

CENTER FOR MEDICAL CONSUMERS



FOR IMMEDIATE RELEASE
JANUARY 13, 2009

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HISTORIC COALITION OF LEADING HEALTH CARE PROVIDER AND CONSUMER ADVOCATES UNITE WITH MESSAGE TO STATE LEGISLATURE:

“ENSURE FEDERAL MEDICAID STIMULUS DOLLARS ARE USED FOR HEALTH CARE SERVICES ONLY”

12 Leading Statewide Health Groups Unite to Represent Patients, Nurses, Physicians, Hospitals, Nursing Homes, and Home Health Care Providers

ALBANY, N.Y. — An historic coalition of health care provider and patient advocacy organizations joined together today at the state Capitol to call on the state Legislature to ensure that any increase in federal Medicaid funding is used solely for Medicaid health care services.

The federal government is expected to pass a stimulus package shortly that is anticipated to include up to \$5 billion in increased federal Medicaid funding for New York State. Twelve statewide health care provider and patient advocacy organizations have joined together to protect these health care dollars from being used for non-health care purposes.

Daniel Sisto, President of the **Healthcare Association of New York State (HANYS)**, representing more than 500 hospitals, nursing homes, and home health care providers, said, “Our message is simple and reasonable: Medicaid dollars should be used for Medicaid services. These anticipated federal funds will be a literal lifeline for patients, residents, and providers across the state. Medicaid has already been cut twice this fiscal year by more than \$1 billion, and now we are staring down the barrel of the Governor’s latest budget proposal that includes another \$5 billion in health care cuts and taxes over the next two years.

“We need the Legislature to take concrete steps to ensure that the anticipated federal dollars are used to offset these enormous state cuts, and that they are not raided for non-health care purposes,” Mr. Sisto said.

Donald Distasio, Chief Executive Officer of the **American Cancer Society (ACS) of New York and New Jersey** said, “Detection and treatment of cancer for the most vulnerable in our state is made possible through Medicaid dollars. New York’s cancer programs only are able to reach a fraction of those eligible for cancer screenings. If invested wisely, additional Medicaid dollars can mean increased access to care and fewer cancer deaths for New Yorkers.”

Julianne Hart, New York State Director of Advocacy for the **American Heart Association (AHA)** said, “Heart-healthy, community-based prevention programs are essential elements in the Heart Association’s efforts to fight heart disease and help all New Yorkers live healthier and longer lives. We strongly support Governor Paterson’s efforts to secure an increase in federal Medicaid funding and ask the Legislature to ensure that any funds secured are used only for health care services provided through the Medicaid program.”

Arthur Levin, Director of the **Center for Medical Consumers (CMC)**, a leading statewide health care consumer advocacy organization, said, “It’s only fair that federal funds to shore up New York’s Medicaid program, which provides essential services to its most vulnerable residents, should be used for that purpose alone, rather than being used as ‘one-shots’ to fix other shortfalls in the state budget.”

Joanne Cunningham, President of the **Home Care Association of New York State (HCANYS)**, said, “The Governor’s latest health care cuts pack a double punch. Every reimbursement dollar cut from the state’s Medicaid program takes two dollars away from vital services for patients. The Governor is right to seek additional federal relief through a Federal Medical Assistance Percentage (FMAP) increase, as long as any new funding meets its intended use, and doesn’t deliver a third punch to our health care system by being diverted elsewhere.”

William R. Abrams, Executive Vice President for the **Medical Society of the State of New York (MSSNY)**, said, “Due to the high costs of medical malpractice insurance, regional physician shortages, and numerous other factors, physicians are facing growing challenges in meeting patient care demands. Given the national fiscal crisis that is centered here in New York, we believe significant portions of any stimulus package originating in Washington must be allocated to offset any Medicaid reductions proposed here in New York.”

Phyllis A. Wang, President of the **New York State Association of Health Care Providers, Inc., (HCP)**, representing more than 500 offices of home- and community-based care providers statewide, said, “The demand for home- and community-based services is increasing exponentially, yet the Governor continues to propose devastating budget cuts that will eliminate access to home care for thousands of New York’s elderly, disabled, and chronically ill. To help offset these cuts and in anticipation of the FMAP increase, HCP strongly urges the State to ensure that any increase in FMAP funds remain dedicated to the delivery of Medicaid services. Federal Medicaid funds should be allocated to meet the health care need of the State’s residents.”

Carl Young, President of the **New York Association of Homes and Services for the Aging**, said it has never been more imperative for Medicaid funding to hit its target. “More than 300,000 New Yorkers of all ages rely on Medicaid-funded nursing home and home care services each year. Not only would proposed state budget cuts jeopardize access to high-quality long-term care and result in major job losses, ironically, they would cause the state to lose hundreds of millions of dollars in federal matching funds,” Mr. Young said. “For these reasons, any enhanced federal Medicaid funding should be applied against Medicaid state budget cuts and otherwise invested in the state’s long-term care and health care system.”

Joan Cusack-McGuirk, President of **New York Organization of Nurse Executives**, said, “New York State hospitals are required to provide emergency, inpatient, and outpatient services under the Medicaid program. We have to respond to the increases we face in labor, supply and technology costs; yet, the state seeks to reduce our Medicaid revenue. In the current economic environment, we are seeing a greater population of uninsured and underinsured, further threatening our margins; yet, the state wants to make huge cuts and reinstitute a gross receipts tax, which would require us to pay taxes regardless of our ability to pay.”






Richard Herrick, President and Chief Executive Officer of **New York State Health Facilities Association (NYSHFA)**, said, “Hundreds of thousands of New Yorkers call long-term care facilities their home. Yet, with each passing year our ability as caregivers to meet the complex needs of our residents is challenged by a

growing scarcity of resources. The latest round of state cuts to long-term care facilities will only exacerbate these challenges. It is therefore essential for the Legislature to ensure any Medicaid funds included in the federal stimulus package are used for the vulnerable populations who rely on Medicaid for their health, safety, and their homes.”

Martha H. Pofit, Executive Director of the **New York State Public Health Association (NYSPHA)**, said, “In order to achieve long-term savings by keeping New Yorkers healthy, it is essential to provide stability now, as we move New York’s Prevention Agenda forward. FMAP represents a bridge to keep the health care system intact as we work together to improve the health of our population.”

Sue Ellen Wagner, Executive Director of **Healthcare Trustees of New York State (HTNYS)**, said, “The trustees of our hospitals and health systems understand the intense fiscal pressures facing health care providers and the very real danger that the Governor’s cuts and taxes will result in layoffs and the curtailment of health care services. That is why it is imperative that any additional federal Medicaid dollars be used to offset these cuts and taxes and to ensure that New Yorkers will continue to receive the health care they need.”

WHO IS MEDICAID?

	375,792 ELDERLY
	1,463,292 ADULTS
	674,571 DISABLED
	1,593,130 CHILDREN
	39,938* BABIES

*2006 Live Births - All other data is 2007

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