



State FY 2026-2027 Budget Priorities

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

- CHCs serve 1 in 8 New Yorkers, yet that care is threatened due to an outdated Medicaid payment system that is anchored to costs established over 25 years ago.
- HR1 is projected to cause 1.5 million New Yorkers to lose insurance, and an estimated one in three of them will turn to CHCs for care. This will result in \$300M+ losses at CHCs, 1700+ staff layoffs, and service reductions in areas like school-based health, dental care, and OB/GYN services.
- An investment can be made by providing a **direct rate increase**, reforming CHCs' rate methodology (**A.67 Paulin/S.4589 Rivera**), and/or investing in the **D&TC Uncompensated Care Safety Net Pool**.

Safeguard 340B Savings from Erosion by Third Parties. (See A.6222 Paulin/S.1913 Rivera)

- 340B is a federal program whereby CHCs can purchase discounted drugs from pharmaceutical manufacturers and, in turn, are required to reinvest savings into care for the needy.
- CHCs use 340B dollars to fund critical mission-oriented activities, e.g., provide free/low-cost drugs to the uninsured & underinsured, fund school-based health centers, and conduct street outreach.
- Pharmaceutical manufacturers and PBMs are undermining the program and lining their pockets with profits that are not reinvested into New York's communities. **In 2025, pharmaceutical manufacturers' actions cost health centers in New York as much as \$80 million.**
- A.6222/S.1913 will protect the integrity of the 340B program and ensure CHCs and their patients retain access to these critical savings at no additional cost to New York State.

Ensure CHCs receive their full Medicaid payment when they deliver care via telehealth, regardless of patient or provider location. (See A.1691 Paulin/S.3359 Rivera)

- The Governor's budget proposes to extend current telehealth law, continuing disparities inherent in the law causing CHCs to be paid just 1/3 of their in-person rate for remote care when patients & providers are offsite.
- A.1691/S.3359 will ensure CHCs receive their standard bundled reimbursement rate for services provided via telehealth in alignment with other similarly situated providers that are not subject to such a pay disparity.

Allow medical assistants (MAs) to administer vaccinations under supervision.

- Support Governor Hochul's HMH budget Part N, Subpart A to allow licensed physicians, physician assistants, and nurse practitioners to assign and supervise MAs' tasks related to immunizations.

Support Governor Hochul's proposals to bolster the healthcare workforce.

- Maintain workforce investments: DANY, NANY, AHECs
- Support healthcare workforce initiatives: revisions to Physician Assistant supervisory requirements; make the Nurse Practitioner Modernization Act Permanent; pharmacist provisions.
- Support extension of DSRIP 3ai waiver to allow for continued behavioral health integration into primary care.

Keep School-Based Health Centers permanently carved out of Medicaid Managed Care.

Sustain and enhance existing investments in key health initiatives.

- Support full or increased funding for essential programs: NYRx reinvestment funds; D&TC Uncompensated Care Pool; Patient-Centered Medical Homes; Health Homes; School Based Health Centers; Migrant & Seasonal Farm Workers; Rural Health Access Networks
- Invest \$30M state funding into WIC (Special Supplemental Nutrition Program for Women, Infants, and Children)