

NYS FY 2025 Joint Legislative Budget Hearing on Mental Hygiene
Housing Works Testimony
February 13, 2024

Thank you for the opportunity to submit written testimony to the Joint Budget Hearing on Mental Hygiene on behalf of Housing Works, a healing community of people living with and affected by HIV/AIDS. Founded in 1990, Housing Works now provides 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, and incarceration. 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, to 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 a founding member, and I sit on the Board of Directors, of the **New York State Harm Reduction Association (NYSHRA)**,¹ 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 to incorporating validated harm reduction approaches within prevention and treatment. We have come together to leverage our voices of advocacy, public policy, and clinical expertise in order to promote harm reduction in New York State as a scientifically based treatment appropriate for substance use disorder, as well as a lifestyle approach to people who use substances. Housing Works and NYSHRA are on the front lines of the overdose epidemic, providing a wide array of direct harm reduction services including syringe exchange programs, medication for opioid use disorder (MOUD), and naloxone distribution.

Housing Works is a founding member of three other important community coalitions formed to advance public health priorities and address health inequities: the **End AIDS NY Community Coalition**, a group of over 90 health care centers, hospitals, and community-based organizations across the State committed to realizing the goals of our historic New York State *Blueprint for Ending the Epidemic (EtE)*, a set of evidence-based recommendations for ending AIDS as an epidemic in all New York communities and populations;² **iHealth NYS**,³ 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**, 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 epidemic, and saving the 340B Federal drug discount program in order to achieve those goals. Housing Works CEO Charles King is also a proud member of the **New York State Hepatitis C (HCV) Elimination Task Force**.

¹ <https://nyshra.org>

² We address certain key EtE priorities in this testimony and have attached the full set of EtE Community Coalition *FY25 NYS Budget and Policy Priorities*.

³ <https://www.ihealthnys.org>

Housing Works operates the first substance use treatment program licensed by the NYS Office of Addiction Services and Supports (OASAS) to use a harm reduction approach, and we are pleased that several other providers have adopted our policies and procedures to implement harm reduction in their own licensed programs. Our OASAS-licensed program includes short-term, goal-oriented treatment using evidence-based cognitive behavioral treatment models, as well as individual and group treatment strategies, and is fully integrated with all our other programs, including services funded by the NYS Office of Mental Health (OMH) and the Health Home program, facilitating referrals to and from primary care, case management, and other behavioral health services. This approach enables our providers to meet clients where they are and support clients in developing truly personalized recovery plans, allowing us to work with the most hard-to-reach and underserved populations.

For years, Housing Works has advocated for NYS to adopt treatment modalities for substance use disorder that are not rooted in abstinence, and we have applauded some movement in this direction by OASAS in recent years, including adoption of regulations that allow for expansion of treatment under a harm reduction modality. Through these regulations, service providers from clinicians to peers have the opportunity to offer appropriate care that is increasingly free of the harmful barriers contained in abstinence-only approaches. Equally important, the regulations require that all licensed treatment programs provide access to medication for opioid use disorder (MOUD), the gold standard of care for opioid use disorder. However, we are dismayed that in the past year OASAS appears to be moving away from evidence-based harm reduction approaches. Most alarmingly, OASAS has withdrawn at least \$2.6M in funding for Drug User Hubs, defunding an integrated model combining harm reduction strategies with behavioral and health care that has been demonstrated to improve the overall health of people who use drugs, their families, and their communities.

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. New York State lost more than 6,600 individuals to overdose in 2022 alone, and yet the Governor and Legislature took little action to address this crisis during last year's session. Recently released NYC DOHMH data show that overdose deaths in NYC increased by 12% in just one year, from 2021 to 2022, with the greatest increases seen among Black New Yorkers and in low-income neighborhoods.⁴

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 reject failed criminalization approaches to substance use and instead make urgent additional investments in the FY25 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.

⁴ Tuazon E, et al. Unintentional Drug Poisoning (Overdose) Deaths in New York City in 2022. New York City Department of Health and Mental Hygiene: Epi Data Brief (137); September 2023.

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 every year will continue to break NYS records until we significant 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 that promotes equity and evidence-based practice. Based on the instability of the drug supply and preliminary CDC data trends, it is likely that every year will continue to break NYS records until we significant scale up every evidence-based harm reduction strategy, including OPCs.

Scale-Up Harm Reduction Funding and Programming

While we have been pleased by this Administration's stated commitment to a public health approach that recognizes the importance of harm reduction strategies, we call upon OASAS to fully recognize harm reduction as a drug treatment modality and to encourage licensed providers to adopt this modality for treatment of substance use disorder.

We also strongly urge the Governor and Legislature to invest at least an additional \$10M in the FY25 budget in harm reduction services provided through the NYSDOH AIDS Institute, Office of Drug User Health to support syringe exchange programs, Drug User Health Hubs, the purchase of harm reduction supplies, drug checking machines and vending machines. The Office of Drug User Health (ODUH), established in 2016, houses several initiatives, each aligned with the philosophy, principles, and practices of harm reduction. Harm reduction recognizes that people engage in drug-related and sexual behaviors that carry a risk for harm, including HIV and HCV infection, opioid overdose and, sometimes, death. Harm reduction empowers individuals to mitigate these risks in ways that protect themselves, their partners, and their communities.

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

Through just the first 10 months of 2023, approximately 38,800 participants received services in the Syringe Exchange Programs and Drug User Health Hubs with almost 234,000 unique encounters across all the programs. This shows that participants tend to visit a SEP/Hub multiple times a year. Some 41,000 participants received services in the SEP/Hub in 2022 with 256,000 unique encounters, and 35,000 people received some type of Medication for Opioid Use Disorder (MOUD) counseling or clinical service in the SEP/Hub system.

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

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

With preventable overdoses surging, and an ever more toxic drug supply, it's time New York State employs all available evidence-based strategies to address the State's heightened opioid crisis, reduce related health inequities, and promote drug user health. In addition to 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 (S603/A224) and strongly urge the Hochul Administration to approve and the Governor and Legislature to enact legislation to allow and provide at least \$10M in funding to support OPCs co-located with Syringe Service Programs across NYS.***

OPCs are hygienic spaces in which persons can safely inject their pre-obtained drugs with sterile equipment and trained professionals who can intervene in case of an overdose or other medical event, while also gaining access, onsite or by referral, to routine health, mental health, drug treatment and other social services. OPCs provide 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. OPCs are an evidence-based intervention proven to reduce overdose deaths while increasing access to health care and substance use treatment. Over 120 Overdose Prevention Centers operate effectively worldwide, and numerous studies have shown that they are highly effective in both reducing drug-related overdose deaths and increasing access to health care and substance use treatment. OPCs are endorsed by many local and national medical and public health organizations, including the American Medical Association and the American Public Health Association. Two NYC-approved sites, opened in November 2021, have already intervened to prevent over 1,000 overdose deaths. New York should follow the lead of Rhode Island, Minnesota, and Vermont and pass legislation permitting the operation of OPCs and the use of State and local public funding to support their operation. Supporting these efforts will save countless lives and continue NYS's longstanding leadership in the opioid response.

Decriminalize lifesaving buprenorphine

Remove this essential MOUD medication from the list of substances it is illegal to have in one's possession.

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.*** Limiting access to housing perpetuates the harms caused by the war on drugs by making it difficult or impossible to secure the safe, stable housing that is essential to fully reintegrate into society and advance employment and other goals.

Oppose legislation to increase penalties for fentanyl or create “death by dealer” statutes

Housing Works, NYSHRA, and the EtE Coalition strongly oppose Executive Budget legislation which adds additional fentanyl analogs and/or xylazine to the New York State Controlled Substance list, establishes new crimes for possession with intent to sell, and sale of fentanyl analogs, xylazine, and/or “imitation substances,” and establishes stricter penalties related to overdose deaths where fentanyl or fentanyl analogs, xylazine, or “imitation substances” are involved.

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

Likewise, creating new crimes for substances, including drug induced homicide, will only hinder overdose responses and repeats the mistakes of the war on drugs. Recent reforms to the criminal justice system in New York have aimed to repair and undo the harms caused by mass incarceration and the drug war. There is ample evidence that the harms of the drug war disproportionately impact poor people and communities of color. Increasing penalties on fentanyl and other synthetic substances is akin to the devastating crack vs. powder cocaine disparities of the past, which will only further increase racial disparities in criminalization of drug users. Increasing use of archaic drug-induced homicide statutes does not protect individuals. Those who favor the use and proliferation of drug-induced homicide measures and severe sentencing for drug sellers contend that the threat of harsh sentencing will deter drug use, drug selling, and prevent fatal overdose. This logic is fundamentally false, and decades of ineffectual drug war policies provide evidence to refute this notion. 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.

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

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.

Continue to Support NYS's Restorative Justice Approach to Cannabis Legalization

Housing Works is proud to be New York State's first legal adult use recreational dispensary. On December 29th, 2022, HWCC opened its doors to over 1,000 customers. We have a staff of 60 including delivery, inventory, front of house budtenders, and back of house teams, many of whom were personally affected by marijuana criminalization. 100% of the proceeds generated at our retail called Housing Works Cannabis Co go directly into lifesaving services for clients. Our mission at Housing Works Cannabis Co is to destigmatize the use of cannabis through education. We provide a friendly retail experience for anyone over the age of 21 seeking to learn more about cannabis and its uses.

Through Housing Works Inc., we also support other New York Conditional Adult-Use Retail Dispensary (CAURD) applicants on their journey through the cannabis industry, providing advice on running a successful cannabis dispensary, guiding them through the challenges of hiring and human resources, purchasing, and other operations.

We thank the Senate and Assembly for passage of 280E City Tax Code Bill and the Governor for signing it into law in December of last year. We are supportive of the Governor's Executive Budget FY25 proposal to repeal of the potency tax and expansion of the Office of Cannabis Management's (OCM) enforcement capacity to effectively curtail the proliferation of unlicensed operators, and the administrative/staffing support to the Cannabis Control Board (CAB) to enable them to address the problem and advance social and economic equity more effectively in the cannabis industry. We also strongly support giving the localities the ability to close unlicensed retail outlets.

The cannabis social equity program for New York is critical part of The Marijuana Regulation & Taxation Act (MRTA), which was signed into law on March 31, 2021, legalizing adult-use cannabis in New York State. The biggest beneficiaries of the law should be justice-involved individuals who were disproportionately impacted by marijuana prohibition, and small local farmers who formerly grew hemp. The lessons learned from their success (or lack thereof) would inform the character of support provided to social equity. Unfortunately, however, these groups are significantly worse off today than they were at the start of the program on March 10, 2022. The big winners to date have been the eleven medical marijuana companies. In addition, neighborhoods, towns, community boards, elected leaders, and families across the state are combatting illegal cannabis retail stores that pose serious public safety and health problems and rob the state of millions in taxes.

Clearly, this was not the intent of the Governor or the intent of the elected officials who fought so hard to ensure social equity applicants received priority treatment under the MRTA. The corrective action needed to put the Governor's program back on track will require our legislature to intervene and the Governor's leadership and direct intervention from the Executive Chamber.

We ask:

- That the legislature work on fast-forwarding anticipated cannabis tax revenue and anticipated medical marijuana application fees. The funds would be paid back, with interest, from cannabis tax revenue and application fees. The funds would be used to immediately monetize zero-interest and low-interest loans to support social equity dispensaries, cultivation, micro-businesses, and other critical segments of the cannabis supply chain, and an incubator program to support education, training and capacity building technical assistance.
- For the OCM to level the playing field by awarding 50% of all licenses in the nine license categories to the social equity population, and eleven new medical marijuana licenses to social equity applicants who are representative of communities disproportionately impacted by marijuana prohibition.
- To cap the number of all licenses.
- To codify the CAURD program.

Fund full implementation of the New York State 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 FY25 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 Governor Hochul to formally adopt the *NYS HCV Elimination Plan*, and for the Governor and the Legislature to provide at least \$15M in additional funding for HCV elimination in the FY25 budget (bringing total HCV funding to at least \$20M annually), to enable the NYSDOH to implement this lifesaving initiative more robustly. Given the continuous evolution of knowledge and expertise on HCV prevention and treatment, and the critical importance of community engagement to successful implementation of the Plan, we also call upon the NYSDOH to work with community members to develop a process and structure that will ensure continued community input on the development of any updates to, oversight of, monitoring of, and assessment of the Plan.

Improve Coordination of OMH Services to Support Integrated Models of Care

In contrast to OASAS, OMH has often been the least cooperative partner in efforts to coordinate and co-locate services in order to integrate care and has taken a more restrictive approach to certifying peers, including denying eligibility for people with histories of criminal justice involvement and requiring a New York State High School Equivalency diploma (formerly GED).

One area of particular concern is the lack of coordination between the OMH system and HIV prevention and health care. Unaddressed behavioral health needs negatively affect access to HIV prevention and care, and there is a significant need for integrated, affordable, high-quality and culturally sensitive medical and behavioral health care in New York.⁶ People living with or at heightened vulnerability to HIV are more likely than the U.S. population as a whole to have mental

⁶ Remien RH, et al. Mental health and HIV/AIDS: The need for an integrated response. *AIDS*, 2019; 33(9):1411-1420.

health challenges, and these mental health issues can have a significant impact on an individual's ability to access and benefit from HIV prevention and care services—delaying diagnosis and linkage to HIV care, and/or resulting in interruption of treatment as people with HIV move in and out of mental health service settings.⁷ A 2019 NYC DOHMH analysis found that, when compared to the overall group of people with HIV in NYC, 1,326 individuals with serious mental illness and diagnosed HIV identified through a data match were less likely to be receiving HIV care (82% vs. 93% overall), less likely to be prescribed antiretroviral therapy (79% vs. 90% overall), and far less likely to be virally suppressed (68% vs. 83% overall).⁸ For many reasons—including restrictive policies and funding streams—identifying and treating behavioral health needs among people affected by HIV have not been prioritized and/or have been difficult to implement at the required scale. Likewise, while mental health care settings can be a venue for reaching people most impacted by HIV, such settings often lack the staff or training to provide HIV testing, access to PrEP and a space to discuss sexual health.

Fund Essential Investments That Promote Health Equity

Housing Works also welcomes this opportunity to address investments in New York State's health care safety net that are essential to our ability to make progress on persistent medical and behavioral health inequities and public health goals including ending our HIV, HCV, and opioid epidemics.

Restore funding for the Health Home Program for NY's most vulnerable Medicaid recipients

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 who rely on the program to help coordinate their care and avoid expensive emergency room visits and hospitalizations.

We call on the Legislature to fully restore Health Home funding at the FY23 level of \$524,010,000, and to provide the Health Home program with the same COLA afforded the rest of the human services sector in FY24.

Over the past several years, the Health Home program has been subject to substantial budget cuts, resulting in agencies closing, smaller agencies forced to consolidate, and clients losing access to care. In FY24, the NYS Health Home program experienced a \$100 million cut, with \$30 million cut in FY24, and another \$70 million targeted for cuts in FY25. Now, in addition to these cuts, the FY25 Executive Budget proposes a further devastating cut to the Health Home program. Funding in last year's budget was approved at the amount of \$424,380,000, which included the cut of \$100 million (over 2 years). Funding in the FY25 Executive Budget would fund Health Homes at \$196,024,000 – a staggering further decrease of \$228,356,000 from the FY24 Budget.

Just three years ago, in FY 2023, Health Homes was funded in the amount of \$524,010,000. Proposed cuts in this budget, combined with the FY24 cuts proposed for this

⁷ See: Feldman MB, et al. Utilization of Ryan White-funded mental health services and mental health functioning among people living with HIV in New York City, *Journal of HIV/AIDS & Social Services*, 2018; 17(3): 195-207.

⁸ Khosa P. *Persons with Serious Mental Illness Referred to Select Bureau of Mental Health Services and Matched to the NYC HIV Registry*. NYC HD, Bureau of HIV, 2019.

year, would total \$327,986,000 over three years, which would significantly reduce, if not eliminate, access to the program for large numbers of low-income individuals living with chronic health conditions and lead to increased emergency room visits and avoidable hospitalizations, which the Health Home program has helped decrease over the past few years.^{9 10}

Meanwhile, inflation has caused major challenges across the healthcare industry, leading Governor Hochul to recognize that social service and healthcare providers urgently needed rate increases or COLAs to sustain their operations. While many sectors of the healthcare industry received rate increases, and some Human Services/Mental Hygiene programs funded by OMH, OASAS and OPWDD received a 4% COLA in FY24, the Health Home program was excluded from the COLA and received a \$100 million cut. Health Home agencies have been struggling with the same reimbursement rates for years, which has resulted in major staffing shortages, higher caseloads, and clients unconnected to care.

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

The proposed severe cuts to and neglect of the Health Home program will exacerbate health inequities and are in direct contradiction of the goals of NYS’s recently approved 1115 Medicaid Waiver. It is essential that the Legislature fully restore Health Home funding and provide the Health Home program with the same COLA afforded the rest of the human services sector in FY24.

Expand health insurance coverage for immigrant New Yorkers

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

Primary health care, including HIV prevention and treatment, is a basic human right, so Housing Works and the EtE Community Coalition are extremely disappointed that New York’s recent 1332 State Innovation Waiver under the Affordable Care Act to expand the Essential Plan to New Yorkers with incomes up to 250% of the Federal Poverty Level fails to include undocumented immigrants between the ages of 19-64, leaving these New Yorkers without access to health

⁹ 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.

¹⁰ 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.

insurance coverage. Because they lack health coverage, many undocumented immigrants seek healthcare only through emergency departments, preventing or delaying learning their HIV status and severely limiting access to PrEP. ***We support passage of A3020/S2237, legislation that would direct NYS to seek to amend its 1332 Waiver to propose using the existing federally funded Basic Health Plan/Essential Plan Trust Fund revenue in a passthrough account to pay for immigrant coverage.*** CMS has already granted Colorado and Washington permission through 1332 waivers to use the Trust Fund, which has an \$8 billion surplus and can only be used to pay for health insurance coverage, to pay for immigrant health insurance. Failing to expand health coverage for immigrants is not only wrong, but also fiscally irresponsible, as NYS spends over \$500 million on Emergency Medicaid (NYS DOB data) for immigrants every year—over \$500 million could be repurposed for other priorities.

We urge the Legislature to include expanded coverage for adult immigrants in your one-house budget bills.

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

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

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

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, as noted above, the Health Home Care Coordination program was cut by \$100 million in the FY23 budget and 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 acting 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.

Protect and sustain NYS health care safety net providers

Protecting New York’s healthcare safety net providers is critical to advancing health equity and addressing racism as a public health crisis. After a two-year delay, the Medicaid pharmacy benefit carve-out ultimately was implemented on April 1, 2023. As a result of community-led advocacy, the enacted FY24 budget included a two-year commitment of hundreds of millions of dollars to keep safety net providers whole. This **‘NYRx Reinvestment’** pool is designed “*to preserve and improve beneficiary access to care and avoid loss of services in areas of concern.*” New York State has thus far delivered on its commitment in disbursing the state share of funding and CMS has approved the federal share of this funding. The sustainability and permanence of this funding must be guaranteed. ***We call on Governor Hochul to codify into state law the mechanism set forth in State Plan Amendment #23-0039, including specific timelines for disbursement of funding each fiscal year, and to ensure maintenance of funding for 340B-covered entities, including \$135M state share for FQHCs and \$50M for Ryan Whites, each year in perpetuity.***

Transform New York’s Homelessness Response

Housing Works urges the Governor and Legislature to protect homeless services, facilitate and promote innovative harm reduction approaches to address our homeless crisis, and streamline the process for converting underutilized hotels and commercial properties into affordable housing, including supportive housing units.

From our beginning, Housing Works has been committed to a low-threshold, harm reduction approach to housing assistance, where admission and retention in housing is based on behaviors, rather than status as a drug user, person with mental health issues, or other condition. Residents are held accountable, as we all are, for the behaviors and conditions necessary to live safely with neighbors, are entitled to privacy within their own home, and are encouraged to feel safe to share behavioral health needs or crises without concern about jeopardizing housing security or being required to engage in a particular course of treatment. We have employed a “Housing First” approach for over 30 years and are pleased that it is now widely acknowledged as an evidence-based model that is endorsed as best practice by HUD and HRSA.

Housing Works has evolved in response to client needs from an initial 40-unit city-funded housing program in 1990, into a large multi-service organization that offers integrated medical, behavioral health and supportive services, and over 750 units of housing, including Housing Works-developed community residences that serve people with HIV who face specific barriers to both the housing market and retention in effective HIV care, transitional housing for people experiencing

homelessness upon reentry to the community from incarceration, and most recently, newly arrived immigrant families.

To address the COVID crisis, Housing Works opened a Department of Homeless Services Isolation Hotel in March 2020, with 170 rooms to provide a safe, private, and supported space for people experiencing homelessness to recover from COVID-19 illness. This program served over 2,500 guests before the isolation hotels were closed in June 2021, applying lessons learned from years of providing harm reduction housing for people with HIV.

We learned a great deal from our COVID experience, including the critical importance of a true harm-reduction approach, and that private rooms are both humane and necessary, especially for people with mental health issues who cannot manage a shared space with a stranger. Onsite medical and behavioral health services were also key, as most of our isolation residents show up with multiple chronic conditions that had been untreated or undertreated and present health issues as serious or more serious than COVID-19 infection. Finally, we learned that good case management, even during a short (14+ day) stay, can be life-altering if we take the opportunity to identify needs and explore options. Sometimes this meant refusing to transfer a resident until an appropriate discharge plan was in place.

Most significantly, we came to deeply appreciate how awful and dehumanizing the City shelter system is and have come to believe that we must transform the way homeless people are treated in New York. What is needed to transform our homeless response? Resources of course, but what is perhaps more vital are new approaches, a new vision for what is acceptable, and of course, collaboration to build and sustain the political will for systemic change.

Of course, we cannot end homelessness in New York unless we address the gross lack of housing that is affordable and accessible to low-income households, and we welcome renewed commitment at the State level to affordable housing development and expanded access to voucher programs that employ meaningful and uniform payment standards across low-income housing assistance programs to ensure that no population is left behind in the increasingly challenging rental market. Especially critical is the creation of permanent housing units with deep affordability, including supportive housing units.

Meanwhile, homelessness has risen to record levels in NYC, with thousands of long-time NYC residents sleeping in NYC shelters each night, thousands more New Yorkers struggling to survive on the streets or other places not intended for sleeping, and the arrival of new immigrants displaced from their homes due to violence or other crises and seeking safety and a better life.

Like most New Yorkers, we at Housing Works are shocked by and deeply oppose the Adams Administration's troubling efforts to modify right to shelter legal protections to suspend the City's obligation to shelter homeless adults, limit shelter stays, or effectively deny safe shelter through "churning" marginalized newcomers to our City who are experiencing homelessness. As you know, our New York State constitution, reflected in over 40 years of court orders and local laws, requires that our City and State provide shelter and services to all single adults in need. Housing Works calls on the Governor and Legislature to oppose these efforts, and we are saddened that these efforts to undo or undermine the fundamental right to shelter seek to pit newly arrived New Yorkers against other residents experiencing homelessness.

It is simply not true that we lack the “resources and capacity” to meet all current needs. What we lack is political will. Housing Works joins calls on the Federal government to increase funding to help New York meet the needs of new immigrants, and to grant immediate work authorization for new arrivals who desperately want employment. But in the face of record homelessness, a record number of evictions, and unacceptable numbers of vacant affordable and supportive housing units, New York State and City can and must deploy every tool at our disposal to keep low-income households from losing housing and get New Yorkers experiencing homelessness back into permanent housing more quickly.

Housing Works, on behalf of the vulnerable New Yorkers we serve and represent, implore New York City and State to transform the City’s inhumane and ineffective response to the homelessness crisis by urgently adopting effective, evidence-based approaches that will save lives and money. We must stop criminalizing and harassing people experiencing homelessness through sweeps of the subways and encampments of those who opt for survival in public rather than entering frightening shelters, and stop stigmatizing people experiencing homelessness, especially those who are dealing with untreated or undertreated chronic medical and/or behavioral health issues while trying to survive in shelter or on the streets.

We must stop treating mental illness and substance use disorder among low-income New Yorkers as criminal justice rather than public health issues, and instead adopt harm reduction approaches that provide every New Yorker with the safe, stable housing necessary to engage in behavioral health care, including private rooms for those struggling with mental health issues. It is time to reduce reliance on large congregate facilities for homeless single adults and shift the creation of new capacity toward single-occupancy accommodations as well as smaller, low-barrier shelter designs such as Safe Haven shelters and single-occupancy stabilization beds for persons experiencing unsheltered homelessness.

Bailey House and Housing Works have been working for over three years now to secure an underutilized hotel to house an exciting new pilot “street to home” program with support from the NYC Department of Homeless Services – our Comprehensive Stabilization Services Pilot Program. Our harm reduction stabilization hotel will operate 24/7/365 and offer residents private rooms, intensive case management services, access to onsite medical and behavioral health services, and peer supports at the co-located drop-in center. The Stabilization Center will offer primary care and behavioral healthcare services, case management support, housing placement assistance, and navigation and referral services. The overarching goal of the Stabilization Center – like all Housing Works services – is to improve the health and well-being of clients experiencing street homelessness by providing low-threshold “Housing First” emergency housing and services delivered in a respectful manner using a harm reduction approach. We plan to evaluate the pilot rigorously, to continue to build our own competence to offer effective services, and to provide the evidence necessary to support advocacy for system-wide change.

Housing Works believes that this is the kind of innovation that is essential to a more humane and effective homeless response, but we have repeatedly lost potential sites due to avoidable hurdles, setbacks, and politics. It is imperative that the State and City take meaningful action to facilitate and streamline the process for converting underutilized hotels and commercial spaces to create affordable housing, including supportive housing programs. And equally important to support and fund innovative strategies designed to meet real need while rejecting approaches that instead criminalize and harass people experiencing homelessness.

We cannot end homelessness in New York unless we address its drivers. Those include the gross lack of affordable housing, mass incarceration that removes people from the workforce and deprives them of access to low-income housing, and the insistence on treating mental illness and substance use disorder among low-income New Yorkers of color as criminal justice rather than public health issues. We do nothing to help homeless people by warehousing them in mass congregate shelters designed to strip them of their autonomy and even of their dignity. We must insist on policies, investments and innovation that treat people who find themselves homeless as people worthy of dignity, autonomy, respect, and care. We look forward to working with all of you towards this vision of a transformed New York State and City homeless response.

Justice for Nushawn Williams

In 1999, Nushawn Williams, a young, HIV+ Black man, pled guilty to reckless endangerment and statutory rape, arising from allegations that he had sex with several young women while knowing that he was HIV positive. On April 9, 2010, four days before the end of Mr. Williams' 12-year prison sentence, then-New York State Attorney General Andrew Cuomo filed an application to have him indefinitely civilly committed at Central New York Psychiatric Center in Marcy, New York, as a "dangerous sex offender" based almost entirely on the fact that he was sexually active while HIV- positive. Mr. Williams' first review since being involuntarily and indefinitely civilly confined was January 14-15, 2021, eleven years after his original release date, and he was denied, despite a pledge by Housing Works to provide appropriate housing, health services, and behavioral health care upon his release. Again in 2023, despite testimony again by Housing Works outlining a plan to provide integrated services including housing, HIV care, and behavioral health services upon his release, Mr. Williams' civil confinement was continued. Nushawn Williams has now been confined for 26 years – over twice the length of his prison sentence. This case marks the first and only time in New York State, and possibly the country, that a person has been civilly confined based largely on HIV status.

The National HIV/AIDS Strategy acknowledges that HIV criminalization impedes our progress in ending the epidemic and calls for an end to all HIV criminalization laws across the country. New York State has no HIV criminalization laws, but the State is effectively criminalizing Nushawn Williams indefinitely for being HIV-positive. As part of the Free Nushawn Coalition, Housing Works calls upon New York State Attorney General Letitia James to use her authority to end the state's endless prosecution of Nushawn Williams and to support his release from confinement. We seek the support of the Legislature to ensure justice for Nushawn Williams.

Conclusion

In the harm reduction field, we talk of the continuum of prevention, harm reduction drug treatment, and recovery services. Currently all providers of services within the substance use disorder continuum are adopting harm reduction principles (i.e., "person-centered approaches) in engaging problematic drug use. Housing Works knows from the experience, struggle, and wisdom of its client members that treatment rooted in harm reduction offers the best possibility for compassionate care. It is a movement for social justice that respects the rights of people with behavioral health issues and strives to overcome the barriers faced by communities most impacted by poverty, marginalization, stigma, and other social determinants. We urge our State's leadership to take the lessons learned

from harm reduction policy, practice, and research to advance the transformative potential of self-directed individual change.

Sincerely,

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