January 6, 2020

Honorable Andrew M. Cuomo
Governor of the State of New York
Executive Chamber
State Capitol
Albany, NY 12224

Dear Governor Cuomo:

The undersigned organizations representing hospitals, nursing homes, clinics, home and personal care, assisted living, behavioral health, physicians, speech-language pathologists, audiologists, physical therapists, optometrists, pharmacies and others are writing regarding your recent decision to reduce Medicaid reimbursement to providers that deliver services under the State's Medicaid program.

This reduction should immediately be repealed. The State's Medicaid program has not adequately reimbursed for increased costs and critical policy initiatives since the Medicaid Redesign Team (MRT) changes began to take effect. In that period of time, the State has experienced an unprecedented economic expansion, which has included increased costs in labor and goods for all sectors of the economy.

Simultaneously, the State has raised the minimum wage which serves as an accelerant to labor costs at all levels for providers of physical and behavioral health and long term care services in the State.

In spite of these cost increases in the past decade, providers have not had a trend factor to recognize the basic expenses of providing care to the poor, elderly and disabled in our State. This is despite an unprecedented growth in State revenues, including a staggering almost 50% increase in State income

taxes and considerable state tax cuts. Thus, the reimbursement reduction policy implemented 1/1/2020 is essentially a permanent reverse trend-factor.

The progressive and positive policy decisions made in New York to take care of the health of our citizens and to compensate adequately the health care workers that deliver care to those in need, should not be borne by unsustainable reimbursement reductions to those providers and entities that employ these workers and ensure that health and long-term care services are available to those in need.

As we cross the threshold to the new decade, we ask that you reconsider this across the board payment reduction, other Medicaid reductions and protect this critical program for our State's most vulnerable residents, the workers who care for them and the providers who bear the responsibility. New Yorkers deserve nothing less.

Thank you for your consideration of this letter. Please contact Kathy Febraio, President/CEO New York State Association of Healthcare Providers, Inc. (518.463.1118/ febraio@nyshcp.org) with any questions or for additional information.

Sincerely,

Community Pharmacy Association of New York State
Consumer Directed Personal Assistance Association of NYS
Home Care Association of New York State
Iroquois Healthcare Association
LeadingAge New York
Medical Society of the State of New York
New York American College of Emergency Physicians
New York Physical Therapy Association
New York School-Based Health Alliance
New York State Academy of Family Physicians
New York State American Academy of Pediatrics, Chapters 1, 2 & 3
New York State Association of Health Care Providers
New York State Center for Assisted Living
New York State Council for Community Behavioral Healthcare
New York State Council of Health-system Pharmacists
New York State Health Facilities Association
New York State Society of Anesthesiologists
New York State Speech-Language-Hearing Association
The American College of Obstetricians & Gynecologists (ACOG), District II
The Healthcare Association of New York State
The New York Occupational and Environmental Medical Association
The New York State Optometric Association
The New York State Radiological Society, Inc.

Cc: Robert Mujica, Director of NYS Division of the Budget
        Senate Majority Leader Andrea Stewart-Cousins
        Assembly Speaker Carl Heastie
        Senate Health Committee Chair Gustavo Rivera
        Assembly Health Committee Chair Richard Gottfried