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DEMAND HOUSING  
FOR HOMELESS PEOPLE  
LIVING WITH AIDS & HIV

# HOUSING WORKS

Testimony on  
Governor Spitzer's  
FY 2008-09 Executive  
Budget Proposal on  
Health

Senate Finance Committee  
Hon. Owen Johnson, Chair

Assembly Ways & Means Committee  
Hon. Herman D. Farrell, Jr.,  
Chair

February 6, 2008

Thank you for the opportunity to testify today on behalf of the clients, staff and volunteers of Housing Works.

Housing Works is the largest community-based HIV/AIDS service organization in New York and in the United States; we are also the nation's largest minority-controlled AIDS service organization.

### ***HIV/AIDS and New York***

Twenty-five years into the epidemic, New York has remained the epicenter of HIV/AIDS in America.

Today, between 180,000 and 250,000 New Yorkers are living with HIV/AIDS, according to state health officials. Eight out of ten are Black or Latino, and a majority will experience homelessness or extreme poverty at some point during our diagnosis.

Our state does a better job responding to HIV/AIDS than any other in the nation.

- New York's Medicaid program offers lifesaving medications and health care to those who are very poor; and the federal-state AIDS Drug

Assistance Program gets care to most who can work but lack health insurance.

- We've brought down HIV infection rates among injection drug users by increasing access to sterile syringes.
- New voluntary HIV testing initiatives at public hospitals in New York City have demonstrated that we can dramatically increase the number of people who know their HIV status while maintaining informed consent and privacy protections.

Our state has saved the lives and improved the health of hundreds of thousands of New Yorkers living with HIV/AIDS.

This accomplishment has been possible only because of the strong and bipartisan support we've received in the State Legislature. Throughout the history of the epidemic, and particularly in the last decade, members of the Assembly and Senate have led the way to improve and protect our state's world-leading effort on HIV/AIDS.

***Spitzer budget proposals: strong on health,  
HIV/AIDS and Medicaid reform***

Governor Spitzer's FY 2008-09 Executive Budget Proposal continues moving our state in a positive new direction on health care, Medicaid and HIV/AIDS.

When Housing Works first established a full-time state advocacy operation, we worked to stop devastating across-the-board cuts to AIDS services proposed in Governor Pataki's first budget proposal.

Pataki proposed complete elimination of state funding for programs at the NYSDOH AIDS Institute. He proposed deep cuts to Medicaid and public assistance benefits for poor and disabled New Yorkers. His budget proposals would have abandoned New York's national and international leadership of the fight against the HIV/AIDS epidemic.

Working with allied groups from across the state and with members of both parties in both houses of the Legislature, we helped block this potentially deadly proposal. And we all worked together to

improve Pataki's stand on HIV/AIDS during his twelve years in office.

Governor Spitzer's budget proposals on HIV/AIDS are excellent right out of the box:

- AIDS Adult Day Health Care programs: state share of funding for previously-passed rate increase
- Medicaid reform: new resources for front-line care providers including primary care rate increases; savings and reforms in drug purchasing and assessment of for-profit HMOs; elimination of cap on Article 31 mental health treatment licenses; Child Health Plus expansion
- Housing Opportunity Fund: \$400M capital fund for affordable and supportive housing upstate and downstate
- Doctors Across New York: new supports for doctors in underserved urban & rural areas, including loan repayment and aid to clinics
- HIV/AIDS: new investments in HIV prevention and treatment; restoration of SSI benefits to

households receiving AIDS housing assistance;  
continued HIV exemption from mandatory  
enrollment in managed care

We are gratified that Governor Spitzer and his budget staff have recognized the importance of our state's fight against HIV/AIDS, and of the value of the structural investments the Legislature has made to strengthen this fight.

***Medicaid, HIV/AIDS and services to beneficiaries***

Medicaid is New York's single most important HIV/AIDS program, providing lifesaving health care and services for up to 100,000 HIV-positive New Yorkers and their families.

At the start, we must say we deeply appreciate Governor Spitzer's forceful public statement that, although our state's Medicaid program is in need of reform and restructuring, 'people on Medicaid are not the problem.'

In prior years, Housing Works has spent much of our time in budget advocacy urging legislators to restore sometimes dramatic cuts targeted at individual beneficiaries.

Governor Spitzer's FY 2008-09 Executive Budget Proposal contains no cuts that would hit beneficiaries, a welcome improvement and a positive new direction.

We support the dramatic improvements Governor Spitzer has recommended for Medicaid and other public health care programs, including:

- enhanced reimbursement for primary and preventive health care;
- restructured hospital rates based on real costs, not prior payment structures;
- health care cost containment (\$990M) focused on those institutions that can best afford it: pharmaceutical companies and insurance companies
- trim in 'trend factor' rate increase for hospitals, nursing homes (note that hundreds of community-based health care providers get NO regular trend factor)

- expansion in health coverage for kids in working families, youth in foster care; reforms and streamlining in program administration
- \$5.6 million in new investments in front-line HIV care and prevention

In a tight budget year, Governor Spitzer continues to make the right reforms and the right investments in health care.

His proposals would expand access to family doctors, improve the quality of care, and save money for the taxpayers by controlling drug costs and reforming insurance rates.

The Legislature should fill this prescription and keep our state's progress on health care moving forward.

### ***Structural funding reforms***

Housing Works also supports the direction Governor Spitzer has taken in his effort to reform and restructure health care expenditures in Medicaid and other public health care programs.

Governor Spitzer is moving health care spending in a new direction - and we think it's a good one.

The FY 2008-09 Executive Budget Proposal continues to move health care money towards patients and front-line care providers, and away from big institutions that don't serve many Medicaid beneficiaries.

More resources on the front lines, better access for patients and a stronger focus on preventive and primary care: that's going to strengthen our fight against HIV/AIDS.

While hospitals and nursing homes have been and remain a crucially-important resource for poor and low-income New Yorkers living with HIV/AIDS, they have not been the primary sites of treatment and care for HIV/AIDS for many years.

Outpatient primary health care - whether in clinics run by hospital networks, by nonprofit community-based organizations, or by private doctors - is where most HIV/AIDS care happens now: and it's still in short supply in many of New York's poorest neighborhoods.

These areas are exactly where our state's HIV/AIDS epidemic is hitting the hardest: among low-income people of color, both women and men who have sex with men; among those who are homeless, mentally ill and chemically dependent; and among active drug users.

Despite the investment of billions of state and federal dollars in 'transitional' assistance during the past decade, many hospitals and hospital networks have neglected the areas of our state where most Medicaid beneficiaries - and people living with HIV/AIDS - reside.

The Spitzer administration's budget and health care policies are designed to improve access to primary and preventive care for Medicaid beneficiaries, and to shift institutional funding towards hospitals, networks, clinics and nonprofit groups that are serving high numbers and high percentages of Medicaid beneficiaries.

Housing Works supports structural reform efforts based on these priorities.

We urge legislators to look behind claims that all health care cuts will hurt Medicaid beneficiaries and to examine the actual and structural impact of redirecting public investments towards those institutions that are actually serving the poor and disabled New Yorkers who rely on Medicaid and other public programs for survival.

And we urge legislators to support and extend efforts to invest in front-line community-based care.

We urge legislators who represent community-based nonprofit groups to investigate ways in which Medicaid savings could be further reinvested where they'll do the most for Medicaid beneficiaries. We recognize that hospital and nursing home interests will be pressing for restorations, but it's possible that money could do more for Medicaid beneficiaries somewhere else.

***COBRA case management: crucial new investment needed***

COBRA case management programs provide psychosocial case management for low-income people living with HIV/AIDS. COBRA case management teams help clients

establish eligibility for public benefits and services, assist with immediate household needs including child and elder care, and facilitate entry into health care and supportive services.

COBRA programs around the state are now seeking a \$4 million per year rate increase -- the first in a decade. We urge the Legislature to include this increase in the final FY08-09 State budget.

NYSDOH AIDS Institute staff have made several internal reform proposals suggested that could pay for the increase: elimination of two COBRA programs that have failed to meet quality standards (\$1M/yr savings) and regulatory streamlining that would allow 2-person COBRA teams rather than 3-person units and concomitant staff redeployment (\$2.5-3M/yr savings).

Academic research and AIDS Institute oversight have demonstrated the effectiveness of COBRA case management programs in delivering concrete health care results for low-income people living with HIV/AIDS.

The CHAIN study at Columbia/Mailman reported late last year that psychosocial case management

services were the most effective at ensuring entry into medical care and entry into HIV care that meets clinical standards. And AIDS Institute oversight ensures COBRA services are resulting in actual medical connections and real, positive health outcomes.

***Test, treat and prevent***

And finally, on HIV testing and informed consent.

We strongly support efforts to achieve more HIV testing with informed consent. New York City's Health and Hospitals Corporation doubled the number of "new" HIV diagnoses when they doubled their offers of HIV tests, using current postcard-sized written consent forms.

The majority of testimony in the six public hearings held in New York on this issue over the last two years was strongly in favor of retaining full written informed consent for HIV testing, and against the proposition that simple postcard-size consent forms are a significant barrier to more HIV tests. It's possible to retain "opt-in" consent and still expand HIV testing - and it's a sign of real respect for patients to do so.

And we can't simply expand HIV testing without ensuring that prevention, treatment, care and support are available for those who test positive.

TEST: Universal voluntary testing initiatives will expand the number of New Yorkers who know they're HIV positive - whether we change state law or not.

Expanded HIV testing initiatives can work effectively under current state law: in 2006 HHC hospitals and clinics increased HIV testing by 63% and more than doubled the number of "new" HIV infections found among patients.

Current legal requirements for simple written consent on a postcard and a short, clear discussion of HIV risk factors didn't stop the success. But increased testing did find hundreds of folks who will need HIV education, treatment, prevention, and support services not always available now.

TREAT: New York's Medicaid and ADAP programs for HIV/AIDS are the best in the nation; most people in New York who are HIV-positive and poor or uninsured can get the medications and health care needed to survive.

But getting on public benefits and staying on is difficult. And it's tough to stay on your HIV medications if you're hungry, homeless, fighting to keep your children or in need of mental health services. That's why care and support services are an essential component of universal access.

New York City's HIV AIDS Services Administration (HASA) is a national model for helping people with AIDS and advanced HIV-related illnesses maintain their health and independence. HASA provides supplemental housing, nutrition and transportation allowances to individuals and families through caseworkers with special training to deal with HIV/AIDS and lower caseloads than regular welfare workers.

Expanding HASA services to all HIV-positive New Yorkers who rely on public benefits will ensure that folks can stick to their medication and health care routines and stay away from high-risk situations that can spread HIV.

**PREVENT:** New York has won international recognition for HIV prevention initiatives - but basic HIV prevention services aren't available

everywhere they're needed. And science-based HIV prevention education isn't available to young people of color who are most at risk for infection.

Since 2001, the New York City Council has worked with the NYC Communities of Color HIV/AIDS Coalition (NYCCOCHAC) to establish millions of dollars in new funding for projects targeted at the "hidden" HIV epidemic in communities of color.

NYCCOCHAC programs identify those New Yorkers in targeted areas who are HIV-positive but do not yet know their status, link them to care and treatment, and work to ensure that they maintain their participation in their treatment and care. And they target those New Yorkers at highest risk for contracting HIV and work to keep them negative.

Expanding these targeted HIV testing, education, linkage and prevention programs statewide will protect the millions of New Yorkers at risk for infection due to unsafe sex and/or drug use practices. We know how to prevent HIV - we just need to provide universal access to the prevention methods that work.

And education on how you get HIV and how you can prevent its spread is essential to this effort. Passage of the Healthy Teens Act, supported by hundreds of health care, women's, pro-choice and HIV/AIDS groups around the state, will ensure universal access to medically accurate, age-appropriate information on HIV/AIDS to young people at risk statewide.

Housing Works urges the Legislature to make targeted new investments to fight HIV/AIDS this year and in the future in service of the goal of ensuring universal access to HIV prevention, treatment, care and support everywhere in our state.

**Inclusion of the COBRA case management rate increase in the final budget is a particularly high priority.**

Thank you for the opportunity to provide this testimony.