but also to baseline that funding. Advocates have sought to have this funding baselined for 25 years. The request may have seemed unnecessary since the funds were always included in the final budgets as legislative adds, but as we saw with the final FY26 Budget, whether by design or oversight, funds that are not baselined from year to year are at risk for dropping off.

Provide equitable access to HIV housing assistance as HIV health care

Housing Works and the End AIDS New York Community Coalition are dismayed that once again, the Executive Budget fails to include cost-neutral provisions that would end homelessness among people with HIV (PWH) 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 language and ELFA Article VII provisions included as an attachment to this testimony that are necessary to enable every NYS community to provide access to meaningful HIV housing supports* for *people with HIV experiencing homelessness or unstable housing.

Safe, stable housing is essential to support effective antiretroviral treatment that sustains optimal health for people with HIV and makes it impossible to transmit HIV to others.[3] Indeed, NYS data show that unstable housing is the single strongest predictor of poor HIV outcomes and HIV health disparities.[4] Evidence also shows that HIV housing assistance is a sound healthcare investment. Housing assistance for unstably housed people with HIV has been repeatedly shown to dramatically improve individual and public health outcomes, generating savings in public health spending on acute care and averted HIV infections that more than offset the cost of housing.[5] For these reasons, NYS's 2015 *ETE Blueprint* recommends concrete action to ensure access to adequate, stable housing as an evidence-based HIV health intervention.[6]

---

[3] 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.

[4] 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): 23-29.

[5] See, e.g., 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.

[6] 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

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 public assistance 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 the HIV 30% rent cap enacted by NYS in 2014 affordable housing protection for public assistance eligible PWH who rely on disability benefits or other income too low to support their share of housing costs.

But some 10 years after the State's adoption of the *EtE Blueprint*, the same NYS HIV rental assistance and affordable housing protection is not available to public assistance-eligible) PWH in any NYS community outside NYC, the overwhelming majority of whom are from the Black, Hispanic, and LGBTQ+ communities disparately impacted by HIV. As the result, an Office of Temporary and Disability Assistance (OTDA) analysis shows that as many as 2,800 households living with HIV remain homeless or unstably housed in communities outside NYC 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 only the NYC local department of social services has the resources to work 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.[7]

Local social service districts outside NYC do not have the local resources to pay the standard 71% share of the public assistance cost of meaningful rents or the 30% rent cap, so public-benefit eligible households experiencing homelessness or housing instability while struggling to manage HIV in NYS counties outside NYC are denied access to the Statewide NYS HIV Emergency Shelter Allowance program.

Language included in the last **seven** 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 local departments of social services outside NYC to provide meaningful HIV housing assistance, but provides no NYS funding to support the additional costs to local districts outside NYC.

To finally enable every NYS local social service district (at their option, not as a mandate) to provide extremely low-income New Yorkers experiencing homelessness or housing instability equal access to lifesaving HIV housing assistance, we strongly urge the Assembly and Senate to include in your one-house budgets the attached amendments to the relevant Aid to Localities budget language and ELFA Article VII provisions to:

- Authorize local social service districts to provide income eligible people with HIV experiencing homelessness or housing instability meaningful HIV Enhanced Shelter Allowance (ESA) assistance up to an amount in line with 110% of fair market rents established by the federal Department of Housing and Urban Development (HUD FMR) for each locality and household;

[7] 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.

- Expand access to the 30% rent cap HIV affordable housing protection Statewide to all public assistance eligible people with HIV with disability or other extremely low income less than or equal to 250% of the Federal Poverty Guidance; and
- Recognize the fiscal reality of communities outside NYC that provide this rental support by providing these localities 100% New York State reimbursement for HIV ESA payments and additional rental costs determined based on limiting rent contributions to 30% of income.

Significantly, this change in public assistance policy does not require an additional budget appropriation, as the additional public assistance spend —$3.7 million in FY27 according to the OTDA fiscal analysis of this proposal—can be managed within the current public assistance budget.[8] In fact, modest investment in public assistance benefits for people with HIV experiencing homelessness and housing instability will generate Medicaid savings, estimated at $6.6 million in FY27, that more than offset the public costs of housing making this vital initiative cost neutral or even cost saving for the State.[9] This investment in safe, permanent housing also has the potential for shelter savings for local districts by ending or avoiding use of emergency shelter required to be provided for these public assistance recipients.

Access to statewide HIV housing assistance has been a top priority of Housing Works and members of the End AIDS Community Coalition and the NYS AIDS Advisory Council 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 this public assistance policy change to enable them to provide meaningful HIV Emergency Shelter Allowances we included in the budget***.

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. 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.

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***.

[8] OTDA's analysis estimates additional public assistance expense of no more than $3.7M in year one, and never exceeding $50 million annually in out years, amounts easily absorbed by the existing public assistance appropriation.

[9] The estimated $3.7M public assistance expenditure in FY27 will be more than offset by an estimated $6.6M in FY27 Medicaid savings from improved HIV health outcomes and averted new infections, with Medicaid savings estimated to exceed housing costs by as much as $30M in out years.

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 2024, Black and Hispanic New Yorkers accounted for 78% of new HIV diagnoses, but only 22% of those who filled a PrEP prescription. 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 must act boldly to eliminate these disparities by investing in community-rooted outreach and scaling access to the latest prevention tools, including a groundbreaking new option: Yeztugo© (lenacapavir). Approved by the FDA in June 2025, this ultra-long-acting injectable PrEP requires just two doses per year and has shown 96–100% efficacy in preventing HIV in clinical trials. This new PrEP option will make PrEP more accessible to communities vulnerable to HIV infection. It holds transformative potential for people facing barriers to traditional PrEP access. New York can provide leadership in harnessing the power of new longer acting 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 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 2026-27 HIV Health Care and Supportive Services appropriations, and to advance supportive policy and administrative actions to guarantee access to all PrEP options — including long-acting injectables—regardless of insurance status or geographic location.

Develop a PrEP housing pilot program

To reduce disparity and move towards equity in protection against HIV transmission, it is also essential to address barriers to PrEP uptake and adherence. ***We call on the Governor and Legislature provide at least $10M in funds in the FY27 budget to create a PrEP housing pilot as a critical component of HIV prevention for New Yorkers most vulnerable to acquiring HIV infection.***

The proposed PrEP housing pilot would integrate temporary housing and intensive 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 formidable barriers to accessing PrEP, which reduces the risk of acquiring HIV infection 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 56% 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.

Housing Works and the EtE Coalition call for an investment of $2 million for Centers of Excellence and 8 million in funding for Community Based Organizations to meet the complex medical and social needs of older adults living with HIV.

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.

Ending the Epidemic through employment is a cost-saving, high-impact, evidence-based strategy to: increase health care access; support the safety net and 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.

Investing in New York's Peer workforce is more essential than ever as our communities face unprecedented barriers in accessing healthcare, benefits, HIV prevention, treatment, and other supportive services proven to reduce health disparities. Considering the Mandatory Community Engagement Requirements for Medicaid eligibility scheduled to go into effect in 2027, providing the funding necessary to expand the Peer workforce, including job training and employment opportunities, will be an important way to mitigate the negative impact of these new requirements.

We call on the Governor and Legislature to invest an additional $10M in New York's HIV Peer Workforce by expanding the existing HIV Employment Initiative and funding Workforce Readiness and Job Placement Services to connect trained peers to employment opportunities.

This investment will increase the effectiveness and impact of New York's health and human services 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 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 AIDS Institute Office of the Medical Director funding for Workforce Readiness and Job Placement Services will support connecting 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.

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.

In 2024, 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. In 2025, the Legislature passed A26/S5534 (Rosenthal/Hoylman-Sigal), which built upon the 2024 law and prohibited prior authorization in Medicaid, ensuring that all New Yorkers could access lifesaving treatments and preventive options without delay and regardless of insurance plan. We are deeply disappointed that Governor Hochul decided to veto the legislation and call upon the Legislature to continue to work with us on enactment of legislation that will satisfy any Executive

concerns while removing pre-authorization barriers and delays to HIV prevention and treatment for low-income New Yorkers who rely on Medicaid.

Fund an additional $5M to support 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 FY27 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 $5M in additional funding for HCV elimination in the FY27 budget (bringing total HCV funding to at least $10M annually), to enable the NYSDOH to more robustly implement this lifesaving initiative.*** We call for maintenance of all existing hepatitis C related funding and additional funding to: 1) employ additional patient navigators in traditional and non-traditional settings; 2) support funding to authorize additional tier 1 Syringe Service Programs, with a specific focus on rural areas; and 3) provide support to local health departments by hiring additional hepatitis C surveillance officers.

Patient Navigators are essential advocates demonstrated to significantly increase linkage to care and curative treatment by helping individuals navigate often complex health care systems, address financial and logistical barriers, connect patients to community resources, and help reduce stigma and disparities. Syringe Service Programs are a proven component of effective HCV prevention and care, shown to both significantly reduce transmission and provide accessible access to testing and curative treatment – saving lives and avoidable health spending. Rural areas in Central and Western New York are particularly lacking in SSP services. Given the prevalence of HCV in these areas, we strongly urge investment in additional tier 1 Syringe Service Programs, with a specific focus on rural areas of the State. Effective public health surveillance is also a crucial component of our HCV Elimination plan. We urge investment to hire additional staff in local health departments across the State to increase targeted HCV surveillance, monitor hepatitis trends, detect changes in risk factors, rapidly control HCV outbreaks and accurately represent disease burden.

We also urge the State Department of Health to expand the Scope of Practice for Nurse Practitioners to Provide HCV Care and Treatment. Adequate access to medical providers able to prescribe curative direct acting antiretrovirals (DAAs) continues to be a barrier to reaching our HVC treatment goals, yet restrictions remain on the ability to prescribe DAAs based on licensure. To address this barrier, we urge the State to expand the scope of practice for all nurse practitioners, regardless of certification, to provide these medications, limiting the need to refer individuals out and potentially lose them to follow up.

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 FY27 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. In March the CDC released preliminary data showing a 32% drop in overdose deaths among New Yorkers in 2024, compared to a comparable period in 2023 - from 6,688 deaths in 2023 to an estimated 4,567 deaths in 2024. This decrease is, in large part, attributable to the effectiveness of harm reduction services across New York State.
Despite this encouraging decline, however, the number of overdose deaths due to cocaine and stimulants actually increased between 2020 and 2024, and the only group that experienced an overall decline in overdose deaths between 2020 and 2024 were white New Yorkers. Fatal overdose INCREASED between 2020 and 2024 among all other races and ethnicities, with Black New Yorker having the highest rate of fatal overdose in 2024 (39.9/100,000), followed by American Indian Alaskan Natives ((28.8/100,000) and Latino New Yorkers (25.4/100,000). Rates of overdose death also varied significantly by county in 2024, with the highest rate of 50.3/100,000 in the Bronx, and high rates in Erie (34.1/100,000) and Monroe (36.1/100,000) counties.

Some 4,567 New Yorkers dies of avoidable overdose deaths in 2024, and overdose remains a leading cause of premature death in NYC, and an urgent public health priority across New York State.

While we have been pleased by 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. 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. Community-based harm reduction programs also help in our efforts to reduce new HIV, HCV, and STI transmissions.

In the face of recent Trump administration action to bar SAMSHA discretionary grants from funding some harm reduction programs, it is critical for NYS leadership to maintain its commitment to best practices by acknowledging, promoting, and adequately funding harm reduction as an evidence-based model of treatment for substance use disorder.

Invest at least an additional $10M in the FY26 budget to scale up harm reduction services provided through the NYSDOH AIDS Institute, Office of Drug User Health to significantly and rapidly scale up the State's response to substance use disorder and the overdose crisis by increasing access to services, removing barriers to care, and embracing best practices including harm reduction approaches, including s 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.

During 2024, approximately 47,500 participants received services in the Syringe Exchange Programs and Drug User Health Hubs with almost 281,000 unique encounters across all the programs. This shows that participants tend to visit a SEP/Hub multiple times a year. Some 10,000 New Yorkers 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 rural hepatitis C and HIV outbreaks underscore the need to expand SSPs statewide through increasing funding for the AIDS Institute, the division within the Department of Health that drives response to HIV, Hepatitis C, and a range of drug user health services.[10] 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. We support S5786 (Sepulveda)/A1748 (Rosenthal), the "Naloxone Everywhere" bill that requires key public institutions to carry opioid antagonists, improving readiness for bystander reversal and reducing overdose deaths.

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. We also urge passage of S56 (Fernandez)/A808 (Kelles) to provide immunity for drug-checking services and support statewide expansion of this DOH program.

Harm Reduction programs provide essential, evidence-based services for people who use drugs including medical care, education, counseling, referrals, medication for opioid use disorder,

[10] NYSDOH AIDS Institute. *HEALTH ADVISORY: Preliminary data indicate continuing transmission and a recent increase in new HIV diagnoses among people in a previously identified cluster with a history of injection drug use in Broome County*. July 18,2025. Available at : https://www.health.ny.gov/diseases/aids/providers/health_advisories/docs/health_advisory_broomehiv.pdf

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.

In addition to dramatically reducing overdose deaths, harm reduction programs have been demonstrated to dramatically reduce transmission of both HIV and Hepatitis C, saving millions in public health spending in Medicaid.

Approve and provide at least $10M in State funding for Overdose Prevention Centers
With the continuing crisis of 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 New York State to employ all available evidence-based strategies to address the State's opioid crisis, reduce related health inequities, and promote drug user health. In addition to the harm reduction interventions and strategies described above, it is time for New York to implement another proven strategy for preventing avoidable drug overdose deaths–Overdose Prevention Centers (OPCs). ***We support the Safer Consumption Services Act, A4916/S7617 (Rosenthal/Rivera,) 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.***

Considering recent Trump Administration threats of federal action to try to shut down NYC's two OPCs – programs that have served 7,011 participants and intervened in 2,004 overdoses since they opened in November 2021, saving an estimated $58M in avoided public health spending – it has never been so important for government to exercise its power to authorize OPCs as an evidence-base public health intervention to address our opioid and overdose crises.

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.

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 for $10M in funding to establish at least ten OPCs across NYS. OPCs provide sterile supplies and controlled settings for people to use pre-obtained drugs 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. New York should follow the lead of Minnesota, Rhode Island and Vermont and pass

legislation permitting the operation of OPCs and the use of State and local public funding to support their operation. Supporting these efforts will save countless lives and continue NYS's longstanding leadership in the opioid response.

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.

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.

It is equally important to take steps to reduce homelessness among New Yorkers with drug-related convictions by removing barriers to the housing market. ***We call on the Governor and Legislature for immediate action eliminating prohibitions on renting to people with drug-related convictions.***

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.[11] 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

[11] 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).

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 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.

Decriminalize lifesaving buprenorphine.
Remove this essential MOUD medication from the list of substances it is illegal to have in one's possession. Buprenorphine, an effective treatment for substance use disorder, was approved for prescription in 2000, but remains out of reach for many. We support S2331(Rivera)/A1647 (Rosenthal) to reclassify buprenorphine, protecting individuals seeking treatment from prosecution.

Protect compassionate overdose response.
Under current state law, available opioid reversal agents are limited to naloxone (brand name Narcan) and other medications approved by the Department of Health for the same purpose. Legislation (S4150/A265) was introduced to require the Department of Health to make available any FDA-approved formulations and dosages of opioid overdose reversal agents. The bill passed in the Assembly, and was held in the Senate Committee on Alcoholism and Substance Use at the end of the 2025 legislative session. We oppose this bill due to insufficient evidence demonstrating these alternative agents' improvement on survival rates and their demonstrated harms to people who use drugs.

The media and pharmaceutical companies have misrepresented data to justify the sale of higher-dose, longer-acting and more expensive products. Relying in part on this misinformation, and on alleged shortages of Narcan in some areas of the State, this legislation is based on concerns that the standard 4mg intranasal naloxone is less effective than higher doses or longer-acting agents. However, studies, including one from the Department of Health, show no improvement in survival rates between 4mg and the 8mg naloxone nasal spray, even with fentanyl involved. Critically, the 8mg dosage significantly increases the risk of opioid withdrawal symptoms—2.5 times higher,

according to a Department of Health study. These withdrawal symptoms can lead users to re-dose opioids to alleviate these acute symptoms.

If this bill were to become law, it would require the Department of Health to make all FDA-approved reversal agents available without considering these withdrawal effects or treatment protocols. The state should allow the Department of Health to continue to determine which agents are made available based on the best current evidence

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.

Stabilize and Strengthen the Health Home Care Management System

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.[12] [13] Multiple evaluations show that Health Home Care Management generates substantial system-wide savings and better outcomes compared to the broader Medicaid population—reducing inpatient admissions by 32.5% compared to just 4.8% statewide; emergency department visits by 18.5% versus 4% statewide; and skilled nursing facility use by 44.7% compared to a 10.8% increase in the statewide Medicaid population. Health Home members also have significantly better behavioral health outcomes, with adult members outperforming the general Medicaid population on 19 of 22 behavioral health measures, and members who are children outperforming Medicaid on all 15 behavioral health measures.

Over the past several years, however, 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. In FY23, Health Homes was funded in the amount of $524,010,000 or $262,005,000 annually. Funding in the FY27 Executive Budget proposal flat funds Health Homes for a second

[12] 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.

[13] 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.

year at $196,024,000 annually. Cuts have significantly reduced, if not eliminated, access to the program for large numbers of low-income individuals living with chronic health conditions.

More troubling, despite level funding in the FY27 Aid to Localities budget, the Executive Budget indicates that the NYS Department of Health is planning a further $2.5M cut to the program, to be achieved by further shrinking eligibility and disenrolling participants prematurely.

Meanwhile, despite inflation that has caused major challenges across the healthcare industry, Health Home Care Management Rates have not increased in seven years, contributing to growing instability among safety net providers and Care Management Agencies. Nor were the majority of Health Home employees included in last year's Targeted Inflationary Increase for behavioral health operations and workforce, which applied only to a small subset of care coordination services overseen by the Department of Mental Health.

These cuts to and neglect of the Health Home program will exacerbate health inequities and increase Medicaid spending. With appropriate rate adjustments and expanded eligibility, the Health Home Program has demonstrated that it cannot only address health inequities among the most medically complex and vulnerable Medicaid enrollees, but also enable NYS to achieve Medicaid savings by reducing high-cost utilization, preserving access for high-need populations, and improving individual and public health.

Housing Works and the EtE Community Coalition call for full restoration of the $130M in cuts to the Home Health program, to $262 million, to fairly fund the program to operate as it was designed and DOH intended, a level that adequately supports basic operations.

At a minimum, to strengthen and stabilize our critical Health Home Care Management system in NYS, we urgently call on the Governor and Legislature to:

- ***Reject the Department of Health's (DOH) $2.5 million cut to Health Homes***
- ***Include a 15% Medicaid rate increase for Health Homes in this year's final enacted budget***
- ***Include the Health Home workforce in a Targeted Inflationary Increase of at least 2.7% for the FY27 fiscal year.***

These actions would still not bring the program back to 2023 funding levels but are essential to ensure the continued availability and effectiveness of the program. Continued neglect of the Health Home program will exacerbate health inequities and increase Medicaid costs.

Ensure continued affordable health care coverage for all New Yorkers

Primary health care, including HIV prevention and treatment, is a basic human right, so Housing Works and the EtE Community Coalition are extremely concerned about the impact of HR1 implementation, which will weaken the entire health care and economic system we all rely on, and is expected cut health care funding in New York State by over $13.5 billion and eliminate health insurance coverage for over 1.5 million New Yorkers. These cuts will have enormous economic impact and a devastating 65,000 jobs are expected to be lost at both hospitals and community health centers.

Most immediately, we are deeply troubled by the fact that the NYS application to the Centers for Medicare and Medicaid Services (CMS) to return the Essential Plan to a Basic Health Program, while

it will preserve coverage for 1.3 million New Yorkers for whom the premium-free program is a critical lifeline, will result in over 460,000 New Yorkers losing their current Essential Plan coverage. Meanwhile, the failure to extend the Affordable Care Act (ACA) health exchange premium tax credits will leave many New Yorkers, including people with HIV, unable to afford any health care coverage.

Housing Works alone serves over 500 low-income New Yorkers who will lose their coverage, only half of whom are eligible for Medicaid. Governor Hochul's statement, in her FY27 Budget Book, that "The State is committed to working with CMS, affected parties, and stakeholders to determine strategies which will provide affordable coverage for all New Yorkers" does not provide the reassurance that the individuals who will be left without health coverage desperately need. It is critical for the State Legislature to work with the Governor and the NYS DOH on concrete solutions.

Likewise, a plan is urgently needed to address the impending 2027 imposition of Medicaid "community engagement requirements" that will require many Medicaid recipients to participate in at least 80 hours per month of work, education, or community service per month to maintain eligibility. While we appreciate that the DOH is still waiting for federal guidance on imposition of this requirement, at a minimum we urgently request that the State to ensure that people managing HIV infection or other serious chronic conditions be exempted from these requirements.

The public health insurance infrastructure is critical for New York's ongoing effort to End the HIV epidemic. Medicaid is the largest payer of HIV care, covering 40% of people living with HIV (PLWH), and 85% of people with HIV will rely on Medicaid to access care at some point in their lives. We cannot afford to undermine New York's healthcare infrastructure at this time, when new HIV infections have increased for the third year in a row. This increase is unacceptable given that medications to treat and prevent HIV are readily available if people can afford them.

Medicaid and the ACA are key systems which helps make health affordable. Medicaid is not a distant program that benefits any one group of people – it helps New Yorkers across ALL demographics – racial, economic, and generational. Medicaid helps people manage their chronic illnesses, and is critical to supporting HIV prevention, treatment and programs to counter the opioid epidemic.

Meanwhile, we must note that an estimated 250,000 immigrant New Yorkers are currently prohibited from enrolling in Medicaid, the Essential Plan, or public health programs due to the failure of the State to expand the Essential Plan to New Yorkers to include undocumented immigrants between the ages of 19-64. Failing to expand health coverage for this group of 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.

We urge the Legislature to work with the Governor and the Department of Health to develop concrete solutions that will ensure that every New Yorker has access to affordable health coverage.

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, 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 human service organizations that have been on the front lines of the HIV, HCV, COVID, Mpox, and overdose 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.

Housing Works strongly supports the call for the Governor and Legislature to work together to increase the Targeted Inflationary Increase (TII, formerly the COLA) for human services workers from the 1.7% included in the Executive Budget proposal to at least 2.7%, in line with the July 2025 CPI-U. New York must make meaningful investments to close service gaps, eliminate disparities, and improve access to services by investing in the human services workforce. and addressing inflated operating expenses that service providers are struggling to pay. Human services providers fought hard last year for a 7.8% increase, which represented the total of the current inflationary increase of 2.9% (CPI July 2024) and the difference between the human services COLAs over the past three years (12.2%) and the CPI increases (17.1%) over that same period. Unfortunately, this effort failed and the FY26 enacted budget included only a 2.6% COLA, which advocacy groups widely described as inadequate for workforce stabilization. We are disappointed that the FY 2027 Governor's Executive Budget proposes an even smaller 1.7% TII for human services workers. Due to decades of underfunding our state remains in a full-scale crisis characterized by ever-increasing demands for

services, limited access to care, and an extremely hard-pressed workforce that the sector struggles to attract and retain. We urge the Legislature to fill the gap to ensure a 2.7% TII as minimum inflationary floor to address significant and persistent job vacancies and workforce shortages

Moreover, programs created after the New York State Cost-of-Living Adjustment (COLA) statute enacted in 2007 are not included in even these small TII increases, so many workers under contract with the State may be left out. For example, the Health Home Care Coordination program has been 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. We call for passage of S1580 (Persaud)/A2590 (Hevesi) to include ALL State human services contracts under the COLA statute.

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.

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. New York's Governor, Legislature and State Department of Health delivered on their commitment to minimize disruption to patients and safety-net providers when the Medicaid pharmacy benefit carve-out was implemented in April 2023. Federally Qualified Health Centers (FQHCs) and Ryan White Care Centers have received their promised disbursements since 2023. NYRX Reinvestment Funding works and must be protected. Reinvestment funding supports care coordination, housing, nursing, school-based health clinics, STI prevention services and medications - including PEP and PrEP, legal assistance, free medications to uninsured and underinsured patients, food and nutrition programs. These dollars support care and services that New York State's Medicaid program cannot. ***Protect New York's Safety Net in the SFY27 budget and beyond 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.***

Housing Works and the EtE Community Coalition also strongly urge the Legislature to pass and the Governor sign into law A6222/S1913 (Paulin/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.

It is also critical to ensure that physician-administered drugs (PADs) remain carved out of the 2023 pharmacy benefit transition to Fee-for-Service (FFS). Furthermore, the Medicaid payment methodology for PADs dispensed by 340B-covered entities must be preserved, with no changes proposed in any future New York State budget. Any alteration to this structure would have far-reaching implications for safety net providers and the communities they serve, particularly in efforts to End the HIV/AIDS Epidemic in New York State.

Protect and safeguard access to transgender health care.
Housing Works and the EtE Community Coalition have been appalled by the continued federal efforts to deny the existence of our transgender brothers and sisters and by the ongoing attacks on access to gender affirming 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. We are pleased that the $500,000 Transgender Wellness & Equity Fund is baselined in the Executive Budget proposal, and encourage the Legislature to pass and the Governor to sign A6596A (Rosenthal), which requires Medicaid to cover gender-affirming care regardless of federal funding; prohibits discriminatory practices by health care entities including hospitals, certain professionals, and insurers; and requires insurance coverage for services or treatments for gender dysphoria or gender incongruence. Now is the time for New York to provide 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,
Ginny Shubert

Ginny Shubert
Senior Advisor, Policy and Research
Housing Works, Inc.
57 Willoughby Street, 2nd Floor,
Brooklyn, NY 12201 |
917.834.6089
g.shubert@housingworks.org

Attachments:

- End AIDS NY Community Coalition *Fiscal Year 2027 Budget and Policy Priorities*
- Proposed EFLA Article VII language and changes needed to relevant FY27 Executive Proposed EFLA Article VII language and changes needed to relevant Executive Budget proposal Aid to Localities provisions to expand access to meaningful HIV Emergency Shelter Allowances in the rest of the State outside NYC