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New York State Senate and Assembly Joint Session on the FY 2013-2014 Executive Budget – Human Services
February 4, 2013

Voices of Community Activists & Leaders (VOCAL-NY)
Jason Walker, HIV/AIDS Housing Network Coordinator

Good afternoon. My name is Jason Walker and I am the coordinator of the New York HIV/AIDS Housing Network at VOCAL-NY. VOCAL-NY builds power among low-income people living with HIV/AIDS through community organizing and leadership development to create healthy and just communities. We also coordinate the HIV/AIDS Housing Network, a coalition of service providers in New York who provide a range of housing assistance to formerly homeless and at-risk PLWHA, from housing placement assistance to supportive housing.

Introduction

Housing is healthcare and HIV prevention for New Yorkers living with HIV/AIDS. Our state's comprehensive HIV/AIDS housing assistance has been the foundation for our success in achieving a significant decline in homelessness among people living with HIV/AIDS, while vastly improving health outcomes and reducing new HIV infections.

Nevertheless, New York City's rental assistance program for homeless and at-risk people living with HIV/AIDS has been plagued by high rates of recurring homelessness and repeat shelter stays. The primary cause has been an unsustainable rent burden for clients in the program, who are required to pay upwards of 70 percent or more of their disability income towards rent. That amount is more than twice the amount that New Yorkers pay for rent in other comparable programs, including supportive housing and Section 8.

The situation has put about 10,000 New Yorkers permanently disabled by HIV/AIDS and their families at risk for homelessness, which results in disruption of HIV care, poor health outcomes, and sharp increases in medical expense due to avoidable crisis care and ongoing HIV transmissions. It also results in increased expenses due to emergency housing placements.

I am here today to speak about a proposed affordable housing protection for low-income people living with HIV/AIDS who already qualify for rental assistance, which would pay for itself by preventing homelessness and costly shelter placements, while producing indirect cost savings through reduced health care expenses and preventing new infections. Furthermore, it

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would remove a barrier to independence for low-income people living with HIV/AIDS residing in supportive housing.

Housing = HIV Healthcare & Prevention

Safe, stable and affordable housing for people living with HIV/AIDS has well-documented benefits.

Reduced Medicaid expenditures: Research has repeatedly demonstrated that increased housing stability is strongly associated with sharp reductions in the medical costs of managing HIV disease.[i] For example, the landmark CDC and HUD Housing and Health (H&H) study, an unprecedented randomized control trial looking at the impact of housing on healthcare utilization among people living with HIV/AIDS, found that stable housing for PLWHA reduced emergency room use by 35% and hospitalizations by 57%. However, those who remained homeless were 2.5 times more likely to use an emergency room, 2.8 times more likely to have a detectible viral load, and more likely to report perceived stress.[ii] Preliminary calculations from the H&H study indicate that housing is a cost effective health care intervention for PLWHA, with a cost per QALY in the same range as HAART and other widely accepted health care interventions such as renal dialysis.[iii] Indeed, housing assistance generates savings in avoidable crisis health services that more than offset the cost of housing interventions.[iv] Furthermore, stable housing reduces HIV risk behaviors that can lead to new infections.

Improved HIV health outcomes: Receipt of housing assistance is independently associated with entry into appropriate HIV care, access and adherence to antiretroviral therapy, improved HIV health outcomes and reduced HIV risk behaviors – after controlling for other factors that can impact HIV care and outcomes.[v]

Fewer HIV infections: People living with HIV/AIDS who have stable housing are also less likely to transmit HIV to others compared with those who are homeless or unstably housed, regardless of other determinants of risk.[vi] Each HIV infection prevented through more stable housing saves over $300,000 in lifetime medical costs (a conservative estimate).[vii] Compared with stably housed people living with HIV/AIDS, homeless and unstably housed PLWHA are up to six times as likely to engage in behaviors that can transmit HIV to others.[viii]

New York's Flawed HIV/AIDS Rental Assistance Program

The primary housing program for poor New Yorkers living with HIV/AIDS is tenant-based rental assistance. As with other state housing programs for disabled people, residents with income from disability benefits are expected to contribute a portion of those benefits toward their rent. Unlike the other similar programs, however, the HIV/AIDS rental assistance program put in place in the 1980s did not include an affordable housing protection. All other state disability housing programs – and all federally funded housing assistance – cap the tenant's rent contribution at 30% of income. In contrast, disabled HIV-ill New Yorkers who receive rental assistance through HASA are required to pay upwards of 70% or more of their federal disability

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income (SSI, SSDI or Veterans' benefits) towards their rent. HUD defines payment of more than half of income towards rent as "severe rent burden."

Each HASA client in the program is budgeted to retain less than $12 per day to cover utilities, transportation, food and clothing and all other expenses – regardless of the amount of disability income received. This policy forces tenants to literally choose between paying their rent and other essential needs like travelling to visit a doctor, buying toiletries and covering co-payments and other unreimbursed medical care. Those are difficult choices for any New Yorker to make, but a matter of life and death for PLWHA who are managing a complex and expensive chronic illness. Not surprisingly, at least one in four rent-burdened HASA clients fall into arrears every year and one in nine become homeless.[ix] On average, 1,800 HASA clients are homeless in expensive and often inappropriate emergency shelters, including for-profit single room occupancy (SRO) hotels on any given day.[x] Many are in the emergency shelter system because they were severely rent-burdened, fell into rent arrears and lost their apartment, while others cannot afford to move out.

Indeed, approximately one in four formerly homeless New Yorkers living with HIV/AIDS who receive housing assistance lose their housing within 6-12 months, according to the Columbia University "CHAIN" study funded by the NYC Department of Health & Mental Hygiene (DOHMH). The study also found that among PLWHA receiving rental assistance, 43% report not enough money for food, utilities, unreimbursed medical care or other health needs at least some time during the past 6 months.[xi]

Solution: Preventing Homelessness Through Affordable Housing

A simple solution to recurring homelessness in the HIV/AIDS rental assistance program– one that has broad bi-partisan support in the state legislature – is **ensuring homeless and formerly homeless people living with HIV/AIDS pay no more than 30 percent of their income towards their rent if they already qualify for rental assistance.** A legislative proposal to establish the affordable protection, sponsored by former Senate Thomas K. Duane and Assembly Member Deborah Glick (A.6275 / S.4098 during the 2011-2012 session), has already passed with wide margins in the Senate twice and the Assembly once.

Not only is this a humane and fair proposal given that it would align the policy in the HIV/AIDS rental assistance program with all other New York low-income and disability housing programs, but it is also a highly effective public health intervention that will produce cost-savings for taxpayers.

An independent study found that by reducing housing loss and freeing up existing supportive housing units, this proposal would pay for itself before even taking into account anticipated Medicaid savings from avoided crisis healthcare and prevented HIV infections.[xii] The estimated $20.7 million incremental annual rent assistance cost to the City and State of the policy change would be offset by annual cost savings of at least $21 million in averted rent arrears payments and emergency housing costs – within the same budget line. While it is more difficult to calculate the direct additional benefits in reduced Medicaid costs, the same study estimated

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annual savings conservatively at $50 million ($22.5 million in averted crisis healthcare[xiii] and $27.8 million through prevention of new HIV infections[xiv]).

We encourage the Senate and the Assembly to work with Governor Cuomo to include the 30 percent rent cap affordable housing protection as Article VII language in the budget in order to reflect the direct savings from the bill that would be achieved through reductions in emergency housing occupancy and rental arrears, which would fully offset the cost of implementing the new policy.

Respectfully submitted by:
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[iv] Bauer, J., Battist, A, & Bamberger, J.D. (2010). *Housing the Homeless with HIV in San Francisco.* Presented at the North American Housing and HIV/AIDS Research Summit V, Toronto, Ontario, June 2010; Flaming, D., Matsunaga, M., & Burns, P., for the Economic Roundtable (2009). *Where we sleep: The costs of housing and homelessness in Los Angeles.* Prepared for the Los Angeles Homeless Services Authority. http://www.lahsa.org/CostAvoidance-Study.asp

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[ix] Based on FOIL data and Quarterly Performance Reports from HRA/HASA.

[x] HRA/HASA monthly Fact Sheets.

xi Dr. Angela Aidala, Columbia University Mailman School of Public Health. Presentation to NY Assembly Hearings on Proposed Rent Increases for PLWHA in Supportive Housing, Dec 21, 2006.

[xii] "Based on: an incremental rental assistance of $175/month/person; a 20% reduction in current rental arrears payments; and prevention of a third of the 6,500 annual HASA emergency housing placements." Shubert Botein Policy Associates, November 2011.

[xiii] "Conservatively estimating improved housing stability for 1,500 HASA clients (among 10,000 severely rent burdened PLWHA using rental assistance and 1,800 HASA clients currently in emergency housing who might benefit from increased turnober in the supportive housing system), and based on the SF Department of Public Health findings comparing health care utilization by homeless/unstably housed PLWHA before and after placement in housing., The SF study found that health care costs

decreased by 55% for the entire HIV+ group following housing placement – by a mean of approximately $15,000/person – and that cost savings among a minority of "high users" of avoidable health services offset the housing costs for the full group housed (Bamberger, 2011)." Shubert Botein Policy Associates, November 2011.

[xiv] "Among 1,500 unstably housed persons you would expect between 36 and 162 new transmissions each year (transmission rates range from 2.4 and 10.79, with unstably housed persons likely closer to the higher end.) Asumming at least l75 new HIV infections annually (a 5% annual transmission rate0 and lifetime healthcare costs of at least $370,000 associated with each new infection, we estimate annual savings of at least $22.5 million in lifetime HIV treatment costs, as well as countless life years." Shubert Botein Policy Associates, November 2011.

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