

Thursday, February 13

NYS Council Member Support and Public Policy Discussion

Miscellaneous Information for members:

- Statewide Healthcare Transfer IV – awards expected to be announced end of March
- Statewide Healthcare Transfer V – end of year

Federal Update

Congress approved measures that keep the federal government operating until March 14, 2025, while it continues fiscal 2025 budget negotiations.

The 2025 fiscal year began on October 1, 2024.

Future action will require agreement between a Republican-controlled Congress and Republican President Donald Trump.

History as Context: Congress waited until the last minute to approve legislation to keep the federal government operating. A funding deadline of December 20, 2024, had nearly expired when the House and Senate approved a so-called continuing resolution (CR) to maintain government funding and appropriate funds for additional purposes. CR expires 3/14/25.

FEDERAL BUDGET: PROCESS

Budget reconciliation is a special parliamentary procedure of the Congress set up to expedite the passage of certain federal budget legislation in the Senate. In the Senate the procedure overrides the Senate's filibuster rules, which may otherwise require a 60-vote supermajority for passage.

In summary, reconciliation allows for expedited consideration of certain tax, spending, and debt limit legislation by Congress.

Today House Budget Committee is set to mark up a [budget resolution](#) for Fiscal Year (FY) 2025 to facilitate the beginning of the Reconciliation process.

Goal for Trump Admin:

Extend the expiring provisions of the (Trump) Tax Cuts and Jobs Act (TCJA, first enacted in 2017), increase spending on border security and defense, and enact other tax cuts and energy changes in line with Trump policies.

Note: *In the past, reconciliation has **not** been used to enact or rescind “discretionary” funding, which is controlled through the annual appropriations process. While nothing in the Budget Act or other rules prohibits providing new funding or rescinding existing funding for discretionary programs through reconciliation, the various restrictions on reconciliation probably make the process impractical as a means of enacting annual appropriations.*

Reconciliation directives instruct specified House and Senate committees to prepare and report legislation by a certain date that does one or more of the following:

- increases or decreases spending (outlays) by specified amounts over a specified time.
- increases or decreases revenues by specified amounts over a specified time; or
- modifies the public debt limit.
- *Trump says don't touch Medicare; reconciliation process cannot touch Social Security --> on Medicaid where House E& C has been instructed to find savings of approx. \$880B over next 10 years.

Side Note and a Theory: Ordinarily in a budget reconciliation process the **House** goes first, introducing and eventually passing its reconciliation legislation. Importantly, this time the Senate went first, introducing its legislation. The Senate recon bill is not expected to include massive cuts to Medicaid. Some believe the reason the Senate went first is so House Republicans, and specifically 17 or so House R's in swing districts who are at risk in the upcoming midterm election, will not have to vote on a reconciliation bill with massive Medicaid cuts (the theory is that House R's don't really want to pass their resolution with massive Medicaid cuts and then face voters at the mid-term). Again, this is just a theory that implies the cuts to Medicaid may not be anywhere near the numbers currently being thrown around.

House Committee to watch = House Energy and Commerce

(E&C) : Reconciliation charge: Find savings at **\$880B** over next decade.

NYS Delegation Committee Members to key in on:

*Alexandria Ocasio-Cortez (D-14th)

*Paul Tonko (D-20th)

*Yvette Clarke (D – 9th)

***Nick Langworthy (R – 23rd)**

Rep. Tim Kennedy (D-26th)

Rep. Pat Ryan Dem -18th)

- Indicated member of House Energy and Commerce Cmte.

Energy and Commerce Purview: Telecommunications, consumer protection, food and drug safety, **public health and research**, environmental quality, energy policy, and interstate and foreign commerce among others.

E & C has a subcommittee on Health with responsibilities including: The health sector broadly, including **private and public health insurance** (Patient Protection and Affordable Care Act, Medicare, Medicaid, CHIP); biomedical research and development; hospital construction; **mental health**; health information technology, privacy, and cybersecurity; medical malpractice and medical malpractice insurance; the **340B drug discount program**;

the regulation of food, drugs, and cosmetics; drug abuse; the **Department of Health and Human Services**; the National Institutes of Health; the Centers for Disease Control; Indian Health Service; and all aspects of the above-referenced jurisdiction related to the Department of Homeland Security.

RESOURCES/GROUPS TO FOLLOW

Families USA

Center for Budget and Policy Priorities

NHelp

Kaiser Family Foundation

National Council

Grassroots groups mobilizing and protesting:

- 50501 – grassroots group of citizens that are protesting policies and actions of second Trump admin (related to Bernie sanders) – just did 50 protests, 50 states, one day last Wednesday
- Indivisible - Progressive movement and organization (national reach) – described as an active resistance movement 44,000 participants on a Zoom call with Congressman Pat Ryan (18th District)
- Medicaid Matters NYS

Upcoming recesses (federal level)

House – 2/17-2/21/25

3/13-3/21

Senate: 3/17-3/21/25

NEW YORK STATE BUDGET UPDATE

Budget-making Process:

Exec budget proposal released (Jan. 21)

Joint Legislative Budget hearings (ongoing)

Committee Chairs send letters to leaders indicating their priorities
(this week, next week)

Release of one-house budget bills (mid-March)

Two and then three-way negotiations

Deal and Enactment

Legislature out for mid-winter break next week (Feb 17 -21)

NYS Council High Priority Budget / Legislative Requests: Update

Note: This list is not inclusive of all NYS Council priorities

-7.8% rate/contract increase for Human Services

-Leadership: Statewide

-Objective: Include in Chair letters and one-house budget bills

-This is a state budget request (April 1)

-OMIG Audit Reform

-Leadership Group: NYS Council, COMPA, CPNYS, Federation of MH Services, + GNYHA and HANYS

-New bill!

-Confirmed Sponsors: Assembly Health Chair Amy Paulin and Senator Pete Harckam

-Objective: Aiming for inclusion in chair letters, language in both one house bills, and passage June 2025

**NYS Council members in Gary Pretlow district should meet with him to discuss the OMIG audit process and the myriad ways the process negatively impacts your ability to keep your promises to the individuals you serve, your employees, etc.

-Children, Youth, Family MH & SUD benefits should be same for NYers w/ comm insurance as for those w/ Medicaid insurance

-Leadership Group: NYS Council, Families Together NYS, HealthyMinds, HealthyKids Campaign and Citizens Committee for Children

-Objective: Prioritization in Chair letters and inclusion in Senate and Assembly one-house budget bills

-Sponsors: Assemblyman (Insurance Chair) David Weprin (confirmed) and Sen. Jamal Bailey (new Insurance Chair) (not yet confirmed)

-77 agencies and associations in support

-Carve out BH outpatient services from state's Medicaid managed care program

-Leadership Group: NYS Council, Families Together NYS, NYS Psychiatric Association, Federation of MH Services, HealthyMinds, Healthy Kids

-17 associations and coalitions in support

- We have proposed language ready to go

- Seeking a carve-out bill (and inclusion in Chair Letters and one house budget bills)

Likely sponsors: New Assembly MH Chair JoAnn Simon and Senate MH Chair Samra Brook (neither confirmed yet)

ADDITIONAL HIGH PRIORITIES:

MCO Tax Set Aside for BH Sector @ 25% (budget priority)

Commercial Insurance Mandate: Compliance and Enforcement (admin)

(There are several exec budget proposals related to this including

\$1M to DFS to beef up oversight/enforcement, and more day-to-day oversight powers for OMH related to commercial surveillance and monitoring, and network adequacy compliance)

Waive Co-pays/Deductibles for MH and SUD services beyond \$250/year (legislation)