

**MEDICAL SOCIETY**  
of the  
**STATE OF NEW YORK**

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Senior Vice President/  
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*Division of Governmental Affairs*

**MEMORANDUM IN OPPOSITION**

**IN SENATE FINANCE COMMITTEE**

**S.1507 (BUDGET)**

**IN ASSEMBLY WAYS & MEANS COMMITTEE**

**A.2007 (BUDGET)**

**OPPOSITION TO BUDGET PROVISION TO CUT REIMBURSEMENT FOR DUAL-ELIGIBLE  
MEDICAID-MEDICARE PATIENTS**

This proposal in the Executive Budget (Part C of Health & Mental Hygiene) would significantly cut physician reimbursement for the needed care they provide to their dual-eligible Medicaid/Medicare patients. **The Medical Society of the State of New York opposes this provision and urges that it be deleted from the Budget.**

Under the current system, Medicaid pays the Medicare deductible (\$185 for 2019) for dually eligible patients. This Budget proposal would cut these payments from covering the whole deductible down to whatever the Medicaid fee-for-service (FFS) payment rate is for that particular services or services. As a practical matter, since New York Medicaid reimburses physician delivered care at around 56% of Medicare rates (one of the **LOWEST IN THE COUNTRY!**), this would result in a significant cut per patient. For those physicians whose practice patient mix includes caring for a significant number of dual eligible patients, the impact would be immense.

Reimbursement for care of the most vulnerable populations in New York is already among the lowest in the nation. According to the Kaiser Family Foundation, in 2016 New York Medicaid reimbursement ranked 46<sup>th</sup> in the nation. Time and time again, New York has been rated as one of the worst states in the nation to practice medicine due to a variety of concerns. This has been exacerbated by previous cuts to payments for care to dual eligible patients.

For example, policy enacted in the 2015-2016 State Budget eliminated the co-insurance payment for dual eligible patients that Medicaid had previously paid. The unfortunate reality of this cut was that it represented a disproportionately negative impact on health care practices that treat the poorest and sickest of patients. The proposal in this year's Budget would exacerbate this problem and represent yet another unfair cut to payment for the same population. At a time when policymakers are focusing on methods for assuring patients receive care in the most appropriate community settings, proposals like this will force many community physicians to be unable to continue to care for these patients, and force these patients to receive care in more expensive settings.

**Based on the foregoing, we urge you to reject this proposal as you finalize the Budget for Fiscal Year 2019-20.**

**Respectfully Submitted,**

2/1/19

Oppose - MA

**MSSNY DIVISION OF GOVERNMENTAL AFFAIRS**