

# 2025 MSSNY LEGISLATIVE SESSION SUMMARY



## ***State Budget Passes with Numerous Problematic Items Removed from Final Version***

On May 9, six weeks past the required April 1 state deadline, the New York State Legislature gave final passage to the nine bills consisting of thousands of pages that comprise the \$254 Billion State Budget for the 2025-26 State Fiscal Year after several weeks of challenging negotiations.

Importantly, the final Budget included a new \$50 million to enhance currently woefully inadequate physician Medicaid payments for patient care, as part of an effort to increase Medicaid payments across the health care spectrum, through the new MCO tax enacted last year. We will provide more details regarding how these new funds will be allocated once such information is available.

## ***Equally important, the final Budget:***

- Excluded the proposal strongly opposed by MSSNY and allies to require the 16,000 physicians with Excess Medical Malpractice Insurance coverage to pay 50% of the cost of the coverage, which would have imposed \$40 million in new costs on these physicians.
- Excluded the proposal strongly opposed by MSSNY and allies to eliminate the right of physicians to appeal underpayments from Medicaid Managed Care plans to New York's Independent Dispute Resolution system.
- Excluded the proposal strongly opposed by MSSNY and allies to permit numerous physician assistants to practice without appropriate physician supervision.
- Excluded the proposal strongly opposed by MSSNY and allies to eliminate the important review role played by county medical societies in approving physicians to participate in the Workers Compensation program.
- Excluded the proposal strongly opposed by MSSNY and allies to eliminate the funding source for MSSNY's Committee for Physicians' Health program (the final Budget included the historical \$990,000 appropriation to support the work of CPH).

As part of a comprehensive Budget package to increase the availability of care for persons suffering from mental illness, a goal supported by MSSNY, the final Budget contains a provision that had been opposed by the New York State Psychiatric Association and MSSNY to permit a psychiatric nurse practitioner to be one of the 2 examiners to certify a patient for involuntary commitment when someone with a serious mental illness is "likely to cause serious harm" to themselves or others. A physician would still need to be at least one of the 2 examining providers.

Together these efforts brought or saved New York physicians approximately \$100,000,000.

We thank all the physicians and county medical society leaders who took the time to meet with their legislators, send a letter or post a tweet on these many items. These grassroots efforts were critically important to supplement the extensive work of MSSNY's advocacy team in conjunction with specialty societies and other allies.

And of course, we thank the many Assemblymembers and Senators who stood firm on opposing many of these problematic Executive Budget proposals ultimately excluded from the Budget.

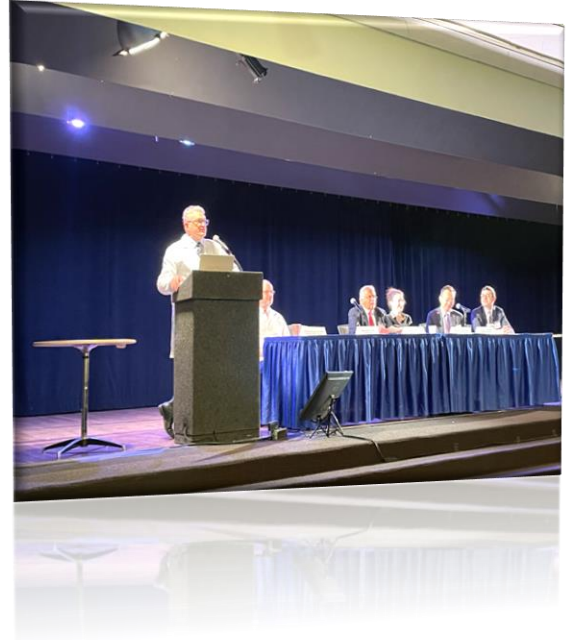
As always, these policy "wins" are temporary as proposals rejected one year can come back the next. Furthermore, with uncertainty at the federal level regarding potential steep Congressional cuts to New York's Medicaid program, it is possible that the State Legislature and Governor may need to adopt amendments to this Budget later this year to address these funding gaps.

## ***Governor Hochul Again Called on to Veto Disastrous Liability Expansion Bill After Passage Again by New York State Legislature***

Despite the enormous threats we face from Washington and despite the fact that Governor Hochul has vetoed similar legislation THREE times in the last three years, physicians must again Veto! urge the Governor to veto the latest version of a bill (S4423/A6063) to greatly expand damages awardable in wrongful death actions and dramatically increase physicians' already staggeringly high liability insurance premiums not be advanced.

The latest legislation – identical to the version vetoed last year – passed the New York State Assembly this week after passing the Senate a few weeks ago. We thank the bi-partisan list of Assemblymembers who voted no on this bill were Assemblymembers: David DiPietro, Christopher Friend, Scott Gray, Josh Jensen, Billy Jones, John Lemondes, Brian Manktelow, John McDonald, Brian Miller, Andrew Molitor, Nader Sayegh, Matthew Simpson, and Chris Tague.

The bi-partisan list of Senators voting no on this bill included: George Borello, Patricia Canzoneri-Fitzpatrick, Jeremy Cooney, Patricia Fahy, Joseph Griffo, Peter Oberacker, Tom O'Mara, Chris Ryan, Dan Stec and Alexis Weik.



The latest version of this bill does not in any way change the substantive impact of this bill and its massive increase in insurance costs for our hospitals and physicians. That is because multiple actuarial studies have predicted a 40% increase in medical liability insurance costs was almost entirely based on the new category of non-economic damages the latest legislation would continue to permit to be awarded.

Moreover, with New York State facing potentially enormous cuts to its Medicaid program through pending federal legislation, our healthcare system cannot sustain any further instability through liability increases that would arise through this legislation. Please contact the Governor today to OPPOSE.

## ***Statement by MSSNY President Dr. David Jakubowicz, MD, Calling on Governor Hochul to Again Veto Wrongful Death Expansion Bill***

“Despite the enormous cuts we potentially face out of Washington and despite the fact that Governor Hochul has vetoed similar legislation THREE times, the Legislature has yet again passed a bill (S4423/A6063) to greatly expand damages awardable in wrongful death actions and dramatically increase physicians' and hospitals' already staggeringly high liability costs.

“This bill, especially when NY stands in the crosshairs of the draconian cuts to Medicaid found in the One Big Beautiful Bill, will result in closed hospitals and physician offices, especially in rural areas, longer drives to obtain medical care, and longer wait times when patients need emergent care. The Medical Society of the State of New York believes that the best care is timely care by a physician close to your home. This bill will lead to worse outcomes for trauma, stroke and heart attack care, where every second counts.

“We are grateful to the Governor's vetoes of substantially similar bills in the past three years where she recognizes the 'significant unintended consequences' of expanding the types of damages in wrongful death actions, including the adverse impact to our community healthcare infrastructure arising from the likely huge increase in liability costs it would face through these expanded liability awards.

“The latest version of this bill does not in any way change the substantive impact of this bill and its massive increase in insurance costs for our hospitals and physicians—who already face by far and away the highest liability costs in the country. NYS in 2023 spent more on medical liability payments than California and Florida combined despite having one-third the population. Unsurprisingly, multiple actuarial studies have predicted a 40% increase in medical liability insurance costs, which are already among the highest in the country.

“Once again, we will work with our patients along with others including local hospitals, municipalities, and businesses—to urge Governor Hochul to veto this bill. We seek to ensure timely access to emergent and urgent healthcare, and no patient and their families should witness their needless delays and preventable suffering due to ill-conceived and ill-timed legislation.

“We, as the Medical Society of the State of New York, on behalf of all of our member physicians, stand ready to work with the legislature, governor and all stakeholders, including the trial bar and business community, to make common sense changes to our broken Tort system, which currently is a \$7,000 tax on each man, women and child in the state. As a profession devoted to the art and science of healing, we stand ready to offer a proper cure, not a treatment that will result in mortal harm to an already critical patient.

“We applaud Governor Hochul for her past courage to veto the previous bills and urge her to continue with her resolve on this matter and veto this legislation.”

### ***Legislation Passes MSSNY-Supported Bill to Provide Coverage for Lung Cancer Follow-Up Testing***

Legislation (A.1195-A, People-Stokes/S.2000-A, Addabbo) has passed both the Senate and Assembly that would require health insurance plans to cover at no cost to the patient follow-up screening or diagnostic services for lung cancer when recommended by the patient’s physician. The legislation specifies that the coverage will occur provided the following screening or diagnostic services is pursuant to “nationally recognized clinical guidelines for the detection of lung cancer.”

The bill will be delivered to the Governor for her consideration later this year.

### ***Legislature Passes Bill to Permit Medical Aid in Dying; Bill Must Be Acted on by Governor Hochul***

One of the most noteworthy bills passed during the 2025 Legislative Session was legislation [A136/S138](#) that would permit a mentally competent, terminally ill adult with a prognosis of 6 months or less to live to request medication from their treating physician that they can decide to self-administer to hasten the patient's death provided numerous requirements are met. The legislation provides certain protections and immunities for the physician who prescribes such medication in compliance with the provisions of the article to the terminally ill patient to be self-administered by the patient.

Importantly, the bill expressly provides that a physician shall be under no duty to assist the patient in their request for such medication. MSSNY Policy adopted at the 2024 MSSNY House of Delegates meeting and re-affirmed at this year’s HOD meeting supports Medical aid in dying, but also that “Physicians should continue to retain their choice to opt-in or decline to engage in the processes and procedures as outlined in any proposed medical aid in dying legislation”

The legislation passed the New York State Senate this week by a vote of 35-27 after passing the Assembly earlier this Session by a vote of 81-67. The bill will go to Governor Hochul for her consideration, and she has not yet indicated a position on this legislation.

### ***Legislature Passes MSSNY-Supported Bill to Eliminate State Reporting Requirement When a Patient Faces Substance Abuse Issue***

The Assembly and Senate have passed legislation [A1894/S3362](#) supported by MSSNY that would repeal a section of law that currently requires a physician or other health care provider to report to DOH that their patient “is an addict or habitual user of any narcotic drug”. As is noted in the sponsor’s memo of support, the current reporting requirement “disrupts the practitioner-patient relationship and hinders open discussion about personal matters, such as substance use. Patients should feel comfortable confiding in their practitioners without fear of anything discussed being reported unnecessarily.”

The bill will be delivered to the Governor later this year.





## ***Legislature Again Passes MSSNY-Supported Bill to Set Forth Criteria for Public Input on Hospital Closures or Substantive Service Reductions***

The Assembly and Senate both passed legislation ([A6004/S1226](#)) that would require public notice and public engagement when a hospital seeks to close entirely, or seeks to close a unit that provides maternity, mental health or substance abuse services. The bill would require that such closure application be filed at least 210 days before the planned closure, and a public engagement hearing held within 150 days of the planned closure.

The bill is very similar to legislation vetoed by Governor Hochul last year. The MSSNY House of Delegates has adopted multiple policies that call for support for legislation to ensure meaningful local physician and patient input into proposals to close, downsize or re-purpose hospitals that could adversely impact health care options in communities served by those hospitals (150.959) and requiring hospitals which are going to be closed or significantly change the level of clinical services, to develop a clinical impact statement and that the statement be presented at a public hearing (150.996).

## ***Assembly & Senate Pass MSSNY-Supported Bill to Protect Healthcare Workers in Emergency Settings***

The Legislature passed a bill A.203-B (Cruz)/S.5294-B (Sepulveda) supported by MSSNY and the New York American College of Emergency Physicians to require hospitals to develop a violence prevention program including the establishment of security personnel in hospital emergency departments to protect physicians, nurses, and hospital staff who provide critical medical care in such emergency departments from violent verbal and physical abuse. The MSSNY House of Delegates has adopted Policy 315.985 that calls for MSSNY to “advocate for development of appropriate minimal facility security standards for all New York State licensed hospitals by a broad based professional advisory panel.

Violence against healthcare workers has long been a problem, but there has been a dramatic increase in intimidation, threats and attacks toward physicians and other health professionals over the last decade, becoming even more prevalent during the COVID-19 pandemic. According to the American Medical Association (AMA), between 2011 and 2018, violent attacks against medical professionals grew by 67% with health professionals five times more likely to experience workplace violence than workers in all industries. Healthcare professionals were also 50% more likely than other community members to have been harassed, bullied or hurt because of the COVID-19 pandemic. Moreover, according to surveys by the American College of Emergency Physicians (ACEP) and the Emergency Nurses Association (ENA), almost half of emergency medicine physicians report being physically assaulted at work, while about 70% of emergency nurses report being hit and kicked while on the job.



The bill now needs the Governor’s signature to become law and MSSNY will continue to track and update on its progress.

## ***Legislature Passes Bill to Require Greater Transparency and Consent for Use of Virtual Credit Cards (VCCs)***

In response to complaints of health plans unilaterally attempting to make payment for patient care services using VCCs that impose steep fees on physicians for their use, legislation ([A3986-A/S2105-A](#)) has passed both Houses that would facilitate greater transparency and require express consent to permit a health plan or insurer to make payment through use of a VCC.

If signed into law, the legislation would require that a health plan seeking to pay a physician or other health care provider using a VCC or other form of electronic funds transfer that imposes a fee or similar charge to process the payment must first (1) notify the physician or provider of the potential fees or charge, (2) offer the physician or provider an alternative payment method that does not impose such fees or charge, and (3) permit the physician or provider to elect to accept such payment types. Moreover, it enables the physician or other provider to change the designated payment type by notifying the health plan or insurer in writing.

MSSNY expressed support for the concept of this legislation but also recommended an amendment to expressly provide that an agreement for the use or decline of VCC be contained within a standalone agreement so that this important decision may be more readily identified by a physician who may be unaware of this right. In response to MSSNY’s concern, the sponsor of the legislation clarified on the Senate floor that the intent of the bill “is to give physicians, dentists, and other providers a meaningful

choice to make as to whether to accept virtual credit card payments, or to reject it and demand that payment be made through traditional no cost electronic funds transfer or paper payment”, and that “By requiring the provider to elect to agree to payment by VCC, they can’t simply bury it in a dense provider contract.”

### ***MSSNY Receives New State Funding for Its Veterans Mental Health Initiative***

With the passage of a State Senate resolution before adjourning, MSSNY has again received a \$100,000 grant to provide training to physicians under its Veterans Mental Health Training Initiative (VMHTI). Together with our partners the New York State Psychiatric Association and the National Association of Social Workers, the program educates both community mental healthcare providers and primary care physicians on veterans-specific mental health issues including combat and service-related post-traumatic stress disorder, traumatic brain injury, suicide in veterans, substance use, military culture, women veterans’ mental health conditions including the impact of military sexual trauma and counseling on lethal means safety to reduce suicide risk. Prior funding for the VMHTI has allowed the VMHTI to successfully train over 5,900 primary care physicians and practitioners through the NYSPA & MSSNY programs.



MSSNY continues to seek veteran physicians to join our Veterans Matters Planning Committee to help with the development of programming for civilian physicians on the unique healthcare needs of veterans. Your experience as a veteran and a physician would bring invaluable insight into our efforts to improve veterans' healthcare in non-VA systems across New York State. The committee meets monthly on the last Wednesday of the month to discuss

veteran related healthcare topics, develop and refine CME programs, and review CME presentation outcomes to enhance future education.

If you are interested in joining this important initiative, please contact Nicholas Hospodar at [nhospodar@mssny.org](mailto:nhospodar@mssny.org).

### ***Legislation to Revise Professional Disciplinary System Introduced but Not Passed***

A recent Newsday article on the functioning of New York's Office of Professional Medical Conduct (OPMC) prompted the introduction of various bills in the closing days of the Legislative Session. One of these bills, S1476-A (Krueger) passed the Senate this past week to require physicians, Physician Assistants and Specialist Assistants found by the OPMC to have committed misconduct for certain designated offenses to affirmatively disclose that information to patients in advance of a treatment visit. Another bill (S.8325-A, Bynoe/A.8828, Bichotte-Hermelyn) referred to the Health Committees of each House would substantially reduce the number of physicians serving on the Board for Professional Medical Conduct and greatly enhance penalties for misconduct. MSSNY’s discussion with legislators has emphasized the physician community’s strong commitment to maintaining a robust disciplinary process while at the same time ensuring adequate due process protections for physicians against whom a complaint is filed. We will continue to engage with legislators on these proposals and are encouraging local physician leaders to engage with these legislators on these proposals as well.

### ***Numerous Scope Expansion Bills Introduced but Not Acted Upon***

The Legislative Session ended without the Legislature taking action on dozens of problematic scope of practice expansion bills opposed by MSSNY in partnership with various specialty societies, including legislation which would have:

- Granted prescribing privileges to psychologists (A2308/S263)
- Expanding prescribing authority of optometrists (A2202/S621)
- Permitted CRNAs to practice without appropriate anesthesiologist supervision (A6771-A/S357-B)
- Expanded scope of practice of chiropractors (A4706-B/S5860-B)
- Granted independent practice for Physician Assistants (A5180 and A7988/A8106)

### ***Problematic Podiatric Scope Expansion Bill Advances – Physicians Urged to Request Veto***

Before adjourning their Session, both the New York State Senate and Assembly passed legislation (S.6693-B/A.4613-B) opposed by MSSNY, the New York State Society of Orthopedic Surgeons (NYSSOS) and several other physician specialty societies that would grant certain substantive expansions of scope to podiatrists. While the bill has been scaled back from previously broader expansion proposals, it would still enact a number of problematic changes posing risks for patients including:

- Expanding “wound care” privileges to areas above the ankle, using vague “contiguity” language without requiring consultation with vascular or plastic surgeons, even though such wounds often involve systemic disease and require multidisciplinary coordination.
- Extending podiatric operative authority to the soft tissue of the leg below the tibial tuberosity.
- Authorizing total ankle replacement (TAR) by podiatrists, reversing previously excluded statutory language. TAR is a high-risk, technically demanding procedure that is not a required component of podiatric residency training.
- Lowering credentialing standards, allowing board-qualified (not board-certified) podiatrists to pursue advanced surgical privileges. Board qualification alone does not demonstrate proven competency. While the statute retains a reference to “direct personal supervision,” the sponsor’s memo implies supervision could occur outside the room or with only departmental sign-off.

Physicians are urged to [contact](#) Governor Hochul to veto this legislation!

### ***Prior Authorization Reform Advances in Assembly and Senate – Please Continue Efforts to Urge Passage***

A.3789-A (Weprin)/S.7297-A (Hoylman-Sigal), which will help to streamline the prior authorization process that delays patients’ access to needed treatment and medications, was not brought up for a floor vote despite advancing from both the Senate Health and Assembly Insurance Committees. MSSNY is urging members to continue to [take action](#) and send a letter through its Grassroots Action Center to ask their state legislator to urge that this bill be brought up for a vote later this year. The bill was scuttled as a result of opposition by the health insurance industry despite their recent announcement of efforts to reduce prior authorization burdens. [Health Insurers Vow To Improve Prior Authorization \(Again\)](#)

MSSNY joined forces with the New York State Psychiatric Association (NYSPA) and the Healthcare Association of New York State (HANYs) over the last several weeks of Session to urge support for the bill. The bill would have enacted a number of important steps, including reducing the time frames for prior authorization approval, reducing the need for repeat prior authorizations, and ensuring criteria are evidence-based. Please continue to contact your legislators and urge them to pass A.3789-A/S.7297-A before the legislative session ends in two weeks! [Urge Your Legislators to Support Prior Authorization Reform!](#)



### ***Revisions to Financial Consent Requirement to Continue***

The Legislative Session ended without the Senate or Assembly taking action on legislation that would have revised the problematic PHL Section 18-c patient financial consent requirement that had been put on hold by the New York State Department of Health (NYSDOH) [DOH Guidance: Patient Financial Consent Requirement “On Hold”](#). Importantly, however, there do not appear to be any immediate plans by the NYSDOH to require implementation of PHL 18-c. MSSNY had worked extensively with the Chair of the New York State Assembly Health Committee, Amy Paulin, and the New York State Senate Health Committee, Senator Gustavo Rivera this Session to revise earlier versions of legislation that would have replaced the financial consent requirements with an unworkable uniform form that would have required binding estimates of potential out of pocket costs for insured patients even though physicians and hospitals do not have easy access to that information that is held by insurers. The current amended Senate and Assembly version (S.6375-B/A.6773-B) was significantly improvement over earlier versions.



## Federal Budget Reconciliation Budget Bill Has Huge Implications for New York Physicians



Despite the collective advocacy efforts of [MSSNY](#) together with the American Medical Association and numerous other key health care advocacy groups across New York [NY-Delegation-Letter](#) and across the country, the One Big Beautiful Bill (OB BB) passed the US Senate and US House and was signed into law by President Trump on July 4. It will have significant impacts on patients and healthcare providers across New York, including physicians.

The New York State Budget director has initially estimated that the bill will blow a \$750 million hole in the current year's State Budget, and will cause an additional \$3 Billion Budget deficit in next year's and future years' State Budgets [City & State New York](#). Discussions are occurring between the State Legislature and Governor whether a fall special session will be needed to address these monetary gaps, as well as other access to care repercussions of this legislation. Even without a special session this fall, it will necessitate a significant re-write of New York's current laws regarding New Yorkers' ability to receive coverage under state-funded or state-subsidized health insurance plans, and discussions of new revenue sources to offset the loss of federal funds.

**Medicare payments.** One general positive to the bill is a provision to ensure a 2.5% increase to the Medicare physician payment conversion factor for 2026. However, it does not retroactively address the 2.83% cut that went into effect at the beginning of 2025, nor will it address future potential cuts to the fee schedule in 2027 and thereafter.

**Loss of HMO Tax Proceeds.** One of the most immediate impacts of the bill is the significant limitation on New York's and other states' authority to draw down federal Medicaid dollars through the taxing of certain providers as well as health insurance plans.

This year's State Budget had incorporated a provision that provided for a tax on health insurance plans that was used to generate \$1.5 billion annually to increase payments for various types of healthcare providers – specifically allocating \$50 million to increase physician Medicaid payments, specifically increasing Medicaid E&M payments from 80% of Medicare to 90% of Medicare. Hospitals were allocated over \$300 million and nursing homes nearly \$200 million.

Notably, the enacted Budget contained a provision that gives the State the authority to withdraw these substantial new payments if the funding source, namely the HMO tax, are not available [A.3007-C/S.3007-C, Part F](#).

**Loss of Essential Plan Coverage.** For several years, New York has maintained a health insurance plan, called the Essential Plan, which provides low-cost health insurance coverage to patients who make too much for Medicaid but less than 200% of the federal poverty law. There are currently 1.6 million enrollees in this plan, of which 730,000 are non-citizen legally present immigrants [New York State 1332 Waiver Overview Deck](#).

The OB BB eliminates New York's authority, starting in January 2026, to maintain enrollment of over 500,000 lawfully present immigrants in New York's the Essential Plan earning less than 138% to stay enrolled in the plan. Court interpretations have clarified that these 500,000 legal immigrants can be enrolled in Medicaid, but it costs New York State far more to provide coverage for these enrollees since the Essential Plan is mostly funded from federal dollars. The cost to New York State is estimated to be \$2.7 billion [New York State 1332 Waiver Overview Deck](#).

Furthermore, the remaining roughly 230,000 legal immigrant enrollees with Essential Plan coverage currently earning above 138% FPL will be prohibited from staying enrolled in the Essential Plan, and ineligible for Medicaid, forcing them to buy private health insurance coverage without any subsidies.



**Work Requirements for Many Medicaid Enrollees.** Starting in 2027, able-bodied Medicaid enrollees aged 18-64 will be required to demonstrate that they are working or in “community engagement” for 80 hours per month. State Health Department officials have estimated that the cost of implementing this new review system will be more than \$500 million and will cause roughly 1 million current Medicaid enrollees to lose coverage.

**Patient Co-Pays.** Starting in 2028, Medicaid enrollees who earn more than 100% FPL must pay co-pays or deductibles for each medical service that do not exceed \$35. Total cost sharing for a family is capped at 5% of the family’s income. Services exempt from cost sharing include emergency services, primary care, mental health or substance use disorder services [2025-07-obbba-final-summary-chart.pdf](#)

**Impact on Medical Student Loans.** The bill significantly limits loans for students considering medical school, imposing an annual loan cap at \$50,000 per year for professional school students, with a total loan cap of \$200,000. The new caps will apply to students who have not borrowed for medical school before the July 1, 2026 cutoff. [AACOM](#). New borrowers with loans made on or after July 1, 2026, can repay using only two plans: a new standard repayment plan with fixed monthly payments and fixed terms ranging from 10 to 25 years based on the amount borrowed or the new income-based repayment plan, Repayment Assistance Plan (RAP).

The above is a summary of the most notable changes as a result of the OBBB. There are numerous other changes for which MSSNY continues to work with the AMA and other advocacy groups to provide greater definition.

As mentioned above, the New York State Legislature and Governor will need to enact a comprehensive revision to its coverage laws to ensure it is compliance with the OBBB, not to mention the consider countless revenue-generating and program-reduction measures to offset billions in federal funds it will no longer be able to access. This could prompt the reconsideration of a number of problematic initiatives that MSSNY together with many specialty societies have been able to successfully defeat in recent State Budget cycles.

Please remain alert for further details, and requests for collective advocacy.