



Testimony on the 2026-27 Executive Budget Proposal: Housing

Testimony Provided by

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Introduction

On behalf of the membership of LeadingAge New York, thank you for the opportunity to submit written testimony on the State Fiscal Year (SFY) 2026-27 Budget for the Division of Housing and Community Renewal (DHCR) and the housing needs of New York's older adults. LeadingAge New York represents over 350 not-for-profit, mission-driven, and public providers of senior housing, aging services, and long-term and post-acute care, as well as provider-sponsored Managed Long-Term Care (MLTC) plans and Programs of All-Inclusive Care for the Elderly (PACE). Of our members, more than 130 are mission-driven senior housing providers, with approximately 80 offering subsidized and income-restricted rentals to independent, low-income older adults.

LeadingAge New York's members are committed to embracing every stage of life and supporting residents, families, and staff to live fully with joy, dignity, and companionship. We strongly believe that every New Yorker deserves access to an array of options that support high quality of life as they age – including physical, social, and emotional well-being – regardless of income, location, or level of need.

Safe, affordable housing is a critical component of this continuum, as it creates a foundation for aging in community and extending healthy living years for as long as possible. In addition to age-appropriate design and accessibility features for older adults, multifamily, senior-specific housing offers the opportunity for socialization and engagement and can be a platform for connections with aging-related services and resources in the community. These elements not only help ensure housing stability and better quality of life for older New Yorkers, but also mitigate their reliance on higher, more costly levels of publicly funded care.

We appreciate the Governor's Master Plan for Aging (MPA) as a blueprint across agencies that reflects this emphasis on housing as a social determinant of health and an essential tool for supporting New Yorkers across the lifespan. However, the Executive's budget proposal takes no meaningful steps to fund and implement the Plan's stakeholder-supported recommendations, turning a blind eye to the current and pressing needs of New Yorkers as the population of older adults grows and the pool of working-age adults to care for them, by most projections, will continue to shrink.¹

The Legislature must therefore take the lead in investing in modest and innovative senior housing programs **now**, before today's independent older adults need more advanced care.

The following testimony outlines our recommendations to achieve this goal by establishing an Affordable Independent Senior Housing Assistance Program ("Resident Assistance Program") and by earmarking planned investments to help meet the housing needs of low- and middle-income older New Yorkers.

Fund Resident Assistance for Low-Income, Independent Older Adults (A.1948/S.9214)

LeadingAge New York and its housing provider members are calling for the commitment of \$10 million over five years – just \$2 million in SFY27 – to fund the creation and operation of a Resident Assistance Program that would connect low-income, aging residents living in affordable senior housing properties across the state with community resources that foster healthy, independent living.

¹ Cornell University Program on Applied Demographics New York State Population Projections; https://pad.human.cornell.edu/state_projections/poptrends.cfm; accessed Feb. 5, 2025.

Through this program, older adults would be provided on-site, on-request, non-medical assistance in affordable housing properties, including information and referrals to supports in the community; education regarding Medicaid and other benefits; and help accessing these benefits, services, and preventative programming. Resident Assistants may help with scheduling and obtaining transportation to appointments and with the use of technology to support telehealth visits and virtual social engagement. They may also arrange for on-site social and wellness programs to combat social isolation and strengthen healthy living habits such as exercise and good nutrition.

Many of the older New Yorkers living in these apartments are income-eligible for Medicaid, but are likely to have difficulty navigating the network of health and social supports that could help them stay healthy and age in place. These services can be difficult to access and maintain enrollment in, especially as federal policy shifts continue to impact eligibility and programs increasingly trend toward technology-based applications and communications. By addressing the social determinants of health through service connection and on-site programming for this vulnerable population, Resident Assistance would help low-income older adults stay healthy in their homes and delay or prevent the need for higher-cost health and long-term care services.

A total of \$425 million in capital has been committed to developing affordable housing for low-income older adults in recent five-year spending plans for DHCR, and 2025 amendments to the State's Qualified Allocation Plan for distributing Low-Income Housing Tax Credits (LIHTCs) recognize "persons with special housing needs," such as older adults requiring access to services to support aging in place and independent living, as a distinct population. But without complementary operational funds, the resulting properties – which must keep rents affordable and manage rising costs of operation year-over-year – have little or no avenue outside of charitable donation to maintain a Resident Assistant staff person. Moreover, it is estimated that more than 60% of U.S. Department of Housing and Urban Development (HUD)-funded properties for older adults in New York State do not currently have access to funding that would allow them to better meet the needs of the thousands of low-income older adults they serve by engaging a Resident Assistant staff person.

A \$10 million investment in the proposed Resident Assistance Program would provide grants to at least 16, 100-unit affordable senior housing buildings to support the wages, training, and budget to **make an on-site Resident Assistant staff person available to 1,600 or more low-income older adults.**

In addition to promoting housing stability and general wellness for low-income older adults, rigorous studies have proven that this model results in reductions to Medicare and Medicaid spending. The Selfhelp Active Services for Aging Model (SHASAM), which helped to inspire the Resident Assistance proposal, offers social work services to support the health and wellness of low-income residents aging in their own home. A New York-based study of the SHASAM program featured in *Health Affairs* found that the average Medicaid payment per person, per hospitalization was \$3,937 less for Selfhelp residents as compared to older adults living in the same Queens ZIP codes without services. According to the study, Selfhelp residents were also 68% less likely to be hospitalized overall.² Furthermore, with the SHASAM

² Gusmano, MK. Medicare Beneficiaries Living in Housing With Supportive Services Experienced Lower Hospital Use Than Others. *Health Affairs*. Oct. 2018.

Resident Assistance program in place, less than 2% of Selfhelp’s residents are transferred to a nursing home in any given year.³

In 2016, the Center for Outcomes Research & Education issued a report on a separate study conducted in Oregon that showed a decline in Medicaid costs of 16% one year after older adults moved into affordable housing with a Resident Assistant. Their analysis included 1,625 individuals, 431 of whom lived in properties that serve older adults and individuals with disabilities. The statistic of 16% savings in Medicaid costs breaks down to a savings of \$84 per month for each individual in this subset, or \$434,000 over a 12-month period for the relatively low number of 431 individuals.⁴

Based on LeadingAge New York analysis of this data and the SHASAM program, a \$10 million investment of State funds over five years to support Resident Assistance would **result in a net savings of \$4.5 million in Medicaid dollars to the State annually – or \$2.25 for every dollar invested**. And, because this program would be designed to pair these resources with existing affordable housing properties, **State funding to support its creation would result in immediate, real-time return on investment and better outcomes for low-income older New Yorkers**.

Over recent years, New York has invested heavily in the supportive housing model, which is an effective method of achieving similar outcomes as the proposed Resident Assistance initiative, but for different populations. Although our state’s number of low-income older adults is rapidly growing and these individuals will ultimately rely on Medicaid for some level of assistance or care, many of these individuals will not qualify for supportive housing programs. Older adults must typically meet additional criteria to qualify for supportive housing, such as being homeless, at risk of homelessness, unstably housed, or unnecessarily institutionalized. Conversely, the Resident Assistance initiative is intended to address the needs of all older adults living in a subsidized or income-restricted housing property by virtue of their age and income alone, and to do so *before* homelessness or entry into a higher level of long-term care becomes inevitable.

A \$10 million investment of State funds over five years would support Resident Assistants in at least 16, 100-unit affordable senior housing buildings, serving approximately 1,600 low-income older adults and resulting in a State-share Medicaid savings of at least \$2.25 for every dollar invested.

The MPA highlights the importance of community housing models, including a Resident Assistance Program, that address these gaps in existing programming to help more older adults age safely at home, but flags the proposal as needing legislative support to move forward.^{5,6} Given the workforce and funding challenges plaguing higher-level health and long-term care settings, we urge the Senate and Assembly to lead the effort to leverage senior housing as a key element of a holistic approach to preventative and wellness programming now, before their aging constituents need more advanced care.

³ Kaplan, Stuart C, et al. Healthy Housing: An Evaluation of Selfhelp Active Services for Aging Model (SHASAM), Nov. 2018, selfhelp.net/wp-content/uploads/2022/03/Selfhelps-Healthy-Housing-White-Paper.pdf.

⁴ Li, G., Vartanian, K., Weller, M., & Wright, B. Health in Housing: Exploring the Intersection between Housing and Health Care. Portland, OR: *Center for Outcomes Research & Education*. 2016.

⁵ “Supporting Community Housing Models.” *Master Plan for Aging*, planforaging.ny.gov/supporting-community-housing-models. Accessed 23 Feb. 2026.

⁶ *New York State Master Plan for Aging*, The New York State Department of Health’s Office of Aging and Long-Term Care and the New York State Office for the Aging, planforaging.ny.gov/system/files/documents/2025/07/mpa-final-report-6-30-25.pdf. Accessed 23 Feb. 2026.

For these reasons, LeadingAge New York, its members, and its advocacy partners strongly support the inclusion of \$2 million to fund the Resident Assistance Program as outlined in bill numbers A.1948 (Rosenthal) and S.9214 (Cleare) in the SFY 2026-27 Budget.

Commit and Expand the State’s Investments to Meet Low- and Middle-Market Senior Housing Needs

While LeadingAge New York appreciates the State’s recent efforts and evolving proposals to combat the ongoing affordable housing shortage, we remain concerned about its readiness to meet the needs of the growing population of low- and middle-income older adults and recommend taking steps in advance of developing the next five-year capital spending plan to understand and address the dearth of affordable housing suitable for older adults.

Nearly one in eight older New Yorkers is living in poverty, with higher rates of impoverishment for Black, Hispanic, Asian, and immigrant older adults.⁷ In New York City, since Housing Connect 2.0 launched in 2020, almost 140,000 households that included someone 62 or older have registered online – but only 1,900 older adult households received units between the launch and Fall 2023, representing only 1.4% of the older adult households registered in the system, with an average of 69 applications submitted for each available senior housing unit.⁸ LeadingAge New York members have reported as many as 1,600 applicants per available unit in new affordable senior housing projects. The dramatic imbalance between supply and demand can result in years-long waitlists for the limited number of affordable units, with some providers unable to accept new applicants even when additional units come online.⁹

At the same time, it is projected that the population of middle-income older adults – who are too wealthy to qualify for most affordable housing programs, but not wealthy enough to afford market-rate rentals – will continue to grow, and that by 2029, these individuals will account for 43% of the total older adult population.¹⁰ These projections indicate that approximately 60% of middle-income older adults in 2029 will have mobility limitations, and one in five of these older adults is likely to have three or more chronic conditions and one or more limitations with the activities of daily living.¹¹ These individuals – many of whom earn just a few dollars more than affordable housing income guidelines – are at risk of spending down assets to qualify for Medicaid-funded services and unnecessarily accessing a higher level of care due to a lack of affordable housing options.

Despite these startling statistics and the clear need for additional units that are available to and appropriate for low- and middle-income older adults, less than 7% of the funds included in the recent five-year spending plans for DHCR are reserved for low-income senior housing development, while funding to support the development of units affordable to middle-income households is generally committed to projects serving individuals and families, limiting the options for older adults who are not able to afford market-rate rentals. While the Governor has proposed a new \$250 million capital investment in affordable housing development, the uses for this appropriation are unclear.

⁷ [Keeping Pace with an Aging New York State | Center for an Urban Future \(CUF\)](#).

⁸ Ibid.

⁹ *Housing America’s Older Adults 2023*, Joint Center for Housing Studies of Harvard University, 2023, <https://www.jchs.harvard.edu/housing-americas-older-adults-2023>.

¹⁰ Pearson, Caroline F., Quinn, Charlene C., Loganathan, Sai, Rupa Datta, A., Burnham Mace, Beth, and Grawbowski, David C. (2019). *The Forgotten Middle: Many Middle-Income Seniors Will Have Insufficient Resources for Housing and Health Care*. *Health Affairs* 38, No. 5: 851-859.

¹¹ Ibid. at 857.

To help avoid a compounding housing and long-term care crisis, and to ensure that future spending plans are balanced and effective for New York's aging population, LeadingAge New York recommends a two-pronged approach: a continued commitment to low-income affordable senior housing development within this year's \$250 million capital infusion, consistent with the current spending plan and solidified within the appropriation language, and – with negotiations of a new five-year spending plan for housing purposes on the horizon – a State-directed study to evaluate the housing-related needs of low- and middle-income older adults and the effectiveness of its spending plans in meeting those needs.

Conclusion

In the face of increasing demand for and devastating cuts to higher levels of long-term care and aging services, the State must take a holistic approach and make modest investments in preventative programming across the continuum of its senior-facing services, including affordable, accessible, and service-connected housing for older adults. Committing \$10 million over five years – just \$2 million in the SFY 2026-27 Budget – to support Resident Assistance in affordable independent senior housing and taking steps to not only continue, but improve, its commitments to meeting the housing needs of low- and middle-income older adults are low-cost initiatives that can keep vulnerable New Yorkers living in the community. These initiatives will also reduce pressure on more expensive and staff-intensive services and ultimately result in a significant return on investment via Medicaid savings.

Founded in 1961, LeadingAge New York is the only statewide organization representing the entire continuum of not-for-profit, mission-driven, and public continuing care, including home and community-based services, adult day health care, nursing homes, senior housing, continuing care retirement communities, adult care facilities, assisted living programs, and Managed Long-Term Care plans. LeadingAge New York's 350-plus members serve an estimated 500,000 New Yorkers of all ages annually.