



Healthcare Association
of New York State

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FOR MORE INFORMATION
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**HEALTH CARE LEADERS RALLY IN ALBANY TO OPPOSE
\$1 BILLION IN PROVIDER TAXES AND CUTS**

**Lawmakers Must Act to Protect Jobs, Preserve Access to Health Care Services, and
Encourage Economic Recovery in their Communities**

**Health Care Providers Offer Smarter Revenue Alternatives,
Urge Legislators to Use Federal Medicaid Relief to Eliminate Taxes and Cuts**

Visit www.helpyourhospital.org and www.helpyournursinghome.org and search by zip code to find out the impact of Governor Paterson's proposed health care provider taxes and cuts on the hospitals and nursing homes in your community.

ALBANY, N.Y. — More than 350 health care chief executives, administrators, board chairs, and trustees representing hospitals and health care organizations from every corner of the state convened in Albany today to educate lawmakers about the negative, real-world impacts of Governor Paterson's proposed \$1 billion in health care provider taxes and cuts.

Governor Paterson's Executive Budget proposal calls for an additional \$1 billion in health care provider taxes and cuts, on top of nearly \$4 billion in cuts already enacted through six different budget actions over the last two years.

"We came to Albany today to explain to lawmakers that our hospitals, nursing homes, and home care providers are reaching a financial tipping point. Any additional taxes and cuts will have negative, real-life implications in their home districts," said HANYS' President Daniel Sisto. "In the last ten years alone, 51 nursing homes and 29 hospitals have been forced to close, resulting in thousands of lost jobs and eliminating access to critical health care services in communities throughout our state.

The Governor's proposal would significantly increase the tax burden on hospitals, nursing homes, and home care providers at a time when they are already struggling to remain afloat. It would also cut an additional 20% from the indigent care pool, further weakening the already fragile health care safety net for New York's most vulnerable populations. New York City's Health and Hospitals Corporation—a public provider of an extraordinary volume of uncompensated care to low income, uninsured populations—stands to lose hundreds of millions of dollars under the Governor's plan, and, as a result, forecasts a deficit of \$1 billion for its upcoming fiscal year.

“At a time when uncompensated care costs continue to rise, and reimbursement rates continue to fall, the Governor’s proposal is devastating for health care providers and the communities they serve. New York’s hospitals, nursing homes, and home care providers remain dedicated to their mission to improve and protect the health of all New Yorkers; however, it is unreasonable to expect providers to assume full responsibility for maintaining the health care safety net when we are facing our seventh round of taxes and cuts in just two years,” said Mr. Sisto.

Smarter Revenue Options

In addition to urging lawmakers to reject Governor Paterson’s budget proposal, health care representatives from around the state provided smarter revenue options that could be used to bridge the state deficit and eliminate Governor Paterson’s proposed \$1 billion in health care provider taxes and cuts.

President Obama’s budget includes an extension of enhanced Federal Medical Assistance Percentage (FMAP) funding to states that will provide \$1.06 billion in the current fiscal year (FY), and recently, federal HHS Secretary Sebelius announced plans to reduce the amount states would have to pay for Medicare drug benefits, yielding an additional \$407.8 million for New York State in FY 2010-2011. Just a portion of this \$1.5 billion in new federal funding could be used to fully eliminate Governor Paterson’s proposed health care provider taxes and cuts.

“The federal government is prepared to provide New York with billions of dollars for health care services. It is critical that our elected leaders do not miss this opportunity to protect jobs and health care services in their communities. Our state’s health care delivery system and economic recovery are in jeopardy,” Mr. Sisto noted. “The Legislature must act now to protect both.”

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. Follow us on twitter at twitter.com/HANYscomm.