



Healthcare Association
of New York State

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WHITE HOUSE BUDGET PLAN EVISCERATES NEW YORK'S HOSPITALS, NURSING HOMES, HOME CARE AGENCIES

Plan Cuts New York State By \$10 Billion, Every Region Will Feel Impact

ALBANY, N.Y. — Hospitals and health care providers across New York State would lose a staggering \$10 billion under the proposed budget released today by President George W. Bush, according to analysis by the Healthcare Association of New York State (HANY), the only statewide hospital and continuing care association in New York State.

The President's proposal for federal fiscal year (FFY) 2009 includes a broad array of deep cuts that would imperil patient care, including provisions that over five years would cut Medicare payments for physician training in New York by more than \$4 billion, and cut \$1.5 billion for New York hospitals that care for high concentrations of poor and uninsured patients.

"President Bush's final budget represents the most hostile attack of the health care system that we have seen in a generation," HANY President Daniel Sisto said.

"His proposal would eviscerate core health care funding areas, such as doctor training and care for the poor and uninsured. If enacted, these cuts would exacerbate existing doctor shortages and diminish our hospitals' ability to provide care to our most vulnerable patients. It's a plan that is in perfect lockstep with this President's penchant for turning bad situations into disasters.

"Our message to the New York State Congressional Delegation is clear: our patients are again counting on you to reject these massive funding cuts," Mr. Sisto said.

A report released by HANY during 2007 shows that federal Medicare reimbursement to hospitals is already failing to keep up with the rising costs of delivering care. The report, *Falling Behind: Medicare Hospital Payment Policy in New York*, shows that both legislated and regulatory cuts have combined to hold New York's cumulative Medicare hospital rate increase to 15.4% over the last ten years. During that same period, hospitals' costs for providing care increased by 43.2%.

New York's hospitals face consistent cost increases every year: for staffing, energy, medication, operations, upgrading equipment, and for providing the life-saving care that our communities rely upon. As these costs have skyrocketed, Medicare reimbursement rates to providers have lagged grossly behind the times.

"Hospitals are the nation's houses of healing, places of refuge during disaster, the open door for the uninsured, your first destination in a serious emergency. They need the thoughtful leadership and support of every elected leader to adapt to the future while serving patients' needs in the present," Mr. Sisto added

HANYS' Medicare estimates are based on information obtained from the Centers for Medicare and Medicaid Services and HANYS' Medicare payment models. This analysis is provided to hospitals each year and is universally recognized by government agencies and health care organizations as accurate and reliable.

HANYS, the only statewide hospital and continuing care association in New York State, represents more than 550 non-profit and public hospitals, nursing homes, home care agencies, and other health care organizations.