



# **TESTIMONY TO THE NEW YORK STATE LEGISLATURE**

*Joint Hearing*

**2008 – 2009 Executive Budget Proposal  
Health/Medicaid**

**February 6, 2008**

*Presented by*

**Daryl J. Cochrane, M.P.A.  
Assistant Director of Government Relations  
Gay Men's Health Crisis  
212.367.1045  
darylc@gmhc.org**

Chairman Johnson, Chairman Farrell, Chairman Gottfried, Chairman Hannon, and Committee Members thank you for the opportunity to testify at this Joint Legislative Hearing on the Executive Budget. My name is Daryl Cochrane, and I am the Assistant Director of Government Relations for Gay Men's Health Crisis, GMHC.

Gay Men's Health Crisis (GMHC) is a not-for-profit, volunteer-supported and community-based organization committed to national leadership in the fight against AIDS. GMHC serves one in every five persons diagnosed with AIDS in New York City. As the world's oldest AIDS service provider, GMHC helps more than 15,000 men, women and children and their families each year. GMHC offers a wide range of comprehensive client services, including hot meals program and nutrition services, benefits & entitlements advocacy, health care advocacy, case management, legal assistance, counseling and testing services for HIV and sexually transmitted infection, group counseling services, HIV prevention, outreach, and health education, home-based support, assistance accessing stable housing, substance use counseling and mental health services.

GMHC has been on the frontlines of the AIDS epidemic since its founding over a quarter century ago. We remain focused on the communities most threatened by HIV and continue to expand our service provision as the epidemic expands. Our clients reflect the diversity of the HIV epidemic; two-thirds are people of color, 64 percent are gay, lesbian, or bisexual, 23 percent are women, and more than half reside outside of Manhattan. Seventy two percent of our clients have an annual income of less than \$10,000. Seventy percent of GMHC clients rely on Medicaid, while 15 percent rely on the AIDS Drug Assistance Program, ADAP for their medical care and life-saving prescription drugs.

For a decade, we have testified at budget hearings in support of restorations and baselining of vital HIV/AIDS funding. We are encouraged by Governor Spitzer's Executive Budget that provides a cost of living adjustment for the AIDS Institute, helping to keep New York from slipping backwards in the fight against AIDS. However, we are also disappointed that Governor Spitzer chose not to baseline the funding the legislature added last year for CSPs, MSAs, and CDIs, totaling \$1,150,000.

GMHC's Budget Priorities are a reflection of our mission and the needs of the people we serve. As the world's first AIDS service provider, we also recognize the importance of providing recommendations that address the needs of the broader HIV/AIDS community. These 2008-2009 budget recommendations advocate for funding in areas where there continue to be clear and demonstrated unmet needs, as well as push for new funding initiatives to meet emerging concerns as the epidemic rages on. GMHC will continue to be vigilant in advocating for the health care needs of at-risk populations, who are the most vulnerable when cuts to safety net services are proposed.

## **Addressing Rising Needs**

Funding for HIV/AIDS services has not kept pace with the growing epidemic over the years. Including last year, there have only been three increases in the last thirteen state budgets for HIV/AIDS services. The epidemic, however, has not remained static during this period. Community based organizations spent the bulk of their time attempting to restore funding while caseloads continued to increase dramatically and the epidemic changed to include more people with complex medical and social needs.

Additionally, the number of people living with HIV/AIDS is the highest it has been throughout the epidemic, a fact reflected in the growing caseloads of service providers throughout the state. New York leads the nation with the highest number of persons living with AIDS—nearly 74,000 by the end of 2005. Cumulative AIDS cases in New York now total over 175,000. New York continues to be the epicenter of the HIV epidemic, a distinction none of us would like to have.

While the Governor's budget is certainly a continued step in the right direction, there needs to be greater emphasis on particular areas of acute need, which reflect both communities that have long been underserved, as well as emerging populations of New Yorkers not previously considered in the state budget.

On top of it all, New York is faced with severe cuts in federal Ryan White CARE Act funding, totaling over \$10 million this year. Particularly disproportionate cuts have been made to the Minority AIDS Initiative. GMHC recommends an increase for a variety of programs in targeted communities and urges the State, despite the economic forecasts, to fill the gaps created by Ryan White funding cuts.

## **Community Based Services**

Community Service Providers (CSPs), Multiple Service Agencies (MSAs), and Community Development Initiatives (CDIs), the state's network of HIV providers, have been offering a continuum of services including HIV prevention and support services since their inception. Yet for many years, community based funding has not increased even as providers face increasing rates of homelessness, mental health issues, poverty, and substance abuse. Additionally, providers of HIV/AIDS services across the state are feeling a decline in philanthropic giving, and cutbacks in federal and local funding.

CSPs, MSAs, and CDIs all have proven effectiveness in service delivery and provide a wide range of support services, including hot meals, nutrition advisement, harm reduction and substance abuse counseling. We have been on the frontlines since the beginning of the epidemic, providing a continuum of HIV/AIDS services. At GMHC, we continue to see a significant increase in demand for services—an increase of nearly 30 percent in new clients just in the past two years alone. As services have had to expand to meet rising needs, so should the resources that support these vital programs.

In last year's budget the State Assembly saw fit to increase the Governor's request by an additional \$575,000 for both CSPs/MSAs and CDIs. *GMHC supports reinstating that legislative increase to meet the growing demands placed on CSPs, MSAs and CDIs.*

### **HIV Prevention Services for Young MSM of Color**

The Federal Centers for Disease Control and Prevention (CDC) reports that the rate of new (2005) cases of HIV infection within the Black and Hispanic communities account for nearly 70 percent of all new infections, while those same populations account for less than 30 percent of the overall population in the U.S. One CDC study of five major cities, including New York, found that 46 percent of all Black MSM (men who have sex with men) are infected with HIV. Among GMHC clients, nearly 60 percent of men identifying as gay or bisexual are black or Hispanic.

Just last fall, the New York City Department of Health and Mental Hygiene reported a 33% increase in HIV among MSM 29 and under from 2001 to 2006. During the same period, new HIV diagnoses have doubled among MSM ages 13 to 19 in New York City. The numbers are even starker among black and Hispanic MSM. Nearly 80% of MSM under 30 diagnosed with HIV in 2006 in New York City were black or Hispanic. More than 90% of the MSM under age 20 diagnosed with HIV in 2006 in New York City were black or Hispanic. This is a startling trend that must be reversed.

The State must protect those most at risk, and ensure targeted community based prevention education and counseling that speaks directly to New Yorkers in the communities' hardest hit by this disease. Prevention and services to specific groups such as African-American, Caribbean, Puerto Rican, Dominican, Colombian, and a number of other Black and Hispanic groups are desperately needed. Enhanced HIV testing and prevention services for those who are at risk for HIV or unaware of their status is paramount in stopping the spread of HIV. Counseling and mentoring in a safe environment goes a long way toward reinforcing healthy behaviors among young people, and ensuring efficacy later in life.

Therefore, GMHC requests new money for CSPs and MSAs to enable these organizations to do more testing and more prevention work. *GMHC calls on the legislature to add \$750,000 to the Governor's commitment of \$883,000 in order to strengthen testing and prevention initiatives in high risk communities throughout the state, particularly black and Hispanic MSM.*

### **Funding HIV Related Services for Women**

By a wide margin, New York State continues to lead the nation in the number of women living with AIDS. At the end of 2005, over 22,000 women were living with AIDS in New York State, accounting for 30% of all people living with AIDS in New York State, a rate significantly greater than the national average. Further, the severe impact of the HIV epidemic on New York's women of color is striking. Black and Hispanic women account for only 29 percent of the New York female population yet, together they represent 86 percent of New York women living

with HIV/AIDS. By 2010, women are expected to comprise a full 50% of all new HIV cases in this city. Currently GMHC serves over 3,500 women, nearly one in four of clients.

Despite these rising HIV infections and AIDS diagnoses among women and young girls in New York State, funding for the Women, Children, Youth and Family Services portfolio of the New York State Department of Health-AIDS Institute, which includes family-centered and adolescent health, HIV prevention services and support for families in transition, has not kept pace.

In the fall of 2005, the New York State AIDS Advisory Council released a compelling and alarming report entitled “Women in Peril-HIV&AIDS: The Rising Toll on Women of Color”. The information released in that report demands immediate action, and GMHC, joining with other community-based organizations and individuals, is motivated to advocate for state action. The report has been in circulation for nearly three years, yet action has yet to be taken. This is unacceptable.

GMHC respectfully requests legislative support for targeted prevention outreach and care for women of color to further prevent the transmission of HIV. GMHC proposes an incremental, yet comprehensive strategy to improve health outcomes related to HIV and violence for women of color at sexual risk for contracting HIV. Women and girls who report intimate male partner violence are significantly more likely to report STDs, HIV, unwanted/unplanned pregnancy, rapid repeat pregnancies and abortions. In addition to addressing individuals’ risky behaviors and empowering women with the tools to negotiate safer sex, effective prevention efforts must take aim at the structural and economic drivers of unstable and unhealthy relationships that ultimately fuel twin epidemics. Real community change will require behavioral strategies integrated with a community-building orientation. Best practice community-level HIV and violence prevention, built on the social network theory and “place-based” approaches to impacting health outcomes, can reduce the impact of structural drivers of the epidemic.

GMHC’s Women’s Institute approaches HIV through this integrated lens and further, brings a distinct expertise in understanding and working with the interconnection of stigma, social and cultural vulnerability, self-esteem and sexual identity as it relates to sexual risk-taking among women who have sex with women and at-risk women. In this initiative, we focus on domestic and intimate partner violence. Indicators of gender-based violence in targeted neighborhoods are the rates of rape and domestic violence.

Furthermore, HIV is a family issue. With growing numbers of people living with HIV and AIDS in the nation and in New York State, the impact of HIV on families becomes more profound. Conversations within families aimed at HIV prevention and sexual health education become paramount, especially when these families have inadequate access to preventive health care and come from communities that are disproportionately burdened by HIV, AIDS, poverty and violence. Many of the communities hardest hit by the HIV epidemic are communities of color; within them adult and young women are particularly vulnerable, with young women of color currently among the two fastest growing groups of new cases. ***GMHC urges the State to act and allocate \$1.5 million in new money for targeted prevention and care for New York’s women.***

## **Legal Services**

GMHC's Legal Services Department provides a continuum of practical and concrete HIV-specific services that is critical to ensuring clients can access, maintain and continue receiving uninterrupted, quality healthcare. We provide advocacy assistance in navigating the maze of government and private bureaucracies that control the delivery of HIV-specific public benefits, entitlements and private healthcare, so that clients are not left without health care, financial support, food and shelter.

Advice and/or representation in a variety of fields is critical to the continuum of care for many people living with HIV/AIDS. Some of those services include immigrant legal rights, landlord/tenant advocacy, family and domestic unity law, permanency planning and employment discrimination, SSI/SSDI, bankruptcy and private disability insurance. Without these complex services, which often alleviate obstacles to accessing quality treatment and housing, many people living with HIV/AIDS would face repercussions in their health, as well as further jeopardize their financial well-being.

In particular, there are a growing number of immigrants living with HIV/AIDS who are unfamiliar with the legal landscape of the United States, therefore creating a situation where thousands of people are not receiving adequate legal or health care. Further, undocumented immigrants are often afraid to access health services for fear of deportation and federal law prevents those of us funded by the Ryan White CARE Act from providing services to this growing population. Also, we are further barred from providing services to a great number of homeless clients due to recent changes in federal regulations. New money from the state would free us from such restraints and allow us to fight for those most in need. With Governor Spitzer's budget providing greater individual benefits in housing and other areas, the need for legal advice and counseling enabling people to access such services will become increasingly needed.

More state funding is required to fill the void left by last year's reauthorization of the Ryan White CARE Act in Congress. New York City was disproportionately affected by Ryan White funding cuts, in particular non-medical services such as legal services, which are so crucial to the well-being of a person living with HIV/AIDS. GMHC alone lost nearly \$45,000 in federal funding due to Ryan White cuts to legal services. ***GMHC supports the allocation of new money for Legal Services.***

## **Meals & Nutrition**

For the last two decades, GMHC has provided thousands of meals for impoverished New Yorkers living with HIV/AIDS who would otherwise go hungry. More than three-quarters of our clients live at or below the poverty line and cannot afford to eat nutritiously after paying rent and struggling with doctors' bills. GMHC's Meals & Nutrition program provides a safety net for impoverished clients at high risk of losing essential services and resources by providing hot, delicious meals in a cheerful, congregate setting. Nearly 100,000 meals were served last year.

We also provide individualized nutrition counseling, nutrition groups, workshops, classes in cooking, exercise programs, and complementary therapies.

Good nutrition is a critical factor in the fight against HIV/AIDS. Eating a healthy, well-balanced diet is essential to maintain and build lean muscle mass and maintain proper weight. It also helps boost one's immune system, which may in turn protect from opportunistic infections.

Individuals who are on HIV medications and well-nourished have better health outcomes than those who are malnourished. A well-balanced diet includes adequate amounts of protein, complex carbohydrates, fats, vitamins and minerals. GMHC has registered dieticians on staff to tailor individual nutrition plans and provide nutrition counseling. We also offer group nutrition education classes. We know that proper nutrition and stable meals is not only a tool for people living with HIV/AIDS to maintain adherence to complex drug regimens, but it also serves as a prevention tool by creating stability in people's lives so they are not forced to make unhealthy decisions regarding substance use and sexual behavior. The program helps to maximize the health, enhance the self-sufficiency, and improve the lives of clients by performing three important and necessary functions:

- mitigating hunger by directly providing delicious, wholesome, nutritious meals;
- maximizing the benefits of HIV/AIDS medications by helping clients adhere to their treatment regimens through proper nutrition; and
- breaking the isolation of people living with HIV/AIDS by providing opportunities to socialize and receive mutual support.

More state funding for meals and nutrition is needed to fill the void left by last year's reauthorization of the Ryan White CARE Act in Congress. New York City lost more than half a million dollars in Ryan White funds for meals and nutrition services in 2007, nearly 10% of its overall budget. GMHC alone lost nearly \$71,000. ***GMHC urges the State to fill the gaps created by the last Ryan White CARE Act reauthorization and provide new funding for meals and nutrition programs.***

### **Lesbian, Gay, Bisexual, and Transgender (LGBT) Health and Human Services Network**

The "Network" is a group of nearly 60 nonprofit LGBT organizations that provide health and social services to LGBT New Yorkers, including youth, seniors, people of color, and women. GMHC was pleased that Governor Spitzer matched in this year's executive budget the \$6 million in funding for LGBT services that he included last year. As a member of the Network, we join our partners in requesting new legislative funding of \$4 million for a total of \$10 million for LGBT services. This funding increase will only begin to adequately address the needs of New York's LGBT community. It will allow Network organizations to keep their doors open and allow us to support the growing number of LGBT New Yorkers and continue serving its clients and constituents statewide. ***GMHC urges the Legislature to fully fund the Network's request.***

## **Services for Older Adults Living with HIV/AIDS**

As the AIDS epidemic has shifted to various communities and as people living with HIV/AIDS live longer, specific needs have arisen with the growing number of people living with HIV/AIDS over 50 years of age, known as eldersexuals. Nearly one-third of all of GMHC's clients are now over fifty, with another 22 percent between 45 and 49. Most in this age category had previously identified as having HIV or AIDS, though a portion of those are newly identified as infected. GMHC and other AIDS service providers are beginning to cope with this new community with unique needs. Assistance with Medicare, Medicaid, prescription drugs, and housing are just a few of the concerns facing this population.

Knowledge of medication interactions, along with an acute need for mental health services due to social isolation and depression are highly needed for this relatively new population. Treatment education services specific to older New Yorkers living with HIV/AIDS is urgently needed. Also needed are initiatives to reduce stigma surrounding HIV, promote safer sex, and expand availability of HIV/AIDS services to HIV-positive seniors. *GMHC urges the State to allocate new money for older adults living with HIV/AIDS.*

## **Expanded Syringe Access Program**

The program has proven effective and in less than a decade has seen the rate of transmission through injection drug use drop 75 percent. Despite its successes, there is a clear ongoing need for education and outreach to other health professionals serving clients who can benefit from ESAP. The development of additional projects across the State, thereby reaching underserved communities, is vital to the programs continued success. *GMHC urges the State to allocate new funding for ESAP's expansion.*

## **Housing is Prevention**

GMHC applauds Governor Spitzer's new housing initiatives. Affordable housing is one of the top concerns of nearly every New Yorker.

Research has shown that stable housing is an effective structural intervention in any HIV/AIDS prevention and care strategy. Housing works to reduce HIV/AIDS transmission; facilitates access to medical care; improves health outcomes; reduces harmful drug use, violence, incarceration and other public and private harm; saves taxpayer dollars and protects and stabilizes individuals, families and communities. Data from the New York City HIV/AIDS housing needs assessment further supports this. *As a participant in a coalition of New York City HIV/AIDS Housing community groups, GMHC requests \$10 million be allocated in the state budget for emergency rental assistance for HIV infected persons and their families.*

## **Workforce Development**

One of the key factors toward ensuring greater health and a continuation of an individual's treatment is the ability to be self-sufficient when at all possible. For those re-entering the workforce after a lengthy hiatus due to illness or transitioning into the workforce for the first time, a high level of skill development is required. Employment counseling, job readiness, placement assistance and retention services are vital components to success in the workplace and ongoing financial health. Such stability leads to a person living with HIV/AIDS ability to manage their disease better, delay the need for public assistance, and contribute to society in a meaningful way. Such programs directly enhance an individual's physical, mental, and financial well being.

Nearly 85 percent of GMHC clients are under the federal poverty level. Battling HIV/AIDS while combating poverty has been one of our top objectives for many years.

The mission of GMHC's workforce development initiative, known as MATCH (Moving Ahead Toward Career Horizons) is to encourage and assist men and women in their efforts to succeed in the workplace. This program expands our capacity to support our clients by offering job readiness skills and job placement assistance to promote self-sufficiency. It also provides opportunities for those who seek to complete their GED, to do so in a supportive environment.

More state funding is needed to fill the void left by last year's reauthorization of the Ryan White CARE Act in Congress. New York City was disproportionately affected by Ryan White funding cuts, in particular non-medical services such as workforce development, which are so crucial to the well-being of a person living with HIV/AIDS. *GMHC urges the State to allocate new money toward Workforce Development.*

## **Medicare/Medicaid**

I cannot leave today without discussing the largest provider for people living with HIV/AIDS – Medicaid. Medicaid is at the heart of the health care safety net for GMHC's clients – the majority of whom live at or below the poverty level. As such, strengthening Medicaid is essential to assuring that vulnerable New Yorkers living with chronic serious conditions have access to their life-saving prescriptions and the primary/preventive care that keeps them healthy day to day.

This year's executive budget contains a mixed bag of long overdue improvements to the Medicaid program and troubling omissions. The Governor's proposal contains a number of welcome provisions that will greatly ease the onerous Medicaid documentation, enrollment and recertification process, such as the elimination of drug and alcohol screenings for single adult applicants, the state-wide alignment of Medicaid eligibility levels, and the elimination of the asset test for the Medicare Savings Program. Additionally, we applaud the Governor's efforts to increase the physician reimbursement rate thereby increasing the financial incentive for doctors to treat Medicaid patients.

However, there are a number of proposals that are of particular concern for people living with serious and chronic illnesses such as HIV and AIDS. Chief among these is the provision that would enable the Department of Health to mandate Medicaid Managed Care enrollment for dual eligible beneficiaries beginning in 2009. It is simply irresponsible to force our state's most medically and economically vulnerable consumers to participate in underdeveloped and unproven integrated service programs such as the Medicaid Advantage programs. Preserving the right of choice is fundamental for consumer's active participation in their health care. GMHC urges the state to preserve voluntary enrollment for dual eligibles.

We remain deeply concerned with the impact of Medicare Part D. Two years after the program's rollout, prescription drug cost-sharing remains an issue for many GMHC clients. High cost-sharing associated with Medicare's Part D prescription drug program place many life sustaining prescription drugs out of reach. Prescription drug co-pays, even if nominal, are substantial for many of our clients who take upwards of 10 to 20 prescription drugs per day. GMHC calls for the elimination of co-pays for Medicaid recipients because no matter how modest, any required co-pay puts basic health care out of reach for many New Yorkers. Additionally, the pooling of the various government health care plans to negotiate lower prescription drug costs and the proposed Elderly Pharmaceutical Insurance Coverage (EPIC) drug discount program for low income New Yorkers without existing coverage are all critical first steps. We can do still more. We urge the Governor to expand EPIC's comprehensive prescription drug coverage to disabled New Yorkers under the age of 65.

Finally, we are disappointed that the Governor is calling for the expansion of the preferred drug list (PDL). Expanding the PDL is an illusory gain, as whatever cost-savings are achieved are at the expense of consumer access to needed medications. For people living with HIV and AIDS this measure could prove life threatening. The complexities of the epidemic require that drug regimens be flexible to fit the changing medical needs of the individual. The rigidity of the PDL and the burdensome prior approval process required to access "non-preferred" drugs will deter consumers and prescribers from optimal therapy and as a result will extract a high health cost from people who are living with chronic life-threatening conditions. It is not enough that antiretrovirals remain exempt and the provider prevails provisions has been maintained. Antiretrovirals are not the only medications New Yorkers with HIV take and their drug regimens must be carefully and constantly balanced. GMHC calls for the complete exemption of Medicaid beneficiaries living with HIV/AIDS from the prescription drug list.

## **COBRA**

There are over 50 COBRA case management providers throughout the state, comprising a bulk of the community-based service provider infrastructure in response to HIV/AIDS in New York. GMHC has led the way for a rate increase for COBRA providers.

Many of the state's COBRA providers are running deficits within their case management programs. These deficits currently run on average from \$20,000 to \$200,000 per year. For many programs, these shortfalls are unsustainable and threaten service delivery to thousands of New York individuals and families.

The original reimbursement for the HIV/AIDS COBRA program was inadequate. And, there have been only two increases within the last 18 years; the most recent occurred eight years ago. Upon factoring in the rate of inflation and increases to the cost of living, we have come to recognize that the current reimbursement rate does not allow us to break even. Our COBRA caseloads have grown in complexity. We are seeing individuals who are poorer and sicker than in previous years. Serving these populations requires case managers with a greater skill level. Garnering such skilled workers requires us to spend more on wages and benefits to maintain a stable and adequate workforce.

The DOH has conducted its own studies which have demonstrated the cost effectiveness of the COBRA program, particularly in reducing the inappropriate use of emergency room care through obtaining and maintaining primary HIV medical care, mental health, and addiction services, as well as supportive services such as housing, nutritional assistance and HIV/AIDS treatment adherence services. All of these services provide improved health outcomes, helping our clients overcome barriers to care, while slowing the progression of HIV to AIDS. Lastly, our services always focus on HIV prevention messages to those who are infected to reduce the further spread of the epidemic. ***We urge the legislature to increase the COBRA rate by 10 percent this year, an increase which is long overdue.***

## **In Conclusion**

There are certainly many other legislative fixes that would go a long way in preserving the health care safety net and granting all New Yorkers full civil rights, however that is for another hearing.

Governor Spitzer's proposed budget goes a long way in maintaining and improving the lives of persons living with HIV/AIDS, however more can be done. The areas I have just outlined illustrate the most acute needs. And you, the esteemed State Legislature can come closer to meeting those needs.

New York State sustained significant losses in federal funding through the newly reauthorized Ryan White CARE Act. It is the duty of this body and the Governor to step in and pick up the pieces and not allow New Yorkers living with HIV/AIDS to fall through the cracks.

New York State must continue to be at the forefront of combating the epidemic of our lifetime. It is the responsibility of AIDS service organizations such as ours and our elected officials to do everything in our power to continue and, hopefully one day, finish the fight against HIV/AIDS.

On behalf of GMHC, I look forward to working with you and I am happy to answer any questions you may have. Thank you for this opportunity to address you.