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Statement on 2024 – 2025 Final State Budget Agreement

Wendy Darwell, President/CEO Suburban Hospital Alliance of New York State

Hauppauge, NY (April 24, 2024): The Suburban Hospital Alliance appreciates that the final budget agreement eliminates \$800 million in proposed Medicaid cuts and provides up to \$525 million for a Medicaid payment increase to hospitals. However, no percentage increase is specified, leaving our hospitals with no immediate relief from inflationary pressures in staffing costs, pharmaceuticals and supplies.

With Medicaid paying hospitals in the suburban regions an average of 62 cents for every dollar of care provided, a substantial Medicaid payment increase is needed to close this gap and stabilize our healthcare system for years to come.

Every day hospitals face increasing costs for drugs, labor, and other services and items subject to inflationary pressures. The expense and revenue equation does not add up and threatens the very institutions that are economic anchors in communities. We are hopeful for a modest Medicaid rate increase and appreciate other provisions in the budget that address telehealth payment parity, some workforce flexibilities that help with the constant workforce shortage, and the rejection of the Grieving Families Act that would drastically increase medical malpractice premiums without achieving meaningful malpractice reform.

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About the Suburban Hospital Alliance of New York State

The Suburban Hospital Alliance of New York State advocates on behalf of hospitals in the Hudson Valley and Long Island regions. It engages key lawmakers and regulatory decision-makers in Albany and Washington to ensure reasonable and rational health care policy prevails.

About the Nassau-Suffolk Hospital Council (NSHC)



The Nassau-Suffolk Hospital Council represents the not-for-profit and public hospitals on Long Island. It works in conjunction with the Suburban Hospital Alliance of New York State to advance legislative and regulatory priorities. NSHC serves as the local and collective voice of hospitals on Long Island.

About the Northern Metropolitan Hospital Association (NorMet)







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The <u>Northern Metropolitan Hospital Association</u> represents the not-for-profit and public hospitals in the Hudson Valley region. It works in conjunction with the <u>Suburban Hospital Alliance of New York State</u> to advance legislative and regulatory priorities. NorMet serves as the local and collective voice of hospitals in the Hudson Valley.