



Testimony for the New York City Council

FY26 Preliminary Budget Hearing

Committee on General Welfare

March 17, 2025

Good afternoon, my name is Nathalie Interiano, and I am the Director of Policy and Advocacy at Care For the Homeless. I would like to thank the Committee for the opportunity to testify before you today.

Care For the Homeless has over 40 years of experience providing medical and behavioral health services exclusively to people experiencing homelessness in New York City. We operate 23 federally qualified community health centers in all five boroughs. Our service sites are co-located at facilities operated by other non-profits that include shelters for single adults and families, assessment centers, soup kitchens, and drop-in centers. Additionally, our community-based health center model brings services directly to neighborhoods where the need is most significant. Both models reduce barriers unhoused New Yorkers regularly face in navigating a complex health care system by increasing access to high-quality, patient-centered, primary and behavioral health services. We also operate 2 shelters for single adult women, 2 shelters for single adult men, and one Safe Haven focused on people experiencing unsheltered homelessness, all of which have on-site health centers for their residents and the community. In these programs, our goal is to end episodes of homelessness by providing essential supportive services to help our residents obtain stable and permanent housing.

We are currently contracted with DHS to perform the previously mentioned residential services.

As of today, March 17, 2025, Care For the Homeless is owed 5 million dollars in city contracts dating back to FY22. The amount owed is 10% of our total budget for residential services for the year. This backlog in payments has been and continues to be an ongoing issue.

The FY26 Budget must take decisive action to rectify payment issues for Shelter Providers.

We are relieved for the recent temporary cash flow due to actions the City took to address overdue payments. The Backlog Initiative moved hundreds of outstanding invoices pending at the Department of Homeless Services alone at the end of 2024. However, we still have months of catch-up in pending budget, budget updates, and invoice approvals that are prohibiting us from being reimbursed for the services we have already performed and again are in a cash flow crisis.



The lack of stability when it comes to payments puts organizations like ours at risk. It makes it difficult to pay staff, vendors, and run programs for clients. Organizations are often forced to take out lines of credit just to relieve cash flow issues, only to then have to pay interest.

Alongside procedural inefficiencies, short staffing within City Agencies has also contributed to delays in payment. Per the New York Housing Conference, the DHS' budgeted headcount dropped by 494 staff from Dec. 2019 to Jan. 2025, and HRA by 1,537 staff for the same period. DSS has not been able to recruit and retain staff at a rate that keeps up with the demand, which results in payment lag times.

We urge the City Council to ensure that the FY26 budget includes sufficient funding to restore and expand the headcount at DHS, DSS and MOCS to eliminate pervasive contracting and reimbursement delays for non-profit providers.

Finally, the new federal administration has created much uncertainty for non-profit providers here in NYC.¹ Between the proposed federal funding freezes and federal staff firings, many providers are concerned over the reliability of funds from the federal government. Most recently, the administration has proposed cutting the staff at Department of Housing and Urban Development (HUD) by 50%. We know that destabilizing HUD will have dire results, including the closure of programs that serve people experiencing homelessness, and permanent affordable and supportive housing. Households receiving rental assistance may see evictions due to delays in payment.

Given the uncertainty of federal resources and proposed cuts, it is all the more important that the City registers contracts in a timely manner and pays non-profit homeless service providers for their services on time to not further threaten the insolvency of non-profits.

We also urge the City Council to listen and work with direct service providers to make street outreach a more effective tool to address homelessness.

As providers, we often face issues with the following issues and topics:

- Enhancing Collaboration and Data Integration: In the field of streets outreach, we have lots of competent organizations and people working with clients that are funded through many different agencies. Each agency comes with different requirements including data entry. What is challenging is coordinating the data between organizations and agencies. We hope to see better coordination, integration, and investment of data systems that provides are required to use.

¹ Oreskes, B., Newman, A. (2025, January 28) Nonprofits in New York Are Told Their Contracts 'Have Been Paused'. *The New York Times*. <https://www.nytimes.com/2025/01/28/us/politics/nyc-nonprofit-contracts.html>



- Housing & Shelter Expansion: We need to work towards ensuring low barrier access to housing with robust support to maintain that housing. When we refer clients, we want to make sure it is not a referral to nowhere. We need to reinvest in stabilization bed sites that have closed due to lack of funding. Finally, we need to include living wages for social service workers and clinicians to support retention.
- Supportive Housing Improvements: It is crucial that our clients have the best ability to access permanent supportive housing. This can be done by expanding supportive housing options for populations beyond Category A (e.g., youth, TBI/cognitive impairments) and redistribute supportive housing categories to balance service needs. Additionally, the city must address lack of housing options for individuals with serious mental illness (SMI) under CityFHEPs.
- Mental Health Emergency Response: We need to make it easier for our client populations to access mental health resources. We must do more to support the mental health emergency response framework. We know that it would be effective to provide internal hospital staff training on NYC's homelessness system and require emergency departments (EDs) and inpatient teams to coordinate with outreach teams for discharge planning. We also hope to see continued investment in NYCH+H's Street Health Outreach & Wellness Mobile Units. This program is crucial in areas that don't have a H+H facility.

Lastly, we urge the City Council to reduce barriers in voucher administration that greatly expedite placement in permanent housing.

A number of recent streamlining measures and reforms have been implemented in homeless placements, voucher administration, and NYC Housing Connect lease-up. However, further steps are needed to greatly expedite placement and meaningfully reduce homelessness. These include:

CITYFHEPS - On Inspections:

- Do Not Allow Minor Issues to Hold Up Move-In: Apartment inspection processes should be standardized and include a hierarchy of issues, such that minor issues will not result in an inspection failure. Currently, minor issues, which can be immediately rectified, such as a missing light switch cover, may result in an inspection failure and a severe delay to the client's move-in date. This is modeled after NYCHA's approach to inspections.
- Reform Double Inspection Rule: For units which require a DHS inspection (cellars and ground floor units), DSS requires both a DHS and a separate HRA inspection. We call for the secondary inspection to be limited to a fraction of the units as a secondary review/audit procedure but not policy for every unit.



CITYFHEPS - On Income Verification:

- The \$100 Rule: The income presented in a voucher package must be within \$100 of the original shopping letter amount. With low-income tenant incomes often varying greatly week by week, this discrepancy often triggers a rebudgeting letter, which is a source of delay. DHS/HRA staff who are reviewing this should be allowed to reissue the tenant share with the new income numbers and not require a separate rebudgeting process.

CITYFHEPS - On Public Assistance Single Issuance:

- Time Frame: The current time frame is 30 days but often the process for applying and getting the voucher is longer and requires the single issuance to be resubmitted. We recommend a 90-day time frame.
- Add Option for Access HRA: There is currently no process on Access HRA to signify that an application is for single issuance public assistance. This results in many applications being treated as ongoing public assistance. This should be a distinct option on Access HRA to avoid confusion.

CITYFHEPS – Process Improvements:

- Electronic Paperwork: Application packet forms should be readable/fillable PDF forms that can be signed electronically and e-mailed back, while still allowing for a paper process.
- Outreach: If a client's application is missing documents, DSS should not wait to contact that client via mail or phone call. DSS should also reach out to clients via text or email which to have the best chance of successfully connecting with clients. DSS often calls to detail this type of information from an unknown number, so clients may not pick up, and then they miss the opportunity to talk about their application. Then, DSS's next step is to send a letter to the client in the mail. The letter should be clear about what information is needed via the AccessHRA portal. Additionally, if a DSS staff person does call a client for this purpose, they should leave a call back number, along with hours of availability.
- Family Moves Within Shelter. When families are transferred into new shelter locations, the application process should not begin again. When this occurs, it has added significant time delays. Applications should be maintained even when families move locations.

Thank you again for your time. If you have any additional questions, please contact me at ninteriano@cfhnyc.org.



New York City Council Fiscal Year 2026

Preliminary Budget Hearing

Committee on Health and Committee on Mental Health, Disabilities, and Addiction

Monday, March 24, 2025

Testimony of Chelsea Rose
Policy and Advocacy Manager
Care For the Homeless

Good Afternoon. My name is Chelsea Rose, and I am the Policy and Advocacy Manager at Care For the Homeless (CFH). I'd like to thank the Health Committee Chair, Lynn Schulman, the Mental Health, Disabilities, and Addiction Chair Linda Lee, and the committee members and staff for their extraordinary commitment to making the health care system responsive to the needs of the most vulnerable.

Care For the Homeless has over 40 years of experience providing medical and behavioral health services exclusively to people experiencing homelessness in New York City. We operate 23 federally qualified community health centers in all five boroughs. Our service sites are co-located at facilities operated by other non-profits that include shelters for single adults and families, assessment centers, soup kitchens, and drop-in centers. Additionally, our community-based health center model brings services directly to neighborhoods where the need is most significant. Both models reduce barriers unhoused New Yorkers regularly face in navigating a complex health care system by increasing access to high-quality, patient-centered, primary, and behavioral health services. We also operate 2 shelters for women and 2 shelters for men experiencing homelessness, and one Safe Haven all of which have on-site health centers for their residents and the community. In these programs, our goal is to end episodes of homelessness by providing essential supportive services to help our residents obtain stable and permanent housing.

I am here today to talk about the importance of supporting health focused initiatives and to urge the Council to include \$4.5 million for Access Health NYC in the FY 2026 budget.

Access Health NYC is a city-wide initiative that enables community organizations across NYC to provide education, outreach, & assistance to all New Yorkers about accessing health care and coverage. Access Health fills an information gap and provides critical outreach and education to hard-to-reach populations across NYC who are experiencing barriers to access, such as those who are uninsured, who are undocumented, who have limited English proficiency, have disabilities, are LGBTQ+, and who are unhoused.

At CFH the Access Health Initiative allows us to reach people experiencing homelessness to not only help them access primary medical and behavioral health services but also to help establish a focus on ongoing preventative health care. Our Eligibility and Enrollment Specialists help educate and enroll consumers into health insurance programs and create linkages to our primary care and behavioral health services. In FY24, (the last complete funding cycle) we assisted over 3,200 individuals with health



insurance inquiries, enrolled 760 individuals in a health insurance plan, educated 2,600 individuals on available behavioral health services, and linked 220 to a behavioral health provider.

We also receive discretionary funding from Ending the Epidemic, Mental Health Services for Vulnerable Populations, and the HIV/AIDS Faith Based Initiatives which fund our outreach services and has allowed us to further scale this program to increase the number of unstably housed individuals we engage in accessing comprehensive health services. Outreach is conducted in shelters, soup kitchens, drop-in centers, safe havens and in partnership with neighboring community programs enabling us to connect with folks experiencing homelessness in places where they are already accessing services. The Outreach Specialists facilitate access to health education about HIV prevention. In FY24, (the last full funding cycle) we engaged 6,801 individuals and connected 3,118 individuals to comprehensive medical and behavioral health services. We also provided HIV related education to 415 individuals, and 523 individuals received HIV testing, navigation services, and were linked to PrEP, PEP or HIV medication.

These programs are essential in the fight to end homelessness and connect underserved communities to essential health services. Access Health and the health focused initiatives funded by the Council are critical components to reducing barriers to health care access in the fight for health equity.

The COVID-19 pandemic left the city and community-based organizations with the task of filling in the gaps to provide life-sustaining services. Over the past several years, the increasing number of people experiencing housing instability has also significantly impacted the demand for our services. **Enhancing our funding sources, like the Access Health initiative, will allow us to expand the availability of health navigation services for all in need.** An enhancement to AHNYC will ensure the city can better target challenging health needs through trusted community-based support.

Our consumers are burdened with navigating a complex health care system to address multiple co-occurring chronic health conditions while also experiencing the trauma of homelessness. Our goal is to reduce the barriers to accessing health care as well as social services integral to stabilizing the lives of those we serve. It is imperative that the FY26 budget invests in the collective priorities of the Access Health initiative, which includes an enhancement of our funding to \$4.5 million. This increase is necessary to meet the growing demands that our community-based organizations have faced in serving our communities that are navigating multiple stressors such as behavioral health crises, housing instability, and homelessness.

Thank you very much for your time.

If you have any questions, please reach out to Chelsea Rose at crose@cfhny.org