



## NEW YORK STATE PSYCHOLOGICAL ASSOCIATION

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**Testimony Submitted by Dr. Margaret (Peggy) Brady-Amoon, PhD**

**President, New York State Psychological Association**

**Joint Legislative Budget Hearing: Health/ Medicaid**

**February 11, 2026**

My name is Dr. Margaret (Peggy) Brady-Amoon, and I am the current President of the New York State Psychological Association (NYSPA). I would like to thank the Chairs Pretlow and Krueger and all the members of the Legislature for allowing me to submit testimony for this hearing, specifically as it relates to the Medicare and Medicaid dual eligible cut included in the FY 2027 Executive Budget Proposal.

NYSPA represents licensed psychologists and psychology in New York State. The mission of the Association is to advance the science and practice of psychology as a means of promoting human welfare. Affiliated with the American Psychological Association (APA), NYSPA is composed of 16 divisions and 12 regional affiliates, along with representatives from various practice areas such as addiction, clinical psychology, adult development and aging, and school psychology.

Section one of Part M (S.90087/A.10007) would eliminate Medicare and Medicaid crossover payments for psychologists' services for individuals covered by both public insurance programs (dually eligible individuals). We oppose this proposal, as it will create a barrier to access to critical psychological services for some of New York's highest need patients, and impose higher costs to nursing homes and to the state's health care system.

Under the provisions, dually eligible patients would be precluded from accessing the benefits of both coverages. Medicare, as the primary insurance carrier, typically covers up to 80 percent of the Medicare allowable amount. The Governor's proposal would preclude Medicaid from covering the remainder, imposing a cut to fees that have already been reduced as much as 20 percent since 2003 by the federal government, even as the cost for providing these services has continued to increase.

Anecdotally, our members see special need patients, such as those with bipolar disorder, schizophrenia, and developmental disabilities, that cannot afford treatment without dual coverage. Many of these high need individuals, who access these services in a variety of settings, already experience frequent hospitalizations, which in turn already place heavy cost burdens on our health care system. Decreased reimbursements will cause a critical lack of access to quality care, and will further increase hospitalizations, emergency room visits, and increase the overall cost of health care for this population.

In 2003 and again in 2019, there was a budget proposal to cut reimbursement to services for dually eligible individuals. After strong opposition to the cut and lengthy negotiation, and in recognition of the

need for uninterrupted access to services for this population, a statutory change was made to exempt psychologists from those provisions. This made it possible provide services to mixed groups of elderly and disabled patients in various settings including services on site, in residential or rehabilitation facilities, while, at the same time, optimizing federal draw-down. The need for access in the years since has only increased, as financial pressures on providers force them to make difficult business decisions year over year.

While the state does not anticipate savings in year one (FY 2027) of the proposed change, they are projecting savings from the cut in FY 2028. The impact on providers may in fact be untenable - and the impact on access for individuals that rely on these critical services will be far greater.

In many instances, providers whose margins are already extremely slim, will be forced to severely limit services or close. For those providers that may be able to absorb the cost of this reimbursement cut, they will be forced to evaluate and make substantial changes to their business model, which will also result in limiting access to services.

The bottom line is that this proposal will result in providers going out of business and force others to curtail services to this populations, impeding access for dually eligible individuals in nursing homes and in the community. To us it seems counter-intuitive at best to limit services to this fragile population even as the state moves forward in efforts to improve population health and to improve quality of care through initiatives such as its value base payment program. Frankly, the health care industry needs these reimbursements to guarantee these essential services remain available to this population. We urge you reject this proposal in the final budget.

Thank you.