



April 28, 2025

To the New York State Congressional Delegation

We represent a wide variety of organizations – insurers, providers, consumer advocates, business, labor and faith – who often disagree. Our organizations wrote to you in February regarding our grave concerns about threats to vital Medicaid funding in the budget reconciliation process now underway. As we noted in our previous letter, we are united in our concern that deep cuts to Medicaid will hurt the most vulnerable among us, damage our healthcare system, and destabilize our state’s finances. Cuts to Medicaid will not only impact those who currently benefit from the funding; these proposed cuts will impact the entire health care system and, thus, every New Yorker.

We write to express our deep disappointment that the House has now voted twice to instruct the Energy and Commerce Committee to cut at least \$880 billion from spending under its jurisdiction over the next 10 years, largely from the Medicaid program. That figure represents 11% of all projected Medicaid spending. During the same time, the population of seniors, including many who will need long-term care funded by Medicaid, is expected to grow by 14%. Fewer resources and growing need will inevitably lead to painful cuts in eligibility and services.

We appreciate those of you who have publicly declared that you cannot support a final bill with cuts to Medicaid that will hurt vulnerable populations. We ask you to continue to stand strong, and to recognize that a cut in the magnitude currently under consideration would inevitably harm seniors, people with disabilities, children, families, and working New Yorkers.

As Congress considers specific potential cuts, we ask you to actively oppose those that would disproportionately harm our state. These include:

Cutting Federal funding for working families

In 2010, the Federal government invested in an expansion of Medicaid for those with incomes up to 138% of the Federal poverty level. It has been hugely successful in reducing the rate of the uninsured working poor, and 2.3 million New Yorkers benefit from this coverage. They are low-wage workers – making up to \$21,600 annually – who do not have access to affordable employer-sponsored coverage. Reducing the Federal matching rate for this population would shift up to \$6.4 billion or more in costs to New York State and localities, forcing cuts to eligibility, benefits and provider rates that would impact a broad range of New Yorkers.

Cutting funding for lawfully present immigrants

The 23 percent of New Yorkers who were born outside of the United States make vital contributions to communities across our state. As a result of a New York Court of Appeals ruling in 2001, New York's Medicaid coverage is available to lawfully present immigrants who otherwise qualify for coverage, treating them equally with their neighbors. Efforts to restrict Federal funding to only US citizens would shift significant costs to our state.

Increasing the number of uninsured through mandatory work requirements

Given that the majority of Medicaid beneficiaries are children, senior citizens, or people with disabilities, mandatory work requirements will not meaningfully increase the number of working beneficiaries. These requirements save money by creating bureaucratic hurdles to maintaining insurance and forcing people from the program, all while increasing the costs of administration. An estimated 48% of New York Medicaid beneficiaries would be subject to onerous new requirements to repeatedly prove their eligibility for benefits, putting them at risk for losing coverage and increasing costs throughout our healthcare and social safety net. Even with exemptions, at least 1.5 million Medicaid members in New York would be at risk of losing coverage under the work requirement rules being considered.

Cutting Federal support for states by restricting provider taxes

Over 32 states, including New York, use certain provider taxes to help fund the State share of their Medicaid programs. These providers pay a tax and then States can use it to help fund Medicaid rate increases, allowing states to draw a Medicaid match from the Federal government. Reducing the allowable tax percentage or eliminating it entirely will force states to cut Medicaid – by reducing covered services, pushing people out of coverage or lowering provider payments -- in order to balance their budgets. Indeed, the Congressional Budget Office [assumes](#) that states would cut their Medicaid spending in response to a reduction in the allowable tax, potentially by [up to two dollars](#) cut for each Federal dollar saved.

Exaggerating savings from “waste fraud and abuse”

No one advocates for allowing waste, fraud or abuse in the Medicaid program, and we support efforts to genuinely eliminate it. However, there are no credible estimates that such efforts could save tens of billions of dollars, let alone hundreds. Reviews of spending that find improper documentation do not in fact identify services that weren't delivered or actual fraud. Exaggerating the potential savings from these efforts will only result in genuine services being cut. As our Congressional representatives, we ask you to ensure that the final reconciliation bill does not include significant Medicaid cuts, new onerous work requirements or restrictions based on citizenship. By doing so, you can protect our vulnerable neighbors, ensure that providers can keep delivering vitally needed services and avoid draconian state budget reductions.

Sincerely,

1199SEIU United Healthcare Workers East
211 New York
American Postal Workers Union Local 215
American Federation of State County and Municipal Employees New York
Arab-American Family Support Center
Center for the Independence of the Disabled, New York
Children's Defense Fund-NY

Citizen Action of New York
Citizen's Committee for Children
Coalition for Asian American Children and Families
Coalition of New York State Public Health Plans
Community Health Care Association of New York State
Community Service Society of NY
CP State
CWA District 1
Greater New York Hospital Association
Health Care For All New York
Health Care for American Now – New York State Network
International Association of Machinists Local 447
Inter Agency Council of Developmental Disability Agencies, Inc.
Kairos Center for Religions, Rights and Social Justice
Leading Age New York
Medicaid Matters New York
Medical Society of the State of New York
Medicare Rights Center
Mekong NYC
New York Disability Advocates (NYDA)
New York Immigration Coalition
New York State AFL-CIO
New York State Association of Health Care Providers (HCP)
New York State Catholic Conference
New York State Health Facilities Association
New York State Center for Assisted Living
New York State Nurses Association
NY Disability Advocates
New York State Public Employees Federation
NY Health Plan Association
NYS Labor-Religion Coalition
OPEIU Local 153
Retail, Wholesale and Department Store Union (RWDSU)
Schuyler Center for Analysis and Advocacy
Small Business Majority
UFCW Local 1500
United Way of New York State
Women for Afghan Women
Young Invincibles

