Testimony for the
New York City Council General Welfare Committee
FY 2014 Preliminary Budget Hearing
March 18, 2013

Good afternoon. My name is Edline Jacquet and I am the policy analyst at the Supportive Housing Network of New York. The Network is a member organization of over 220 nonprofit organizations that build, manage and provide services in 46,000 permanent supportive housing apartments throughout New York State, including 30,000 units in New York City. I am here today on behalf of our members and the 4,500 tenants with HIV/AIDS that live in supportive housing, asking that the City Council restore $5.1 million in funding for existing HIV/AIDS supportive housing programs.

Supportive housing is permanent, affordable housing linked to on-site services. It is the proven, cost-effective and humane way to provide homes for formerly homeless, disabled and low-income individuals and families who need a little support to stabilize their lives. Supportive housing has become a successful intervention for people facing a wide array of barriers – from youth aging out of foster care to veterans suffering from posttraumatic stress and other casualties of war, but primarily it is used for formerly homeless people living with mental illness, substance abuse disorder and/or HIV/AIDS. By offering tenants on-site case management services, supportive housing reduces the use of expensive emergency services like shelters, hospitals, prisons and psychiatric centers. The cost savings achieved by supportive housing are so significant that they often pay for the cost of building, operating and providing services in the housing. These cost savings are particularly substantial among formerly homeless tenants living with HIV/AIDS. A recent analysis of HASA-funded supportive housing operated by Harlem United, found that on-site case management in supportive housing helped reduce tenants' reliance on nursing home care by 54%, and cut the costs of emergency room visits and hospitalizations by as much as 90%, for a savings of more than $80,000 in acute care costs per person per year. This was accomplished even as tenants enjoyed a vastly improved quality of life in their own permanent apartments.

I am here today because the FY2014 Preliminary Budget fails to restore a substantial cut to supportive housing case management made five years ago by the Human Resources Administration. Each of the last four years the Council has analyzed the impact this cut would have on poor New Yorkers living with HIV/AIDS and wisely restored the funding. Unfortunately the Administration has not followed suit with its baseline budget. Therefore we ask that you undertake this exercise again, hopefully for the final time, starting with listening to my testimony today. After which I hope you will not hesitate to reach out to the Network for any additional details or follow up questions. We're also happy to organize a tour and/or a meeting for you to ask the nonprofit providers and tenants directly how the loss of caseworkers will impact them.

Restore $5.1 million for HASA Supportive Housing Contracts

The Mayor's Fiscal Year 2014 Preliminary Budget includes a budget cut to onsite case managers in HASA supportive housing by a total of $7.2 million: $5.1 million in City Tax Levy and a $2.1 million match from the state. This PEG was originally introduced in FY 2009, but thanks to the efforts of the Council over the past four years, under the leadership of Speaker Quinn and General Welfare Committee Chair Palma, we have been able to minimize or restore this cut each year. We are here again today to ask that you advocate to the Administration that this critical funding finally be restored to the baseline budget.

If this cut is not restored an estimated 200 caseworkers will lose their jobs, increasing the caseload for the remaining caseworkers by 50%.

To understand the essential nature of the work of onsite case managers, it is helpful to get a glimpse of the multiple barriers facing tenants who live in HASA-funded supportive housing. Not only are these formerly homeless residents living with the health complications and burdensome prescription regimen that accompanies life with HIV/AIDS, but many of them are battling co-occurring disabilities of mental illness, substance use, other chronic illnesses, and social isolation.

Onsite case managers connect tenants with primary services that help them live more healthy and independent lives. To be successful in their work, onsite case managers spend years developing nurturing relationships with tenants, establishing the level of trust necessary to encourage positive life changes. When a tenant moves into HASA supportive housing, they often have serious medical needs that must be addressed. But once case managers have helped tenants find a primary care physician, take medications consistently, or secure a home care assistant, the more difficult work begins.

After a lifetime of abusive relationships and years on the streets or in shelter, formerly homeless individuals with HIV/AIDS are reticent to open up to a case manager. Over time, the trust developed between tenants and onsite case managers allows them to identify and address larger issues, such as enrolling in outpatient programs and meetings to stay drug free, and obtaining therapy to cope with mental health and other issues. After developing meaningful relationships with case managers, tenants become ready to identify and seek out larger education, career, and life goals. Onsite case managers offer tenants an opportunity to pursue dreams small and large, in a way they couldn't before supportive housing.

HRA contends that this cut is possible because there is a redundancy with the services that HRA staff provides to supportive housing tenants. This is not the case. Supportive housing case managers work intensively on-site with tenants in HASA supportive housing. They are accessible to tenants in a way that HASA city workers simply cannot be. Nonprofit case managers provide tenants with the resources they need to achieve their goals, and once tenants are connected with health, mental health, employment or educational resources, on-site case managers make sure they use them to full advantage, and that they stay connected. Caseworkers directly employed by HASA must concentrate on connecting individuals with cash assistance and related supports, and typically do not have the extended, in-depth relationships with supportive housing tenants that onsite nonprofit case managers do.

HRA has often claimed that these two very different sets of workers do the same work and have comparable levels of training. The majority of HASA City caseworkers do not hold degrees in social work, as do on-site supportive housing case managers. As noted in HRA's testimony in past years, HASA workers are only required to complete a 4-week class on the principles of social work. They are

not equipped to provide the individual care necessary to keep tenants healthy and housed nor can they offer the level of services currently offered by on-site case managers. The primary role of HASA city workers is serving as a point of contact with HASA clients with cash assistance, an important but very specific role. By comparison, onsite nonprofit case managers help tenants set goals, and find the resources they need to achieve these goals. And once tenants are connected with health, mental health, employment or educational resources they need, onsite case managers make sure they use them. The biggest difference of all is access; tenants have 24 hour access to their supportive housing case management staff -- because crises don't happen just between the hours of 9-5.

While $5.1 million is only a fraction of the City budget, it will have a significant impact on the already-reduced contracts held by nonprofits. Providers rarely receive a rent-enhancement to reflect increases in housing costs. This in effect reduces the amount of funding available for services, as rental and operating costs go up year after year while contract amounts remain the same. Currently, nonprofit supportive housing providers pay 2013 costs for rent, heat, electricity, water, etc. but only receive reimbursement from HRA at 2006 rates. And since nonprofits have no choice but to pay these bills, the only place they can cut is social services. To cut these contracts further, beyond the cost of inflation, diminishes nonprofits' ability to provide sufficient services to this vulnerable population. It will ultimately put tenants at risk of destabilizing and recidivating back to homelessness. HRA needs to take responsibility and pay for the care of HASA tenants nonprofit providers are managing to keep housed, healthy and stable.

Proposed Cut to Momentum Project Nutrition Program

The Administration has also proposed a cut to HASA Discretionary Contracts, including a $995,000 PEG cut to the Momentum Project which provides nutritious meals and groceries to low-income and homeless individuals with HIV/AIDS throughout the city. Coupled with a loss in federal funding, the additional cut to Momentum would severely decrease funding for the program. Momentum does more than address the nutritional needs of people with HIV/AIDS, which allows them to absorb anti-retroviral medicine, but connects underserved individuals to a broad array of benefits, health, and other programs.

We urge the Council to restore the funding for these vital and essential services for HASA clients, some of the New York's most vulnerable residents.

Thank you for this opportunity to testify.

Respectfully submitted by:

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