

**Joint Legislative Public Hearing
2016-2017 Executive Budget Proposal - HOUSING**

Alcohol and Substance Abuse Providers of NY State



Homelessness and Addiction – Housing and Services
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TESTIMONY for BUDGET HEARING ON HOUSING

Homelessness and Addiction – Housing and Services

The Problem

Across NYS, at least one-half of all adult single men, one quarter of adult single women, and one-quarter of heads of households who seek emergency housing and other homelessness services have significant substance abuse problems. Homelessness is experienced by individuals and families on a time continuum --- while ten percent of all people who are homeless today have been homeless for more than one year, approximately 20-25% have NEVER been homeless before today. The large majority of people fall in between these two polarities --- experiencing a homelessness that is by nature episodic and often cyclical, driven by job loss, psychiatric or addiction relapse, trauma and abuse. There is ample evidence that the care management of chronic medical conditions cannot be effective if an individual or family is careening in and out of homelessness. We also know that the life stress of homelessness itself exacerbates illnesses like diabetes, asthma, hepatitis, as well as psychiatric and addiction vulnerabilities.

One quarter of all men and women who have entered SUD treatment in NYS in the past five years are over 45 years of age --- these are individuals who are at the highest risk of catastrophic and fatal episodes in terms of their over-all health condition. This age cohort is over-represented among chronically homeless people. NYS *Medicaid Redesign* Supportive Housing Initiatives have proven highly effective in stabilizing lives and significantly reducing inpatient hospitalization and emergency room visits by this population.

One-third of men and women entering SUD treatment are between eighteen and thirty-four years of age --- and 90% are seeking help for heroin and synthetic opiate addiction.

A Recognized Solution

Access to safe, affordable housing and stable and living-wage employment are fundamental to long term successful recovery for individuals, families and communities. Permanent Supportive Housing can make this possible. Supportive Housing Programs serve as a flexible and adaptive Life Anchor for individuals, families, and their communities who are struggling with chronic medical, psychiatric, and substance abuse conditions, as well as unstable financial security and episodes of homelessness. The potential life-changing benefits of supportive housing, living wage employment, and successful recovery for individuals and families under 35 years of age can result in truly “bending the arc” of health care costs and promoting healthy and stable communities.

Emerging Models of Supportive Housing incorporate the integration of Prevention/ Treatment/ Recovery Services; the integration of Primary Healthcare with Behavioral Healthcare; and the integration of Individual and Family Self-sufficiency with Community Economic Stability.

The Corporation for Supportive Housing released a Policy Paper in December 2015 identifying “Supportive Housing’s Vital Role in Addressing the Opioid Epidemic in New York State”. The (CSH) study estimates that nearly 32,000 supportive housing units must be created in the near future just to meet this identified need (for homeless individuals and families). If all of these new units are created, well over 50% of them will house people with serious substance use disorders who will require intensive community-based services to increase their chances of recovery.”

The CSH Policy Report underscores how our legislative leaders understand these connections:

“Supportive housing is vital for combating chronic homelessness and the factors that keep thousands of New Yorkers without a home.” NY State Assemblyman Andrew Hevesi, Chair of the General Assembly Social Services Committee

“Supportive housing really works. Actually 85% of people who are homeless with addiction problems who get into supportive housing programs are successful.” NY State Senator Catharine Young, Chair of the Senate Housing, Construction and Community Development Committee

“We have a huge problem in the State of New York with the heroin epidemic, and it’s causing a great deal of families to be torn apart...and it’s raising up the homelessness rates around the state. It’s a quality of life issue we have to address...supportive housing, we have found, to be successful with those individuals who have struggled with addictions.” NY State Senator George Amedore, Chair of the Senate Alcoholism and Drug Abuse Committee

Current Service Capacity

There now are over forty NYASAP member agencies providing Treatment and Supportive Housing programs designed to serve homeless individuals and families. Our agencies have significant experience in “bundling” housing, life skills, care coordination, job development/post-employment support, and Recovery Support services.

Member agencies of the *New York State Alcoholism and Substance Abuse Providers* have worked with homeless single adults and families for over thirty years – agencies in NYC that include *Bowery Residents Committee* and *Project Renewal*, *Odyssey House*, *Palladia/SUS* and *Women In Need*, *Samaritan Village* and *Camelot*, and the agencies of the *Acacia Network*; in the Hudson Valley *RECAP* in Middletown and *MARC* in Poughkeepsie; and across Upstate in agencies that include *ACCA* and *St. Peters* in Albany, *St. Joseph’s* in Saranac Lake, *Syracuse Behavioral Health*, *Fairview Recovery Services* in Binghamton, *FLACRA* in the Finger Lakes, *East House* in Rochester and *Cazenovia Recovery Services* in Buffalo.

Approximately 90% of all admissions remain in Permanent Supportive Housing (PSH) programs for at least one year, with less than 10% incidence of addiction-related hospitalizations during that time period. More than one-third of participants become employed within that first year, with another 15% enrolling as full-time students at Community Colleges or four-year colleges. Participants learn that when they “Move On” to full independent living, they “Make Room” for the next person to enter the Supportive Housing program. Over 90% of all families in PSH programs remain intact; one-half of those families were able to re-unite with children who had been living in Kinship or Formal Foster Care by the end of their first year in a PSH program

Currently in NYS there are 47 agencies operating a total of 109 Permanent Supportive Housing programs for formerly homeless individuals and families with substance abuse problems, living in approximately 2,500 units. There are 44 programs for Families (@ 750 apartments) and 65 programs for Single Adults (@ 1,750 units).

NYC has 58 programs with 1,700 units, Metro NY counties just 13 programs with 200 units, and Upstate has 38 programs with 600 units. Rural counties have 15 programs.

There are 55 HUD federally-funded programs (38 S+C and 17 SHP); 45 OASAS state-funded (19 NY/NY III in NYC, 18 MRT statewide, and 8 Upstate PSH); and nine locally-funded programs (seven in NYC). The federally funded programs include 28 Family and 27 Single Adult programs; the state-funded programs have just 11 Family and 34 Single Adult programs.

Critical Need for Service Expansion

Unfortunately, this current Housing Portfolio for homeless individuals and families in recovery cannot keep pace with the surging rate of homelessness found not only in NYC, but in rural Upstate counties, Upstate cities, and NYC suburban communities. Rising market rental costs for low and moderate income housing and stagnant wages have combined with the explosion of heroin and synthetic opiate addiction to fuel homelessness across NYS.

The OASAS residential treatment system alone admits over 4,000 homeless persons annually. Additionally, 50% of all single men seeking homeless shelter admissions, 25% of single women, and 25% of heads of household have addiction histories, with most also struggling with trauma and chronic psychiatric and medical conditions.

Support for Executive Budget Initiatives

The *New York State Alcoholism and Substance Abuse Providers* fully supports all of the Affordable Housing and Supportive Housing Initiatives outlined in the 2016-17 Executive Budget. As highlighted by the *SHNNY Budget Summary*:

From NYS Office of Temporary and disability Assistance (OTDA): (1) **Homeless Housing Assistance Program (HHAP) - \$63.5 million.** The Executive Budget funds the HHAP capital development program at the same level as last year; (2) **Homeless Housing Prevention Services Program - \$34.181 million.** The Executive Budget kept whole the Homeless Housing Prevention Services Program that funds the New York State Supportive Housing Program (NYSSHPP), the Solutions to End Homelessness Program (STEHP) and the Operational Support for AIDS Housing Program from last year's final budget.

From NYS Homes & Community Renewal (HCR): (1) **Housing Trust Fund - \$54.2 million.** The Executive budget proposes **INCREASING** the Housing Trust Fund by \$6.5 million, up from \$47.7 million last year. These funds can be used for capital construction of both supportive and affordable permanent housing. (2) **State Low Income Housing Tax Credit Program (SLIHC)**

The Executive Budget authorizes an additional \$8 million for the Low-Income Housing Tax Credit Program in each of the next five fiscal years to help expand affordable housing in New York by providing credits to qualifying projects.

From the Department of Health/Medicaid Redesign Team: **MRT Supportive Housing Fund - \$127 million.** The Executive Budget funds the MRT Supportive Housing Fund at \$127 million, the same level as last year. This fund will continue to provide service funding, rent subsidies and capital dollars to create supportive housing for high cost Medicaid recipients.

From the Office of Mental Health : The Executive Budget provides **\$50 million** to support new residential opportunities and provides full annual support to continue ongoing residential projects, including nearly 1,200 units planned to open this year from the New York/New York III Agreement and about 800 other residential pipeline beds.

From OASAS: The Budget includes **\$7 million** in new funding for 300 new beds scheduled to be developed over the next two years. This includes 170 new congregate units associated with NY/NY III and 130 new units in Suffolk, Albany, and Westchester counties, and in the Southern Tier to support the Governor's Combat Heroin initiative. *It's unclear at this time if the additional 130 units are supportive housing units.*

Additional Budget Proposals

The *New York State Alcoholism and Substance Abuse Providers* have several additional Proposals that will increase both the effectiveness of existing supportive housing and add housing components not currently available.

(1) Expansion of current OASAS Shelter Plus Care (S+C) Case Management/Supportive Services Program to include those OASAS service agencies that have S+C contracts through other Governmental Entities – **Budget Request = \$500,000.**

The current OASAS S+C Case Management Program of @ \$2.0 Million include all substance abuse services agencies that received their S+C contracts from HUD through OASAS. ASAP is requesting that OASAS now include those OASAS service agencies that had S+C contracts with other governmental entities. Moving forward, this inclusion of support services staffing should be available to agencies that are able to secure new Shelter Plus Care federal funds for their communities.

(2) Homelessness Prevention/Eviction Prevention Proposal – Building on the OASAS Successful ATR Housing Supports Initiative - Budget Request = \$1,300,000

OASAS developed a Homelessness Prevention/Eviction Prevention Initiative in 2009 as the major **Recovery Support Service** during its four year CSAT federal grant which **expired** in 2013-14. Individuals and families in Bedford-Stuyvesant in Brooklyn, in inner city Rochester, and in the rural counties of Delaware and Otsego participated. The approximately \$1,000,000 allocated for Housing Support represented the first effort by OASAS to include critical help to recovering individuals and families who are working but facing severe economic hardship and attempting to stabilize their lives after a major relapse event. CSAT encouraged this effort, which in the past several years has been replicated in other parts of the country.

The Budget Request is for \$1,300,000 to offer this Program statewide. This level of funding would serve 200 households Downstate (at @ \$4,000/ household) and 200 Households Upstate (at @ \$2,500/household). An individual or family would be eligible ONCE for these funds, that the voluntary agency operating the Program would conduct a Landlord/Tenant Mediation, and pay to a verified landlord for up to two months of Rental Arrears at the existing HUD Fair Market Rental rate in the community.

(3) Operational Funding by OASAS for the 23 Additional Rural Counties with no current PSH Programs = \$3.45 Million

There are 23 NYS counties, all Rural or semi-rural, that currently have no OASAS PSH programs. Using the OASAS MRT 2014-15 funding guidelines, a ten unit Program would cost \$150,000 (\$15,000 per unit), which would include both HUD FMR rental and support staffing that is on-site and on-call evenings and weekends. Fifteen Rural counties do have at least one “brand” of OASAS Permanent Supportive Housing.

The twenty-three counties are scattered across the state: Allegany, Chautauqua, Livingston, Orleans, and Genesee in the Western region; Seneca, Chemung, Steuben, and Tioga in the Finger Lakes; Oswego, St. Lawrence, Lewis, and Chenango in the Central region; and Hamilton, Essex, Montgomery, Delaware, and Otsego, Warren, Washington, and Schoharie in the Northeast.

Each one of these rural counties is struggling with significant increases in heroin and synthetic opiate hospital admissions and overdoses, as well as a lack of available affordable rental housing.

(4) Capital funding for new Supportive Living programs and for Permanent Supportive Housing – Budget Request = \$5.0 Million

Capital dollars are necessary and helpful for the development and expansion of Permanent Supportive Housing. All communities would benefit from an OASAS capital resource commitment which would serve to leverage other State capital programs. This Budget Request would have OASAS making a 10% investment in total Capital funding by other NYS agencies – leveraging \$45.0 Million. ASAPNYS will continue to work with our member agencies to apply for Homeless Housing Assistance Program funds at OTDA and for the Housing Trust Fund and Low Income Housing Tax Credit programs at HCR.

TOTAL BUDGET REQUEST for THREE INITIATIVES = \$10.25 Million

NYASAP is convinced that Supportive Housing Builds Recovery --- for individuals, for families, and for communities that have been battered by substance use, homelessness, and lack of economic opportunities.

