



41 State Street • Suite 900
Albany, NY 12207
www.nyhpa.org

NEWS RELEASE

FOR IMMEDIATE RELEASE:
February 28, 2023

CONTACT:
Leslie S. Moran
518.462.2293
(cell) 518.588.6655

NEW YORK HEALTH PLAN ASSOCIATION TO TESTIFY ON THE EXECUTIVE BUDGET PLAN *HPA Highlights Key Priorities in Health Budget Proposals*

New York Health Plan Association President and CEO Eric Linzer will testify at today's Senate and Assembly joint hearing on the Executive's health budget proposal. In his comments, Linzer will urge lawmakers to address the following measures:

Reject Pay & Pursue

The Governor's budget would require health plans to pay hospitals claims for emergency services and any resulting inpatient admission *before* receiving clinical information on the service or treatment, threatening the quality of care for patients and leading to higher health care costs for consumers, employers and taxpayers.

According to Linzer, "A broad-based coalition of labor unions, employers, nonprofits and health plans oppose Pay and Pursue as it will make health care more expensive and do nothing to improve the quality of care for patients. We urge the Legislature to reject this proposal."

Restore Quality Pool Funding that Supports Vital Medicaid Services

The FY24 Executive Budget would completely eliminate funding for the Medicaid managed care quality program, totaling more than \$110 million. This funding helps to support preventive screenings, in-home wellness visits, vaccination efforts, and other programs that improve health outcomes for underserved populations.

"The quality pool funding is critical to addressing health equity and reducing disparities," said Linzer. "It's vital that the Legislature fully fund this program to support our ongoing efforts in delivering high-quality care to the state's most vulnerable residents."

-more-

Reverse the Pharmacy Carve-Out

The Governor’s budget maintains the state’s plan to transition the Medicaid pharmacy benefit from managed care to fee-for-service, currently scheduled to go into effect on April 1. While the carve-out is projected to save the state \$410 million, after factoring additional funding included in the budget directed to FQHCs, Ryan White clinics and hospitals, it will generate just \$42 million in savings. Further, a December analysis by Wakely Consulting Group estimated the change will increase annual New York State-specific expenditures by more than \$235 million annually.

“The planned pharmacy carve-out will fail to generate savings for the state and result in more fragmented care for Medicaid patients, particularly vulnerable and low-income populations and those with chronic health conditions,” Linzer said. “We urge the Legislature to repeal the carve-out.”

Reject Changes to the Managed Long Term Care (MLTC) Program

The Executive Budget would establish standards and enrollment thresholds that will drastically change the state’s MLTC program and give the Department of Health authority to procure the program in October 2024 if the standards are not met. The FY23 Executive Budget proposed procuring the entire Medicaid program, which the Legislature rejected, instead directing the Department to prepare a report by October 31, 2022, with recommendations on the status of services offered by Medicaid managed care plans that contract with the State. To date, the report has not been completed. Linzer will urge the Legislature to reject this proposal until a careful deliberation of its impact on patients has been conducted and recommend that changes should be made through the contract between the Department and MLTC plans rather than imposed in statute.

A copy of the full testimony is available at <https://nyhpa.org/policy-advocacy/#public-testimony>.

The New York Health Plan Association represents 27 managed care health plans that provide comprehensive health care services to more than 8 million New Yorkers.