



Contact: Janine Logan
VP, Communications and Population Health
Phone: 631-334-8321, Email: jlogan@sha-nys.org

Statement on 2025 – 2026 Enacted State Budget

Wendy Darwell, President/CEO Suburban Hospital Alliance of New York State

Hauppauge, NY (May 9, 2025): After months of discussion and negotiation, we have a 2025 – 2026 state budget. While not all of our hospital concerns were addressed, we appreciate the governor and legislature's investment in Medicaid outpatient rates, which takes another step toward closing the gap between the cost of providing care and reimbursement. Even with this bump in reimbursement, a payment shortfall will persist for all hospitals. For financially distressed providers, who are most heavily impacted by the Medicaid shortfall, the budget also includes the continuation of important funding streams. This commitment is critical at a time when the federal government is weighing steep cuts to the Medicaid program, which is essential to providing access to affordable care for New Yorkers. In our two suburban regions alone, more than 25 percent of Long Island and Hudson Valley residents are covered by Medicaid.

Unfortunately, these investments are partially offset by a steep increase in the MTA payroll tax – we estimate an increased hit to hospitals in the suburban regions of at least \$40 million annually. Important proposals on managed care reforms and healthcare workforce development ultimately were not included in the budget, but we look forward to continuing the conversation with legislators on these issues.

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About the Suburban Hospital Alliance of New York State

The Suburban Hospital Alliance of New York State advocates on behalf of hospitals in the Hudson Valley and Long Island regions. It engages key lawmakers and regulatory decision-makers in Albany and Washington to ensure reasonable and rational health care policy prevails.

About the Nassau-Suffolk Hospital Council (NSHC)



The [Nassau-Suffolk Hospital Council](#) represents the not-for-profit and public hospitals on Long Island. It works in conjunction with the [Suburban Hospital Alliance of New York State](#) to advance legislative and regulatory priorities. NSHC serves as the local and collective voice of hospitals on Long Island.

About the Northern Metropolitan Hospital Association (NorMet)





**Suburban
Hospital Alliance**
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The [Northern Metropolitan Hospital Association](#) represents the not-for-profit and public hospitals in the Hudson Valley region. It works in conjunction with the [Suburban Hospital Alliance of New York State](#) to advance legislative and regulatory priorities. NorMet serves as the local and collective voice of hospitals in the Hudson Valley.

**SUBURBAN HOSPITAL ALLIANCE OF NEW YORK STATE
800 VETERANS MEMORIAL HIGHWAY, SUITE 150 HAUPPAUGE, NY 11788**