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# NEWS RELEASE

**FOR IMMEDIATE RELEASE:**  
February 25, 2021

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**NEW YORK HEALTH PLAN ASSOCIATION ON  
JOINT LEGISLATIVE HEARING ON THE PROPOSED HEALTH AND MEDICAID BUDGET  
*PROPOSED BUDGET CUTS TO HEALTH PLAN MEDICAID RATES ARE UNWARRANTED & UNNECESSARY*  
*Statement of Eric Linzer, HPA President & CEO***

“While we recognize the budget challenges facing the state, given the current public health crisis we are concerned about and opposed to the significant cuts to Medicaid health plans that the Governor’s budget proposes.

“The Executive Budget proposal would impose cuts to Medicaid health plans totaling more than \$1.5 billion. This includes cuts to the rates paid to plans as well as elimination of funding for quality incentive programs, which are an essential resource in efforts to improve quality of care in the Medicaid program. If enacted, these latest cuts would be on top of the more than \$800 million in cuts to the Medicaid rates paid to managed care plans over the last three years.

“The US Department of Health and Human Services recently announced that it was extending the enhanced federal matching aid for Medicaid (eFMAP) through June of 2022, but the Governor’s budget proposal only counted on enhanced aid through June of 2021. This is expected to provide an additional \$1.5 billion to New York. When coupled with additional increases to the level of eFMAP funds that are being considered in Washington and other additional federal aid for states that New York is expected to receive, these cuts are unwarranted and unnecessary. If allowed to stand, the continued and ongoing cuts to health plan rates threaten the long-term stability of the Medicaid program and jeopardize the care for the millions of New Yorkers who rely on our Medicaid plans.”

A copy of the HPA health budget testimony is available at <https://nyhpa.org/wp-content/uploads/2021/02/2022-Health-Budget-hearing-2-25-21-2-22-21.pdf>