



S U P P O R T

MEMORANDUM IN

S U P P O R T

OF

S.5954 – Rivera / A.6883 - Gottfried

The CSEA strongly supports this legislation.

This bill amends various sections of the Public Health Law to create a more fair and equitable Indigent Care Pool (ICP) and Medicaid funding system for public hospitals.

Under state law, a hospitals Medicaid and ICP reimbursement should be based on the amount of care that they provide to the uninsured, indigent, and Medicaid recipients. However, over the years, this definition has been expanded and has become overly broad. It now includes many providers that are not actually providing a substantive portion of its care to these populations. This has caused a significant amount of funding to become suctioned off by wealthy hospitals while public hospitals sit on the brink of financial collapse. This legislation would amend the way that ICP funding is distributed and would create a new category of payments for “qualified safety net hospitals” to direct this funding to hospitals that are providing indigent care.

Our public safety-net hospitals play vital roles in our state by providing care to medically underserved areas. However, they face significant structural financial issues due to low reimbursements rates and a high level of charity care that they provide. An increase in reimbursement rates will help alleviate some of the financial burden and will ensure that quality medical care continues to be provided in underserved areas.

On behalf of 300,000 active and retired public and private employees across New York State, CSEA urges passage of this legislation.

Respectfully submitted,

Fran Turner
Director