



Albany Medical College

Albert Einstein
College of Medicine

Columbia University
College of Physicians
and Surgeons

CUNY School of
Medicine

Hofstra Northwell School
of Medicine at Hofstra
University

Icahn School of
Medicine at Mount Sinai

Jacobs School of
Medicine and
Biomedical Sciences,
the University at Buffalo

New York Institute of
Technology College of
Osteopathic Medicine

New York Medical
College

New York University
School of Medicine

School of Medicine and
Dentistry at the
University of Rochester
Medical Center

Stony Brook University
School of Medicine

SUNY Downstate
Medical Center

SUNY Upstate
Medical University

Touro College of
Osteopathic Medicine

Weill Cornell
Medicine

MEMORANDUM OF SUPPORT

A.3126 (Gottfried) – S.2546 (Hannon)

AN ACT to amend chapter 474 of the laws of 1996, amending the education law and other laws relating to the rates for residential healthcare facilities, in relation to directing the department of health to make additional payments for inpatient services to certain public general hospitals.

The Associated Medical Schools of New York (AMSNY) supports A.3126 (Gottfried) – S.2546 (Hannon), which would require that the New York State Department of Health (NYSDOH) pay 100 percent of eligible public hospitals medical assistance and uninsured patient losses. Under current statute, NYSDOH is “authorized” rather than required to pay “up to” 100 percent of such payments.

In the aggregate, New York State’s 16 public and private medical schools educate over 10 percent of the physicians in the US, and have expanded enrollment over the past decade to meet projected physician shortages. The four SUNY medical schools are critically important to New York State’s physician workforce. More than 30 percent of New York State’s 10,000 medical students are enrolled at SUNY medical schools, a significant majority of whom remain in New York State to practice medicine.

The SUNY medical schools are inextricably tied to the financial solvency of the SUNY hospitals, with more than \$200 million annually in hospital revenues supporting medical school operations. Since a large portion of the health services that SUNY hospitals provide are dedicated to vulnerable populations, these facilities rely on continued New York State and federal support through the Disproportionate Share Hospital (DSH) program.

The New York State DSH program is intended to reimburse hospitals for costs incurred in providing care to Medicaid beneficiaries and uninsured patients. SUNY hospitals in particular serve a large proportion of such populations. Whereas other public hospitals rely in part on county support to draw down federal funds, the SUNY hospitals depend solely on the State contribution, without which matching federal DSH funding is unavailable.

While the State has historically fully funded the DSH match, NYSDOH has recently suggested that it might limit State matching funds to SUNY hospitals to \$150 million which, with the 1:1 federal match, would result in a net loss of \$115 million to the SUNY academic medical centers, deeply affecting both hospital and medical school operations.

Enactment of this legislation will assert the State’s commitment to covering the DSH match, and ensure that SUNY hospitals are fully reimbursed for services provided in caring for the most vulnerable New Yorkers.

For these reasons, AMSNY strongly supports A.3126 (Gottfried) – S.3126 (Hannon) and urges the Legislature and Governor to enact this bill.

For more information, please contact Jo Wiederhorn, President & CEO
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