Testimony for the
New York City Council General Welfare Committee
FY 2013 Preliminary Budget Hearing
March 29, 2012

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 200 nonprofit agencies that build, manage and provide services in 43,000 permanent supportive housing apartments throughout New York State, including 28,000 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 1) help to restore funding for existing HIV/AIDS supportive housing programs and 2) hold HRA to their part of the commitment to the NY/NY III Supportive Housing Agreement, the 10-year, City-State initiative to create 9,000 units of supportive housing.

Supportive housing is permanent, affordable housing linked to on-site services. It is the proven, cost-effective and humane way to provide stable homes for formerly homeless, disabled and low-income individuals and families, including tenants with mental illness, substance abuse, HIV/AIDS and other barriers to independent living. 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 2010 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. Cost savings like these are why the State has made expanding access to supportive housing and case management for high-cost Medicaid recipients a central component of the Governor's Medicaid Redesign Team effort.

I am hear today because the CFY2013 Preliminary Budget perpetuates a substantial cut to supportive housing case management made three years ago. I would like to share some stories about the work of onsite supportive housing case managers, the impact that work has on the lives of formerly homeless individuals with HIV/AIDS, and how this relatively small cut will have a big impact on nonprofit service providers and the people they serve.

1. Restore $5.1 million for HASA Supportive Housing Contracts

The Mayor's Fiscal Year 2013 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 CFY2011, but thanks to the efforts of the Council over the past two years, including extraordinary negotiations last year by General Welfare Committee Chair Palma and Speaker Quinn, we have been able to minimize or restore this cut each of the last two years. We are here again today to ask that you restore this critical funding for the third year in a row.

The work of Onsite Case Managers

To understand 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.

Through persistent, unwavering support, supportive housing case managers are helping HASA tenants accomplish amazing things. Here are a few stories:

Mike

Mike used IV drugs and had conflicts with neighbors that regularly drew visits from building security and the police. He is now employed and teaching classes in the building's recreation programs. At 65 years of age, Mike had the audacity to admit he was illiterate, learn to read, enroll in a GED program and complete a computer training class. After 8 years of encouragement from onsite case managers in supportive housing, this tenant is physically and emotionally healthier, engaged in anger management counseling, and remains drug free.

Mary

Mary moved into a HASA supportive housing residence 4 years ago, after two years in a nursing home. She was unable to care for her developmentally disabled daughter, who was placed in foster care. Work with a case manager in

supportive housing helped Mary to identify and work toward their goals. This HASA supportive housing tenant is now employed full-time, living in fully independent housing, and taking care of their daughter, who is now a teenager.

James

Working with a supportive housing case manger over the last 10 years, James was another tenant previously involved in crime, drugs, and abusive relationship. He is now CEO of a nonprofit and has national speaking engagements educating others about preventing the transmission of HIV/AIDS and other sexually transmitted diseases.

If this funding is not restored, thousands of tenants like Mike, Mary and James will lose the one person that they count on to help rebuild their lives, as an estimated 200 hardworking, dedicated supportive housing case managers lose their jobs.

Onsite Case Managers and HRA Staff

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 sometimes 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.

To more fully understand the differences between HASA City caseworkers and on-site supportive housing case managers, see the comparison page attached to this testimony.

The Overall Impact of this Cut

While $7.2 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 2012 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.

2. Fund NY/NY III HIV/AIDS Housing

In addition to the budget cut to HIV/AIDS supportive housing contracted case management, HASA has again delayed issuing a Request for Proposals (RFP) for new HASA supportive housing units under NY/NY III. While all of the other agencies involved with NY/NY III have housing being developed – including housing for people with mental illness, homeless families, youth aging out of foster care, and other vulnerable populations – not a single new unit of supportive housing is being developed for people living with HIV/AIDS. This is solely a result of HRA's delay in issuing an RFP for these units. Instead of recapturing another year of unused funding caused by this delay, HASA should use this budget authority as a down payment that will allow it to release an RFP as soon as possible.

The 10-year NY/NY III Initiative is now in year seven; for HRA to meet its commitment under the agreement, HRA must include in the out-year HASA budget an additional $10 million to open and operate the remaining 400 NY/NY III units. We hope to work with HRA and HASA to get a new RFP for supportive housing case management services for new units released in the coming months, and ask the City Council's assistance to help us achieve this goal.

Thank you for this opportunity to testify.

Respectfully submitted by:

Edline Jacquet
Policy Analyst
Supportive Housing Network of New York
247 West 37th Street, 18th Floor
New York, New York 10018
646-619-9646
ejacquet@shnny.org