

STATEMENT TO THE HEALTH COMMITTEE OF THE COUNCIL OF THE CITY OF NEW YORK
February 8, 2012

TESTIMONY FOR HEARING ON HASA POLICY CHANGES

My name is Dorella Walters, and I am the Community Co-Chair of the HIV Health and Human Services Planning Council of New York (Planning Council). Thank you for the opportunity to present to you today. The Planning Council is charged with setting priorities for and allocating \$121 million in federal funding from the Health Resources and Services Administration (HRSA) for treatment and care services for People Living with HIV/AIDS (PLWHA). Treatment and care includes both medical and social support services such as housing. As a result of the concerns of the Planning Council, I am presenting this testimony on the negative impact of three recent policy changes at New York City's HIV/AIDS Services Administration on PLWHAs' ability to locate and remain in housing. My comments do not necessarily reflect the opinion of the Department of Health & Mental Hygiene or the Office of the Mayor.

In February and March 2011, the NYC Human Resources Administration (HRA) changed its long-standing policies regarding payment of brokers' fees and security deposits on behalf of extremely poor New Yorkers who are eligible for a housing allowance as part of their household's public assistance budget.

Brokers' Fees:

HRA advances security deposits and pays broker's fees in order to enable eligible persons to use State and City funded rental subsidies to secure apartments in the expensive and highly competitive New York City private rental market. Rental assistance and other housing supports for poor New Yorkers living with AIDS or other advanced HIV related illness are administered by HRA's HIV/AIDS Services Administration (HASA). HRA/HASA will no longer provide cash security deposits to enable clients to secure apartments. HASA now only pays half of a broker's fees, which are now limited to an amount equal to half of one month's rent (a 50% reduction from prior policy). Since HASA now only pays half of a broker's fee for finding housing, HASA clients are expected to find the other half of the broker's fee. HASA clients are often

destitute with extremely limited job skills and are unable to earn the money to pay the fee. Reports have surfaced of clients returning to sex work and selling drugs and hawking their HIV medications in order to obtain the money.

Security Deposit:

- HASA is no longer providing security deposits to landlords on behalf of clients. Instead, HASA is issuing vouchers to the landlords. If a client damages a room or apartment, the landlord can use the voucher to request compensation for damages. Without the security deposit, many landlords are no longer willing to rent to HASA clients.

Drug Screening:

- HASA clients with drug problems are required to engage in treatment for substance use. Some, however, choose not to participate. PLWHAs who decide not to seek treatment will have a choice of supportive housing or may no longer be able to obtain the allotted "enhanced rental assistance" or may not receive rent arrears money once in compliance. These restrictions are operative until the client can provide proof that he or she is actively engaged in substance use treatment. At this time, there is no clear indication how HASA clients with drug problems would specifically be selected since there is no screening process that has been confirmed. Also, these new guidelines would be prohibitive and increase the likelihood that PLWHA's would lose access to their housing.

Out of the \$121 million grant from HRSA, \$11 million goes to agencies providing housing services. According to the master contractor charged with handling the money, Public Health Solutions, HASA policies are having a distinct impact on the agencies we fund. Contractors have lost brokers and landlords, meaning that staff has to work harder to place clients. Additional staff effort has focused on establishing new relationships with brokers and landlords who are willing to work within the new HASA regulations.

Public Health Solutions provided increases to contractor reimbursement rates to account for the additional staff effort as well as to recognize the increased cost of running programs over time. Public Health Solutions also adjusted service goals to reflect actual performance history. With the increased rates and service adjustments, contractors were able to maintain their staffing and meet projected service goals. The net impact of the HASA changes was increased contractor effort to place clients and an additional cost to the Ryan White portfolio from the increase to contract amounts.

As you consider your budget priorities, we implore you to encourage HRA's HIV/AIDS Services Administration (HASA) to reconsider these policies. It is our heartfelt belief that access to safe and accessible housing is essential to supporting an individual living with HIV/AIDS to adequately address their care and treatment needs.

Thank you for your time and attention.