



COMMUNITY HEALTH CARE ASSOCIATION of New York State

The Honorable Kathy Hochul
Governor of New York State
NYS State Capitol Building
Albany, NY 12224

December 8, 2025

Dear Governor Hochul,

The Community Health Care Association of New York State (CHCANYS), which represents more than 70 Community Health Centers (CHCs) operating nearly 900 sites statewide, writes to thank you for your ongoing commitment to the health and well-being of New Yorkers. You, your staff, and the Department of Health have been strong partners in highlighting the hurdles that the federal government has put in front of us since HR1 was enacted. Your leadership in confronting these devastating federal actions and your longstanding partnership with CHCANYS proves that we are stronger together in meeting those challenges.

CHCs, also known as federally qualified health centers (FQHCs), serve everyone regardless of insurance status or ability to pay. They are often the only source of primary and preventive care, behavioral health, women's health, and dental care for the uninsured and for those on Medicaid. Due to recent federal actions, we anticipate that the number of uninsured people visiting health centers will triple. Our mission remains strongly aligned with yours in ensuring a robust safety net for vulnerable New Yorkers, and we must be prepared to meet the State's growing needs.

CHCs need immediate, substantial investment to continue serving as the frontline safety net for millions of New Yorkers and we respectfully request you include the following in your SFY 2026-2027 executive budget:

I. Invest \$300M in Community Health Centers (\$150M State Share)

CHCs have been underfunded and underinvested for decades due to outdated Medicaid rates. CHCs are paid like no other provider, and their current Medicaid reimbursement rates are based on 1999/2000 cost data. The rates are further capped by obsolete regional ceilings that create barriers to service expansion. The State must implement a CHC rate increase or modernize the health center payment methodology using 2023/2024 cost reports and applying a single statewide ceiling (105% of average costs). This support is needed to ensure CHC viability.

II. Safeguard 340B Savings: A6222 Paulin/S1913 Rivera (No State Fiscal Impact)

CHCs rely on the federal 340B Drug Discount Program to reinvest savings into patient care, including discounted medications, dental care, and school-based health services. Restrictive drug manufacturer and pharmacy benefit manager (PBM) practices are eroding these savings and limiting access to drugs at contract pharmacies. Over **95% of CHCs rely on contract pharmacies**, and these restrictive practices are causing financial losses and reducing patient access to lifesaving medications. A6222/S1913 would prohibit these limitations, preserve 340B access, and protect safety-net providers at no cost to the State.



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III. Ensure CHCs Receive the Full Rate for Telehealth (\$7M State Share)

CHCs currently receive only **1/3** of their full Medicaid rate for many telehealth services due to the State's interpretation of a 2022 statutory prohibition on telehealth facility fees. This limitation is imposed despite that CHCs do **not** bill facility fees. Meanwhile, similarly situated clinics that receive bundled payments like CHCs are not subject to this limitation. This inequitable policy limits behavioral health access, forces providers onsite unnecessarily, hinders recruitment and retention, and creates barriers for patients who rely on remote care. Before the April 1, 2026 expiration of the existing telehealth reimbursement policy, New York must clarify that CHCs are entitled to the same exemptions as those clinics practicing pursuant to Mental Hygiene Law Article 31 and 32.

IV. Allow Medical Assistants to Vaccinate: A5460B Paulin/S5340A Stavisky (No State Fiscal Impact)

Medical Assistants (MAs) are essential members of CHC care teams. Yet, New York remains one of the few states that prohibits them from administering vaccines, even if the individual completed a nationally accredited training program that includes vaccination competencies. Authorizing MAs to vaccinate will expand access to timely immunizations, reduce workflow bottlenecks, and strengthen care teams. We are grateful for your advancing this clarification during last year's executive budget and strongly encourage that you include the proposal again this coming year.

Your continued leadership is essential to ensure that CHCs can remain strong partners and protect the viability of the State's health care safety net. We welcome the opportunity to discuss these priorities further. Additional details of our requests are included in the booklet attached to this letter.

Sincerely,

Rose Duhan
President & CEO
Community Health Care Association of New York State

Advantage Care Health Center, Inc.
Aizer Health
Anthony L. Jordan Health Corporation
Apicha Community Health Center
Beacon Christian Community Health Center
Bedford Stuyvesant Family Health Center
Betances Health Center
Boriken Neighborhood Health Center
BronxCare Dr. Martin Luther King, Jr. Health Center
Brooklyn Plaza Medical Center
Brownsville Multi-Service Family HC
Callen-Lorde Community Health Center
Care for the Homeless
CEC Health Care
Charles B. Wang Community Health Center



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Community Health Center of Buffalo
Community Health Center of North Country
Community Health Center of Richmond
Community Health Initiatives
Community Healthcare Network
ConnexCare
Cornerstone Family Healthcare
Covenant House
Damian Family Health Care Centers
East Hill Family Medical, Inc.
Evergreen Health
Ezra Medical Center
Family Health Centers at NYU Langone
Family Health Network of Central New York
Finger Lakes Community Health
Gotham Health Center
Harlem United
Harmony Healthcare Long Island
Health Care Choices, Inc.
Heritage Health and Housing, Inc.
His Branches
Hometown Health Centers
Housing Works Community Healthcare
Hudson Headwaters Health Network
Institute for Family Health
Jericho Road Community Health Center
Joseph P Addabbo Family Health Center
La Casa de Salud
LaSante Health Center
Liberty Resources
Long Island Select Healthcare
Metro Community Health Center
Montefiore Medical Group
Morris Heights Health Center
Mosaic Health
Neighborhood Health Center of Western New York
North Country Family Health Center
Oak Orchard Community Health Center
ODA Primary Care Health Center
Open Door Family Medical Centers
Project Renewal
Regional Health Reach
Ryan Chelsea-Clinton Community Health Center
Ryan Health
Settlement Health & Medical Services
Southern Tier Community Health Center



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Sun River Health
Syracuse Community Health Center
The Chautauqua Health Center
The Door
The Floating Hospital
Tri-County Family Medicine Program, Inc.
Trillium Health
Union Community Health Center
Upstate Family Health Center
Urban Health Plan
VIP Community Services
Westchester Community Health Center
Whitney Young Health