



**Testimony to the
New York City Council General Welfare Committee on the
Human Resources Administration (HRA) Budget**

**May 26, 2009
City Hall, New York, NY**

Good Afternoon. My name is Nicole Branca, Policy Director for the Supportive Housing Network of New York. I am here today to urge City Council to restore funding for critical case management services for formerly homeless New Yorkers living with HIV/AIDS.

The Network is a statewide member organization that represents more than 180 nonprofit agencies that build, operate and provide services in housing for homeless, disabled and at-risk New Yorkers. Our members offer permanent, affordable apartments with on-site social services that help low-income and formerly homeless individuals and families stay housed. While supportive housing tenants live as independent as possible, available services include case management, mental health services, substance abuse counseling and employment programs. There are nearly 40,000 households living in supportive housing statewide, including 25,000 here in New York City.

Among the New York City tenants living in supportive housing are 4,007 individuals with HIV/AIDS who are stably housed through HIV/AIDS Services Administration's (HASA) supportive housing program. In the Mayor's fiscal year 2010 executive budget, HRA would eliminate \$1.876 million for this program and risk the health and housing stability of thousands of New Yorkers dealing with the devastating effects of living with HIV/AIDS.

This cut would reduce the number of case managers offering vital services to tenants living in HASA-funded supportive housing. As of January 2009, the most recent month that data is available from HRA, 2,189 individuals living in scattered site apartments in all five boroughs and 1,818 tenants in apartment buildings in the Bronx, Brooklyn, and Manhattan would feel the effects of these cuts. The Network estimates that a \$1.876 million cut would result in an estimated 32% cut in on-site case management, reducing the number of case managers working with these tenants from 198 to 135. If these cuts remain, each case manager would be responsible for assisting 30 of the most challenging tenants served in supportive housing, a 50% increase compared to the current 20:1 caseload ratio.

The budget implies that there are inefficiencies with HASA clients having case managers in both their supportive housing and at HASA, but these roles are not duplicative. HASA case workers play an important function, including coordinating benefits for their clients, but it is the on-site case managers that maintain the health and stability of this vulnerable population. The facts are as follows:

Crises do not just occur between 9-5.

For people living with HIV/AIDS, health crises do not only occur during office hours. Supportive housing case managers work *in* the residences and are available when tenants need assistance. Preliminary research by the NYC Department of Health and Mental Hygiene (DOHMH) shows that 93% of supportive housing programs provide 24-hour access to staff. Conversely, HASA case managers are only available across the city, usually by appointment only, and only during office hours.

When case managers are on-site they can also prevent eviction.

Seeing tenants on a daily basis in the building allows supportive housing case managers to respond more quickly to tenants that have fallen behind on rent payments before the problem grows large enough to threaten their housing. There is a direct correlation with on-site service provision and lower rent arrears; rent arrears are significantly higher in Scattered Site I housing

with visiting case workers than in congregate housing with services on-site, and higher still in Scattered Site II housing where social services are only for a limited time.

HASA workers are overburdened and under-qualified to provide adequate counseling.

HASA case managers are not equipped to counsel our tenants; while supportive housing case managers are experienced counselors, few HASA case workers have any social work training or experience at all. At the budget hearing in March, HRA testified that only some of their case workers have any background in social work. Rather, most possess a BA and attend a 4-week principles of social work class. Given that that 80% of New Yorkers with AIDS reported a history of co-occurring mental health and substance use issues, it is critical that our case managers are experienced counselors.¹

A small cut in social services equals a huge increase in emergency services.

On-site case managers put the support in supportive housing and, by diminishing their presence, the cost of serving this population goes up, not down. Without the interventions of case managers working in supportive housing, many more HASA tenants will lose their housing and have to rely on much more costly emergency systems.

Slashing their contracts will force non-profits to make difficult decisions about who they serve.

As one of our members pointed out in his March budget testimony, if this cut goes through they would likely chose not to renew their contract with HASA. Many of our buildings serve an integrated community of low-income, formerly homeless and disabled tenants. If HASA cannot fund the services that are needed in their buildings then they can find other funding to serve other needy populations. Losing supportive housing units for persons living with HIV/AIDS will exacerbate an already troubling housing reality for this population. Estimates of the unmet need for housing among HIV positive individuals was 2,400 units in 2004 and based on the increasing number of individuals living with HIV/AIDS in New York City that

¹ The HIV/AIDS Housing Needs Assessment Team. "An Assessment of the Housing Needs of Persons with HIV/AIDS." New York City, Eligible Metropolitan Statistical Area. Final Report. January 2004.

need was expected to grow to 10,000 to 14,000 additional units by 2010.² Moreover, most of our buildings are underwritten to serve people making less than 50% of the Area Median Income; housing formerly homeless people with disabilities is a choice our members make. If they can't continue to fund a healthy environment for their tenants then the responsible path to take is to rent to low-income individuals who do not need social services to maintain stability.

The Network's recommendation is to restore the \$1.876 million in order to maintain the FY 2009 funding level for HASA supportive housing. We have found over a dozen studies that offer evidence that permanent supportive housing dramatically lowers impoverished disabled people's use, and the costs of, emergency services. A March 2009 analysis of 357 formerly chronically homeless individuals in Massachusetts' supportive housing program found that the average Medicaid cost per person fell by \$17,625.³ Initial findings from a recent four-year study in Chicago of 201 formerly chronically homeless people with chronic medical conditions (including people living with HIV/AIDS) found average cost savings of \$4,643 per person per year *after* accounting for housing and service program costs.⁴ Cutting \$1.876 million from HASA supportive housing contracts is truly 'penny wise and pound foolish' as this will shave a small percentage off the City's budget while expenditures on costly emergency services used by these tenants will grow exponentially.

Thank you for holding this hearing and giving us the opportunity to share the experiences and concerns of New York City's supportive housing providers.

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² Ibid.

³ Massachusetts Housing and Shelter Alliance. "Home and Healthy for Good: A Statewide Housing First Program. Progress Report March 2009." http://www.mhsa.net/matriarch/documents/HHG%20March%202009_Web_Site.pdf

⁴ Barrett, Joe. "Homeless Study Looks at 'Housing First.' Shifting Policies to Get Chronically Ill in Homes May Save Lives, Money." The Wall Street Journal. March 6, 2008. Page A10.