



Healthcare Association
of New York State

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**STATEMENT BY HANYS PRESIDENT DANIEL SISTO
ON THE GOVERNOR'S PLAN FOR FEDERAL STIMULUS FUNDING**

“The federal government has provided more than \$12 billion in Medicaid funding to New York State. These are health care dollars that President Obama himself indicated should be used to ensure that health care services and jobs are protected during this economic downturn. So today’s announcement is clearly out of step with President Obama’s intent.

“It is also puzzling how the state will eliminate taxes on soda and hair cuts, but leave in place a proposed gross receipts tax on hospital patient care. The latter seems far more of a nuisance tax than any other.

“However, we understand the challenges the state faces and we have not drawn a hard line that says every one of these dollars must be spent solely on health care. We simply insist on behalf of the millions of New Yorkers we serve and employ, that the health care issues in the budget must be resolved first with these funds.

“In total, for the coming year, \$1.3 billion (just a fraction of the \$12 billion available) is necessary to eliminate all of the Governor’s health care provider cuts and taxes.

“Given the availability of these federal Medicaid funds, there is no rational or responsible reason for the State Legislature to accept any of the health care cuts and taxes the Governor has proposed. Dozens of hospitals and other providers have already announced layoffs and service reductions, even as the still larger waves of economic impact have yet to reach to our shores.

“Things will get terribly worse across the state if we fail to first stabilize the health care system with these federal dollars.

“The Governor talks of shared sacrifice, but where was that talk last April and August, when health care alone endured more than \$1 billion in cuts while other major budget sectors were held harmless or cut proportionately far less?

“Our message is simple: health care has already made a tremendous sacrifice and our communities are losing thousands of health care jobs and critical services as a result. If health care is once again unduly and inequitably harmed by budgetary action, New Yorkers will want to know where their leaders stood as these federal health care dollars were being misused.

“But we remain hopeful. Dozens of members of the Senate and Assembly have demonstrated an understanding of the consequences of not protecting the health care system. And, we believe they will recognize that there is enough federal stimulus funding available to protect health care and address other budget issues.”

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.