



New York State Legislature  
Joint Legislative Budget Hearing - Health/Medicaid  
**Submitted by the New York Immigration Coalition**  
February 10, 2026

My name is Carlos Enrique Minaya Arnao, I am the Director of Healthy Communities at the New York Immigration Coalition (NYIC). The NYIC is a coalition of more than 200 immigrant and refugee organizations advancing access to public services, inclusion, and justice. We unite immigrants, members, and allies to build power so all New Yorkers can thrive. We thank you, Chair Pretlow and Chair Krueger, for convening this important hearing.

In my capacity I monitor, research, and advocate for equitable healthcare, coverage, and access for our immigrant communities. For years, advocates have called for sustained investment to build the systems New York needs to protect the basic rights and well-being of all residents, regardless of immigration status, and to ensure that families and communities can thrive, lead, and remain rooted in the places they call home. Achieving this requires meaningful funding and legislative commitments that safeguard the health of our communities and strengthen the systems that communities rely on to thrive.

In that context, the NYIC calls for targeted investments in the FY27 budget that include:

- Extended health coverage for those individuals who will be newly excluded from the NY Essential Plan;
- Continued coverage for those individuals who will be removed from Medicaid due to HR1;
- Restoration of Public Health funds to New York City through Article VI; and
- Investments for an equitable health provider system that will be supportive of our communities.

***Extending Essential Plan Coverage through December 2026***

The NYIC urges New York State to **extend Essential Plan coverage through December 2026** for individuals with incomes between 200 and 250 percent of the federal poverty level (FPL) who will lose coverage as a result of the State scaling back its keystone healthcare system, Essential Plan, under H.R.1. While we are supportive of this move towards a Basic Health Plan, there are growing concerns of what will happen to the over **440,000 New Yorkers** with incomes between 200 percent and 250 percent of the FPL who will be removed from the Essential Plan as a result of this transition. Maintaining coverage for this group through December 2026 would allow affected individuals to transition during an open enrollment period



without experiencing a gap in necessary care. Depending on the level of investment by the State, the six-month transition bridge is estimated to cost anywhere from \$960 million to \$1.7 billion. This would be paid out of the Essential Plan trust fund, a funding mechanism that collected a percentage of federal funds earmarked to support individuals ineligible for Medicaid. The trust fund has a sizable surplus and is not connected to the existing waiver process, or affected by any of the HR1 budget cuts.

### ***Continued Coverage for New York Immigrant Communities***

Beginning in January of 2027, federal changes will make anywhere **from 20,000 to 40,000 New Yorkers** ineligible for premium tax credits due to their immigration status. These individuals will be asked to pay nearly a third of their income for unsubsidized health coverage. The NYIC recommends that New York **establish a State-funded premium assistance program to make marketplace plans equally affordable**. This would ensure that these individuals, who are currently eligible, continue having access to necessary coverage. A State-funded premium assistance program covering roughly 30,000 lawfully present immigrants would cost approximately \$244 million per year.

### ***Restore Article VI Public Health Funding to New York City***

The NYIC calls on New York State to **restore the City's matching Article VI public health funds back to 36 percent**. Given the continued attacks on our most vulnerable communities as they try to access healthcare and coverage, restoring public health funds to the City will make sure those communities are taken care of before a "downstate" issue is felt Statewide.

Local health departments across New York State rely on state matching funds to deliver core public health services. Article VI of the State's Public Health law outlines a series of services that it is committed to support; such as administering a community health assessment, establishing communicable disease control, and providing maternal and child health services.

Under Article VI, eligible expenses are reimbursed 100 percent by the state up to the amount of the jurisdiction's base grant. Once a county, or city, exceeds its base grant reimbursement funding, local health departments receive 36 percent reimbursement from the state, and are responsible for the remaining 64 percent, as well as 100 percent of costs associated with services that are ineligible for reimbursement, such as employee benefits. In 2019, New York City's reimbursement rate was reduced from 36 percent to 20 percent. This policy decision has cost the City upwards of \$90 million annually. For these reasons, restoring New York City's Article VI funding to 36 percent is essential to ensuring an equitable and adequately resourced public health system statewide.



***Ensure an Equitable Health Provider System***

New York has the highest health insurance prices in the country, with businesses and consumers paying an average of \$9,500 in 2024 for single, private employer-sponsored insurance – 13 percent higher than the national average. Rising hospital costs are a major driver of these prices. New York’s per capita hospital spending is \$5,500—43 percent higher than the national average of \$3,885, and 22 percent higher than only a decade ago, demonstrating an alarming trend in hospital pricing. Over the last two decades, increased health care consolidation in New York has allowed big hospitals to amass excessive market power through mergers and the acquisition of physician practices. As a result, hospitals are able to charge significantly higher prices than independent providers for the same routine services provided safely for the same conditions, with no difference in the quality of care.

To address these cost disparities, the NYIC asks that the State include the **Fair Pricing Act (S.705/A.2140)** in its budget. The Fair Pricing Act establishes a price cap on routine, low-complexity healthcare services so that prices are not able to rise unchecked. It restores fairness by ensuring that routine medical services—such as flu shots, X-rays, MRIs, or cast removal—cost the same no matter where they are performed. By ensuring that consumers are paying the same, fair price for the same routine service no matter the setting, **the Fair Pricing Act could save \$72 million for New York State and \$1.14 billion for New Yorkers** overall.

By funding continued healthcare coverage and establishing parity in healthcare service providers, New York can transform its response from reactive to resilient—ensuring that all families and communities can thrive and lead healthier lives.

Thank you for the opportunity to testify.

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