

March 22, 2022

The Honorable Andrea Stewart-Cousins  
Majority Leader of the New York State Senate  
Legislative Office Building  
188 State Street, Room 907  
Albany, NY 12247

The Honorable Carl E. Heastie  
Speaker of the New York State Assembly  
Legislative Office Building  
188 State Street, Room 932  
Albany, NY 12248

Dear Majority Leader Stewart-Cousins and Speaker Heastie:

On behalf of New York's hospitals, health systems and post-acute and continuing care providers, thank you for your ongoing commitment to ensuring the quality and sustainability of the state's healthcare system.

The Senate and Assembly's one-house budget proposals for state fiscal year 2022-2023 take important steps to make needed and sustained investments in our healthcare system. These investments include critically-needed support for our healthcare workforce, capital infrastructure, hospital behavioral health services and direct Medicaid funding investments to hospitals, nursing homes and other providers. We appreciate and support the direction of these proposals and investments.

As you negotiate the final budget agreement, we collectively write to highlight that:

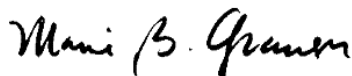
- Medicaid severely underpays all healthcare providers that serve the state's seven-plus million Medicaid enrollees (more than one out of every three New Yorkers), with program payment rates stagnant since 2008.
- Providers have not recovered financially or operationally from the COVID-19 pandemic. It has forever changed the cost structure of all providers, especially in the area of workforce.

In that context, specific to the budget's Medicaid funding proposals, we urge that any final budget agreement include:

- 1. Retain increased support for safety net providers**, as proposed in the one-house budgets' targeted Medicaid investments, **and provide additional funding to increase and broaden those investments to ensure supportive funding is available to all hospitals and nursing homes statewide.**
- 2. Medicaid rate increases for all providers**, over and above the 1% increase included in the one-house budgets, to reflect the impact of inflation on wages and other costs.
- 3. The largest possible funding increases for hospital behavioral health services**, including mental health and substance use services (both one-house budgets include increases of varying levels).

Thank you for your ongoing support and leadership during the annual budget process and throughout the year. We look forward to working with you to close out this year's budget, make the appropriate investments in our hospitals and health systems, and expediently get this funding to providers.

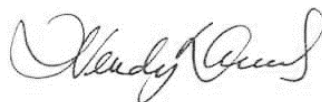
Sincerely,



Marie B. Grause, RN, JD  
President  
HANYS



Kenneth Raske  
President  
GNYHA



Wendy Darwell  
President and CEO  
Suburban Hospital Alliance



Kenneth Schoetz  
Vice President  
HAWCNY



Gary Fitzgerald  
President  
Iroquois Healthcare Association

Cc: The Honorable Liz Krueger  
The Honorable Gustavo Rivera  
The Honorable Helene Weinstein  
The Honorable Richard Gottfried