

Reject Medicaid cuts and harmful policy proposals

It is counter-productive for the executive budget to make significant investments in hospitals and health systems while also proposing funding cuts and new administrative requirements that will reduce provider efficiency and increase the cost to provide care. Hospitals and nursing homes are still on the brink as they continue to face fiscal, workforce and other challenges.

HANYS urges the Legislature to reject these cuts and harmful policy proposals that will put New Yorkers' access to healthcare services at further risk.

Protect the hospital Vital Access Provider Assurance Program. The Legislature must reject the executive budget proposal to cut \$500 million in state funds from VAPAP, a critical lifeline for many of the state's severely financially distressed hospitals.

Reject Excess Medical Malpractice Program cuts. The executive budget would cut in half (\$39.25 million) the state's support for a much-needed program that assists physicians with the cost of an additional layer of medical malpractice insurance coverage. New York risks losing more doctors by raising liability costs in an already inhospitable medical liability environment. (Part G of S.3007/A.3007)

Reject duplicate community benefit reporting. Don't require hospitals to annually report community benefit expense information that most are already submitting to the federal government on Internal Revenue Service Schedule H, Form 990. This would place a duplicative and unnecessary mandate on already overtaxed healthcare workers. (Part M of S.3007/A.3007)

Restore prior cuts to the hospital and nursing homes capital rates. This funding, which helps offset rising construction and infrastructure improvement costs, has been cut over two budgets by a total of 20% for hospitals and 15% for nursing homes. These damaging cuts represent an annual state-share loss of \$85 million for hospitals and \$41 million for nursing homes.

Reject hospital outpatient payment reductions. A drastic proposal to cap reimbursement for hospital outpatient services at an arbitrary and woefully low level is under consideration in the Legislature. Policies that set unsustainable reimbursement rates for hospital outpatient services fundamentally undermine patient access and threaten hospitals' ability to provide quality healthcare services for all patients. The Legislature must not allow this proposal to advance in their budget resolutions. (S.705/A.2140)

Ensure the Medical Indemnity Fund's financial viability. The executive budget would continue to underfund the MIF, which covers future healthcare costs of enrolled individuals who suffered birth-related neurological injuries due to medical malpractice. Without increased funding and comprehensive reforms, the MIF's future remains precarious.

The final SFY 2025-2026 budget must stabilize and strengthen our hospitals and nursing homes.

Everyone's health relies on the stability of our state's healthcare system. State policymakers must act now to set our healthcare providers on a path to stability and sustainability. HANYS urges lawmakers to:

1. Support and build upon investments in healthcare.
2. Embrace commonsense workforce policies, innovative care models and protections against insurers and Big Pharma.
3. Reject funding cuts and damaging policy proposals.