# CUTS OF THIS MAGNITUDE WILL NOT HEAL

WE URGE OUR STATE LEGISLATORS TO REJECT THESE DRASTIC REDUCTIONS

## SCME CUTS NEVER HEAL

## 9,474 Reasons Why We Support Organ Donation



#### **NEW YORKERS ON THE WAITING LIST**





NEW YORK: 3<sup>RD</sup> HIGHEST NEED IN U.S.

NEW YORK: LOWEST % OF REGISTERED DONORS

#### WHAT NEW YORK PROVIDERS ARE DOING

- In 2018, New York hospitals transplanted 2,623 organs.
- 1,010 people donated organs in 2018.
- 604,163 new people joined the New York State Donate Life Registry in 2018.

#### WHAT HANYS AND HTNYS ARE DOING

Support and propose legislation to increase organ and tissue donation



Promote the enhanced New York
 State Donate Life Registry website



 Engage in key national and state policy discussions to support organ and tissue donation

JOIN THE NEW YORK STATE DONATE LIFE REGISTRY donatelife.ny.gov

## SCME CUTS NEVER HEAL

HANYS' 2019-2020 State Budget Agenda

#### INFORMATION FOR LEGISLATORS

New York's hospitals and health systems are community anchors that provide access to care to 20 million New Yorkers, standing ready 24/7/365 to save lives, bring new life into the world and respond to any emergency. This year, that critical mission of caring is at risk as healthcare providers face the biggest state budget reductions we've seen in years. Reductions proposed in the executive budget and the recently amended budget proposal would **drastically slash support for healthcare in New York.** 

- The proposed cuts directed toward hospitals total \$657 million for the upcoming state fiscal year and \$1.3 billion over the next two years.
- For nursing homes, the impacts of the proposed cuts total over \$400 million during the 2019-2020 fiscal year and more than \$800 million in the next two years.





Data source: New York Alliance for Donation, as of Feb. 4, 2019

## **CUT:** Elimination of Medicaid rate increases for hospitals and nursing homes

Medicaid rates have not been increased in over 10 years, with Medicaid only reimbursing providers 73 cents for every dollar of care provided. An increase in Medicaid rates for inpatient services for hospitals (2.0%) and nursing homes (1.5%) funded through the Health Care Transformation Fund was a long overdue step in the right direction. The executive budget eliminates this increase.

## CUT: 0.8% across-the-board cut to Medicaid rates for all providers

The executive budget imposes an additional 0.8% across-the-board cut to Medicaid rates for all providers. Medicaid helps to fund care for New York's most vulnerable. These cuts exacerbate a longstanding problem around fair and adequate Medicaid reimbursement, and challenge the capacity of the healthcare safety net to respond to increasing community needs.

#### CUT: Targeted reduction to Indigent Care Pool funding

Medicaid Disproportionate Share Hospital funding provided through the Indigent Care Pool helps compensate hospitals for losses incurred when caring for uninsured and low-income people. The executive budget levels a sharp blow to this funding, effectively eliminating it for health systems and their affiliated hospitals that are located in specific geographic regions and that exceed arbitrarily set operating margin and annual revenue thresholds. All New York hospitals are committed to serving uninsured and low-income individuals and should be compensated for those services.

### CUT: Elimination of funding for the Major Academic Center of Excellence program

The executive budget ends the Major Academic Center of Excellence program, which provides critical funding support to several academic medical centers. The wholesale elimination of this state support would have a detrimental impact on these centers and sends the wrong message regarding New York's commitment and position as a leader in educating future physicians.

## **CUT: "Avoidable" hospitalizations** reduction

Hospitals and health systems are engaged in fundamentally restructuring New York's health-care system with the primary goal of reducing avoidable hospital use. However, the executive budget cuts funding to hospitals for "avoidable" hospitalizations to achieve a budget savings goal. Penalizing certain hospitals for hospitalizations deemed potentially avoidable ignores the unique characteristics and patient populations of each hospital and further erodes an already underpaying Medicaid system.

## CUT: Nursing home case-mix adjustment reduction

The executive budget changes how patient severity (case mix) adjustments are calculated for nursing home Medicaid rates. Nursing homes across the state need to be supported right now and cannot withstand new funding reductions. Cutting significant funding like this would have a drastically negative impact on communities across the state, especially those served by non-profit and public nursing homes.

#### IMPACT OF PROPOSED STATE BUDGET CUTS ON NEW YORK'S HOSPITALS AND NURSING HOMES

HOSPITALS: Proposed cuts directed toward hospitals total \$657 million for the upcoming state fiscal year and \$1.3 billion over the next two years.

Targeted ICP Cuts (\$285.1 M)

Loss of Healthcare Transformation Fund 2% ATB (\$227.8 M)

0.8% ATB Medicaid Cut (\$105.4 M)

Targeted Cuts to Major Academic Center of Excellence Funding (\$24.5 M)

**Cuts for "Avoidable" Hospitalizations (\$14.6 M)** 

NURSING HOMES: Proposed cuts directed toward nursing homes total over \$400 million for the upcoming state fiscal year and more than \$800 million over the next two years.