

**Testimony of David Alexis and Judy Wessler, MPH
Commission on the Public's Health System, Inc.
City Council Hospitals Committee
May 22, 2025**

Contact Us

David Alexis

Judy Wessler

david.t.alexis@cphsnyc.com

ladyhealth@aol.com

Thank you for the opportunity to testify today on the budget of the New York City Health and Hospitals for 2026.

Good afternoon, and thank you for the opportunity to testify. We are here on behalf of the Commission on the Public's Health System (CPHS), a citywide, community-based health advocacy organization with over 30 years of experience championing healthcare access and equity in New York City. Our mission is to ensure that all New Yorkers—especially low-income residents, immigrants, and communities of color—have access to a robust and equitable public health and hospital system. Formed in 1991, CPHS has worked to improve support for the Health and Hospitals Corporation and prevent privatization of the public hospital system. This has been a major part of the work of CPHS over the years.

CPHS has been a consistent advocate for the fair allocation of public funding and has played a leading role in key initiatives, including the development and coordination of Access Health NYC (AHNYC), a City Council-funded program aimed at expanding healthcare access through community-based outreach and education.

While expanding health insurance coverage is essential, we know that many New Yorkers—particularly the uninsured—are still being left behind. CPHS has a long track record of addressing these gaps, including developing multilingual, widely distributed pamphlets to help uninsured individuals navigate available resources. As the healthcare landscape continues to evolve, these tools must be updated, and CPHS is well-positioned to lead this work in partnership with the City Council.

Medicaid remains a cornerstone of access and sustainability for providers in the communities we serve. But with federal administrations often shifting policy and funding priorities—as we saw under the Trump Administration—it's vital that community-based organizations stay informed and equipped to respond. CPHS has created and facilitated the use of an "Understanding the Health System" manual to educate and empower local groups to navigate these changes. We

stand ready to continue this work: providing clarity, written guidance, and community-centered education to help New Yorkers face new and ongoing challenges.

This is even more important to remember as we are in troubling and potentially dangerous budget times. At the moment of this writing, the final details of the Congressional budget reconciliation are not yet known. But we do know that Medicaid and health care potential are hurting us and just may get worse. The loss of coverage and services are very much on the horizon. In addition to people losing their coverage, out-of-pocket expenses going up, and much more including a hurtful cut in Medicaid reimbursement for hospitals and other providers could be very devastating.

Institutionally, perhaps most at risk are the institutions and services provided by the New York City Health and Hospitals. We know that H+H is the major provider for people covered by Medicaid. More so is being a major provider for people who are uninsured or underinsured. This means the greatest need for public funding from the federal, state, and city level to make up the deficits rising from this care. At the federal level the proposed cuts could be potentially devastating. They include (with much thanks to Michael Kinnucan, Fiscal Policy Institute):

- Providing coverage for people without documents, even when paid for state and local funding, could mean a cut of \$1.9 billion;
- Limiting or end the State Directed Payments program could mean that H+H would not get needed approval for inpatient services; (see below for state implications)
- The state's MCO tax could be cancelled next January, costing the state billions
- The state could be forced to impose co-pays on earnings of \$16,000 per year
- The work requirements imposed could mean the loss of coverage of more than 1 million people.

In other words, the current reliance of federal Medicaid dollars could leave the state and localities in trouble with need to make some kinds of adjustment. In top of that, the state budget recently passed, eliminates the \$113 million in Indigent Care funds going to the Health and Hospitals. This unseemly low amount, when doubled with federal share, makes a difference in the H+H budget. It was adopted with the 'understanding' that H+H would get approval of DPT coverage for inpatient care. Though as we now know that assumption is now shaky. This is despite the fact that the Governor added \$500 million for safety net hospitals in the budget and some additional funds for transformation of safety net hospitals. So the public hospital system in the city may be left in the cold.

Gathering enough information from public sources is difficult without the assistance of people who can directly assist. Fortunately we were able to get help from Comptroller Lander's office - with much thanks. Clearly, H+H relies heavily on city support to continue providing services. There is already a proposed drop in city funding for 2026, in part due to drops or elimination of

COVID funding and asylum seeker funding. At this time and with the future changes in federal dollar flow, dependence on city funding could increase dramatically.

What we do know is that at least, right now, one million residents rely on the services provided by H+H. This was recently increased by Mt. Sinai's closing of Beth Israel Hospital with the assumption that some number of the patients would go to Bellevue for services. Overall the need for these services could well increase due to Medicaid beneficiaries losing their coverage and becoming uninsured. We know that other than Federally Qualified Health Centers (FQHCs) there are few other places for those without insurance to go for their care. CPHS is also very concerned about the state proposals and potential actions about the University Hospital at Downstate would provide critical services in Central and East Brooklyn. The proposal also could threaten the continued availability of the medical school at Downstate which would have an inordinate negative impact on medical care in Brooklyn.

Recommendations

We do need to continue working to mitigate the worst of the federal Reconciliation bill. We also need to take on the state on restoring the ICP funds to the H+H budget. Hopefully the Council will be supportive of ensuring needed dollars in the city budget for when, and if, all else fails. H+H services are needed so we all need to ensure that there is funds to provide them. Doing otherwise is undoubtedly more than restoring the inequities in care that were worse, but still prevalent.

So what else is needed:

- There does need to be some more transparency in H+H funding and spending.
- Another troubling piece of the puzzle is the affiliation contracts with Mt. Sinai and NYU medical. A thorough review of the benefits, or not, of continuing these contracts is very needed at this time. In particular the NYU contract which seems to continually grow and expand. NYU Langone has one of the worst histories of being willing and providing services to Medicaid patients and also to people of color - forget providing care for the uninsured.
- Looking for other sources of dollars to help the public system. We would like to explore, with the City Council, looking at some of the 'non-profit' hospitals' excess revenues - or as what we call profits - to become available to help pay for the continuing provision of services at the public health and hospital facilities. The Lewin Institute reports on hospital compliance with charity care provisions. New York Presbyterian and NYU Langone show they are not living up to meeting their obligations. In addition, NYU Langone reports 'profits' in the last quarters, one of which was over \$300 million. Let's think about how those dollars and others could benefit underserved populations in the city.