



Testimony
to the
**Senate Finance Committee and
Assembly Ways and Means Committee on the
Proposed 2025-26 Executive Budget for
Health and Medicaid**

February 11, 2025

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***Representing nearly 700,000 professionals in education and health care
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*Testimony of
Melinda Person,
President
New York State United Teachers
to the
Senate Finance Committee
Liz Krueger, Chair
and
Assembly Ways and Means Committee
J. Gary Pretlow, Chair
on the
Proposed 2024-25 Executive Budget for
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Chairperson Krueger, Chairperson Pretlow, honorable members of the Legislature and distinguished staff, I am Melinda Person, President of New York State United Teachers (NYSUT). NYSUT represents nearly 700,000 teachers, school-related professionals, academic and professional faculty in higher education, professionals in education, in health care and retirees statewide.

NYSUT's Health Care Professionals Council (HCPC) consists of representatives of NYSUT's professional registered nurses and other health and mental health care professionals working in public and private health care settings statewide. Our members work in hospitals, schools, clinics and home health care agencies throughout New York state and include visiting nurses, school psychologists, school counselors and school social workers, registered professional school-based nurses, therapists, physicians and lab personnel. In addition, NYSUT represents nearly 250,000 retirees, many of whom rely on the state's health care system to ensure their wellness. On behalf of the HCPC and NYSUT, thank you for the opportunity to submit testimony today on the 2025-26 New York State Executive Budget proposal.

On January 21, 2025, Governor Hochul released her \$252 billion Fiscal Year 2026 (FY26) executive budget proposal. The budget plan, which represents an increase of \$8.6 billion or 3.6% from the FY25 enacted budget, does not include new taxes and is bolstered by a current and budget year surplus of approximately \$5.3 billion. The budget plan includes \$35.4 billion in Medicaid spending, an increase of \$4.3 billion (14%) from FY25 levels.

It also provides a structure for the revenue from the Medicaid Managed Care Organization Tax plan, that originated in last year's budget, which includes \$1.4 billion in revenue for FY26 state-share expenditures. The proposal also invests an additional \$1.3 billion to expand the existing Safety Net Hospital Transformation Program.

School Based Health Centers (SBHCs)

In September 2024, the Department of Health (DOH) informed SBHCs that their services would be “carved-in” to Medicaid Managed Care (MMC) on April 1, 2025, allowing less than six months to implement this significant transition, which threatens to disrupt and jeopardize access to care for approximately 250,000 of New York’s most vulnerable children.

NYSUT is deeply concerned that the inclusion of SBHCs and their sponsoring organizations under a MMC model could result in additional costs and administrative challenges involving credentialing, contracting, billing, delayed/denied payments and claims processing for centers and do not agree with the governor’s (December 2024) veto of this legislation.

As such, NYSUT urges the Legislature to again support the enactment of legislation to provide a permanent carve-out of SBHCs from MMC to remain in fee-for-service (FFS) Medicaid. NYSUT supports S.1224 (Rivera)/A.957 (Paulin), which establishes a permanent carve-out of SBHCs from MMC.

School Health and Mental Health Professionals

The executive budget expands the Office of Mental Health’s (OMH) initiative of Teen Mental Health First Aid (tMHFA) training, to train both teens and adults who work with them to identify, understand and respond to signs of mental health and substance use challenges, including the impacts of bullying and school violence. The executive budget also empowers school boards to hire physician assistants to serve as school health service directors. While these proposals will provide assistance to individuals in need, NYSUT believes that students also deserve access to dedicated licensed/state certified health and mental health professionals in each school building to address a broad range of student needs.

Students spend a fair amount of time in school, which offers mental health professionals the opportunity to observe, connect with and relate to each member of the student body. When these professionals are in our schools, they are more accessible to students who require or seek their assistance. Students are more likely to access mental health services if they are readily available to them. Sadly, the health and mental health needs of students far outweigh the number of trained professionals who can support them.

As such, NYSUT urges the Legislature to include the provisions contained in A.610 (Gonzales-Rojas), in the enacted budget. This would require SED, in conjunction with the associations that represent school counselors, nurses, psychologists and social workers, to create proper health and mental health professionals-to-student ratios for New York’s public schools.

Invest in Career and Technical Education (CTE) and the Healthcare Workforce

New York state is facing potentially crippling staffing shortages. It is estimated that we will need 180,000 teachers over the next decade and almost 40,000 more nurses by 2030. As such, we need to develop a comprehensive strategy to address these shortages, which should include: a focus on safe staffing ratios, transparency surrounding the attrition and vacancy rates of nurses, incentives for existing nurses to remain in the profession and investment in educating a workforce to meet current and future demands.

We have heard reports from across the state of students being placed on wait lists to access CTE/BOCES nursing programs and for necessary college classes. It seems counterintuitive that while our state is facing a nurse staffing shortage, we would limit access for hundreds of students statewide to enter these programs and fill these jobs.

BOCES programs simply cannot hire and retain qualified instructors with necessary specialized skills because of outdated funding formulas. Since 1992, the state has only provided aid for the first \$30,000 of a BOCES instructor's salary, which has created significant financial constraints that limit these crucial programs.

NYSUT supports increased state investment in CTE as one way to help address the current crisis. To accomplish this, NYSUT calls on the Legislature to include the provisions contained in S.528 (Mayer)/A.3430 (Conrad) in the enacted budget. This will reform the BOCES and Special Services funding formulas to strengthen and expand BOCES and CTE programs statewide.

2021 Safe Staffing Law

NYSUT has received complaints from our members, from across the state, reporting that hospitals are failing to abide by the 2021 safe staffing law. This is dangerous for patients and disheartening and frustrating for our members who need safe floor ratios to prevent burn out. Adhering to this law will ensure the best possible care for patients — reducing adverse outcomes, patient readmissions and the length of hospital stays.

The law codified mandatory staffing levels at all hospitals in New York and allows for flexibility in the development of future ratios. It was designed to allow nurse participation in the creation of standards through hospital staffing committees and by the sharing of staffing numbers via a public staffing dashboard. The law also allows the Department of Health to investigate and fine employers who block progress on safe staffing.

Unfortunately, many hospitals are not adhering to the intent of the law. They are not forming committees to consider nurse input. They are posting inaccurate floor ratios. Additionally, Department of Health investigators are reportedly speaking with hospital administrators about complaints and not talking to nursing staff.

These actions are in violation of the law, exacerbate the nurse staffing crisis (as many experienced nurses have chosen to leave the profession, while others are unwilling to work due to dangerous workplace conditions) and have reduced the number of New York state nursing candidates. Nurses are unwilling to commit to or remain in these high-stress, understaffed facilities for low pay.

NYSUT urges the Legislature to consider additional amendments to the safe staffing law to ensure the intent of the law is being followed. We simply cannot risk the health and safety of our dedicated nurses and the patients in their care.

Nursing Licensing Compact

The executive budget once again includes legislation to allow New York to join the Nurse Licensure Compact, which would theoretically make it easier for nurses licensed in other states to practice in New York. This has the potential to dilute adherence to New York's licensing standards. It would also make it easier for New York's highly trained nurses to leave New York and practice elsewhere.

There is little data to substantiate that inclusion in this Compact will resolve our staffing shortage issues. The state should instead focus on developing longer-term solutions to address our nursing shortage.

NYSUT urges the Legislature to reject this section of the executive budget.

Maternal Health

The executive budget provides \$8.5 million to expand a cash assistance enhancement, the Birth Allowance for Beginning Year (BABY) benefit, of \$100 per month throughout pregnancy and \$1,200 at birth for New Yorkers who receive public assistance. In addition, the executive budget includes \$8 million to provide newborn and postpartum supply boxes and \$1.5 million for diapers to low-income new parents, in collaboration with the national nonprofit Baby2Baby.

As part of the NYSUT's 1-in-5 campaign to eliminate childhood poverty, we also support legislation to establish Baby Bucks (S.2132 Ramos/A.1579 Clark), a pilot program to provide a monthly subsidy to pregnant women. The subsidy would begin in the last three months of pregnancy and continue until the baby turns 18 months of age. The subsidy amount would start at \$1,000 a month and taper down to \$500 for months nine through 18. The program would be eligible to pregnant women who earn below 200 percent of the federal poverty level.

While the executive budget proposal does not match the Baby Bucks legislation, it does provide a good first step at providing low-income pregnant women with the resources to care for their children.

NYSUT urges the Legislature to support these programs to help end childhood poverty and give support to our most vulnerable children and families.

SUNY Hospitals

The three SUNY teaching hospitals in Syracuse, Brooklyn and Stony Brook are state hospitals that serve all New Yorkers. Unfortunately, these facilities have been chronically underfunded in executive budget after executive budget. Instead of continuing this practice, the state should equip these hospitals so they are prepared for the next health crisis and fund their growth and expansion so that they can keep up with myriad advances in healthcare and the complex needs of the communities they serve. Properly funding these vital teaching institutions will ensure their viability and financial stability.

We appreciate that the executive budget proposal includes \$150 million in capital funding for alterations and improvements to SUNY Upstate, SUNY Downstate and SUNY Stony Brook. We were also pleased to see \$450 million in capital funding allocated to SUNY Downstate and \$200 million for modernization and revitalization at SUNY Upstate.

We ask that SUNY Downstate receive \$100 million in operating support, and we ask for \$75 million to cover fringe benefit costs at all three hospitals. Additionally, although the state once provided \$157 million to the three hospitals for debt service relief, SUNY hospitals are now the only state entities that do not, as a matter of course, receive debt service relief from New York state. We therefore ask that the state provide \$68 million to cover the SUNY hospitals' debt service, as is done for every other state agency.

We remain concerned over the future of SUNY Downstate hospital. The residents of central Brooklyn have made it very clear that they do not support any form of closure or transfer of services to another hospital system. We would encourage the SUNY Downstate Community Advisory Board to take time in their deliberations and give the community time to air their concerns and share their ideas for the future of Downstate.

Closing SUNY Downstate is a terrible, short-sighted way to avoid fixing problems caused by decades of fiscal neglect. Now is the time to invest in what central Brooklyn deserves, a modern, revitalized, reimagined, health care center.

Conclusion

For several years, NYSUT has called on the state to invest in the healthcare workforce. We have also advocated for the removal of barriers to professional training and education to help fill these jobs. Our nurse staffing shortage must be addressed. Additionally, the mental health needs of our students are growing every day. We must develop and invest in strategies that can be administered in school districts across the state. We urge you to consider the proposals presented in this testimony that focus on improving the health and wellbeing of all New Yorkers, including:

- Preserving the FFS model permanently for School Based Health Centers;
- Investing in school mental health professionals and ratios;
- Investing in CTE programming for students;
- Amending the safe staffing law that nurses fought for; and
- Protecting maternal health.

Thank you for your consideration and the opportunity to submit my testimony to you today.