



Healthcare Association
of New York State

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HANYS TO LEGISLATURE: TAKE NO ACTION ON THE GOVERNOR'S HEALTH CARE PROVIDER PROPOSALS UNTIL THE FEDERAL GOVERNMENT FINALIZES THE FORTHCOMING STIMULUS PACKAGE

(Excerpts From the Testimony of HANYS President Daniel Sisto, Given Today Before the Joint Legislative Hearing of the Assembly Ways and Means and Senate Finance Committees on the 2009-2010 Executive Budget Proposal)

ALBANY, N.Y. — “The cuts and taxes on health care providers contained in Governor Paterson’s state fiscal year (SFY) 2009-2010 Executive Budget proposal must be rejected. In total, we face \$2.3 billion in cuts and taxes, and hundreds of millions more in redistributions. The magnitude of the cuts, taxes, and redistributions contained in his proposal will without doubt lead to hospital, nursing home, and home health care agency service and job reductions across the state, and in some cases, closures. In fact, right now two hospitals in Queens are poised to close due to their financial instability. Clearly, if this budget is passed, more will follow.

“It is imperative that you take no action on the Governor’s health care provider proposals until the federal government finalizes the forthcoming stimulus package, which is likely to include billions in federal Medicaid funds, and billions more in other funds. The recently passed U.S. House bill would provide an estimated \$6.5 billion to New York in SFY 2009-2010. The stimulus legislation is expected to be delivered to the President for signature mid-February.

“Moreover, according to HANYS’ analysis, the Medicaid cuts and taxes on all three sectors—hospitals, nursing homes, and home care providers—represent 51,000 jobs. These are jobs and services that the state can ill afford to lose at a time when the state and nation are looking to stimulate employment—especially when there is more than adequate new federal Medicaid

funding to avoid it. Clearly, further cuts of this magnitude will only contribute to the economic downturn and make it that much harder for the state's economy to recover.”

“It would, therefore, be unconscionable to pass a draconian state budget that will lead to wholesale services reductions, closures, and massive layoffs, without first factoring in these anticipated federal stimulus revenues.”

The Healthcare Association of New York State (HANYs) is the only statewide hospital and continuing care association in New York State, representing more than 550 non-profit and public hospitals, nursing homes, home care agencies, and other health care organizations.