

# Medicaid Medicaid Matters New York Matters

Testimony to Assembly Ways and Means and Senate Finance Committees  
Joint Legislative Budget Hearing on Health/Medicaid  
February 11, 2025

Thank you for the opportunity to submit testimony on the Governor's proposed Health/Medicaid budget. Medicaid Matters New York is the statewide coalition focused on advancing the interests of people who are served by Medicaid in New York. Among our members are people covered by Medicaid and their family members, community-based organizations, community-based providers, legal services agencies, policy and advocacy organizations, statewide associations, and more.

This year's budget process comes at a time of uncertainty. **The new federal administration and Congress are proposing drastic changes that would decimate the Medicaid program as we know it.** This would steal coverage and access from the people who rely on Medicaid, risking their health and wellbeing and causing them economic insecurity. It would also dismantle the health care delivery system, as providers rely on Medicaid as part of their funding streams. It is incumbent on New York lawmakers to protect the public insurance coverage people with low income and people with disabilities rely on to stay healthy and living independently, as well as the providers that serve entire communities, in the face of threats from Washington.

While attention will need to turn to making sure we fight for Medicaid at the federal level, our commitment to keeping New York's Medicaid program strong for all who need it is unwavering. **Our annual agenda** lays out a vision for New York's Medicaid program that includes making it more easily accessible in a variety of ways. It is available on our website under "policy and advocacy."

With a state budget outlook that is better than anticipated and a surplus in state coffers, we believe now is the time to invest in care and services people rely on to keep them healthy and living independently. **Three areas in need of state investment are 1) primary care, 2) community-based mental health care for children and adults, and 3) access to community-based long-term services and supports.** While Medicaid increases have been provided for acute care over many years, primary care and community-based mental health care reimbursement have remained unsustainably low. Community-based long-term services and supports (home care and personal care) have been hit by budget actions that threaten to decimate access, despite the state's obligation to honor individuals' right to live independently in their own homes. Medicaid has largely been spared from large-scale cuts, and investments are being made in some areas, but little is being done to expand or improve access to safety net services or supporting coverage in public programs.

Using budget surplus dollars, decreasing the funding the Governor proposes for the one-time inflation rebate, and/or reallocating some of the MCO tax revenue would allow for Medicaid investments in the care and services New Yorkers need, beyond just acute care. Medicaid Matters also supports the call for progressive tax reform that would require the wealthiest New Yorkers to pay a bit more in taxes to help the state avoid austerity measures in the budget.

Medicaid Matters New York urges consideration of the following budget positions:

## Support

- Funding for the Community Health Access to Addiction and Mental Healthcare Project (CHAMP) and the Intellectual/Developmental Disabilities Ombudsprogram (IDDO) (State Operations allocation)
- Expand Medicaid coverage to provide pre- and post-release services for youth in carceral settings under age 21 and up to age 26 for those formerly in foster care (State of the State commitment; included on the Medicaid scorecard)
- Imposing enhanced penalties on managed care organizations for breach of the model contract and failure to meet performance standards (HMH Part E)

### Oppose

- Elimination of “prescriber prevails” provision for the Medicaid pharmacy benefit to allow a person’s health care provider to make the final decision as to whether a prescription is filled rather than the NYS Department of Health NYRx program. (HMH Part C)
- Elimination of funding for and repeal of the Enhanced Quality of Adult Living (EQUAL) program, which funds quality of life enhancements (like clothing, other personal items, room air conditioners, etc.) for people who live in adult care facilities, the majority of whom are people with low or no income who are covered by Medicaid. (HMH Part H)
- Extension of Office for People with Developmental Disabilities authority to implement managed care for people with intellectual/developmental disabilities. (HMH Part CC)

### Add

- *Coverage4All* (A.1710, Gonzalez-Rojas/S.3762, Rivera), to expand Essential Plan coverage to New Yorkers who are undocumented.
- Repeal the asset test for Medicaid eligibility for people with disabilities and older adults; alternatively, raise the asset limit (A.1043, Kim/S.3554, Cleare) and then repeal it thereafter.
- Repeal the Consumer Directed Personal Assistance Program transition to a single fiscal intermediary in favor of enacting a fiscal intermediary licensure process (A.2735, Stirpe/S.1189, Rivera)
- Repeal restrictions to home care access based on the need for at least three Activities of Daily Living (ADL) (A.1198, Paulin/S.358, Rivera).
- Repeal the 30-month look-back period for eligibility for community-based long-term care (A.1907, Paulin).
- *Fair Pay for Home Care*, which establishes minimum hourly base wages for home care aides, to address the home care workforce crisis (A.1112, Paulin/S.3599, Rivera).
- Increased transparency in Managed Long Term Care by enacting the data transparency bill (A.700, Gonzalez-Rojas/S.707, May)

- \$1.5 million for the Community Health Advocates (CHA) program for a total of \$7 million.

Some of the above additions could be paid for using state surplus dollars, some of the funds the Governor proposes to spend on the one-time inflation rebate, and/or MCO tax revenue. Billions of dollars in additional funding could be gleaned from enacting the **Home Care Savings and Reinvestment Act** (A.2018, Paulin / S.2332, Rivera – not same as at this time) in the budget.

#### Modify / examine

- Funding for Financially Distressed Hospitals and the Safety Net Hospital Transformation Program is important for supporting safety net institutions that serve communities across the state, including both urban and rural areas; priority must be given to the hospitals that serve a disproportionate number of people who are uninsured and people covered by Medicaid, in addition to those that serve as sole community providers.
- The proposed budget would discontinue the state share of the public Indigent Care Pool (ICP) payments and Disproportionate Share Hospital (DSH) funding to public hospitals in New York City because NYC Health + Hospitals is pursuing a state directed payment transfer (DPT) that is pending federal approval (HMH Part D). Given the current federal environment, this provision should be amended to ensure that if federal approval does not come through, NYC Health + Hospitals would continue to receive ICP/DSH funding.
- Deepen understanding of investments in mental health to understand how what is proposed would improve access to and quality in community-based mental health services for both children and adults; consider the recommendations of the **Healthy Minds Healthy Kids** campaign to improve access to services for young people; reject changes to the Mental Hygiene Law that would expand involuntary commitment.
- The proposed budget includes administrative actions to impose an enrollment cap on the Nursing Home Transition and Diversion (NHTD) Waiver; we need deeper understanding of how people who would be enrolled in the waiver would receive their services, and we must ensure there will be no access barriers.

With a few exceptions, this year's proposed budget does little to give more New Yorkers access to affordable public coverage and advance health equity. In fact, there are proposed actions that would cause harm and loss of services.

The Medicaid program must meet people where they are, support community-based services, protect safety-net providers, and promote health equity. The state budget must reflect these goals. We need investment to protect and enhance access to care for historically marginalized New Yorkers, including people with mental illness, immigrants, people living independently in their homes, and the safety-net providers that serve them.

Medicaid Matters stands ready to work with the Legislature as one-house budget positions are drafted and a final budget is negotiated with the Governor. We are happy to answer questions and to serve as a resource on the impact of the budget on New Yorkers served by the Medicaid program.