



NEW YORK STATE SENATOR

Patrick M. Gallivan

Senator Gallivan Calls on Governor to Ensure Medicaid Funding is Distributed to Nursing Homes

JIM RANNEY September 3, 2024

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State Budget Included a Much-Needed Rate Increase

Senator Patrick M. Gallivan (R-C, Elma) and members of the Senate Minority Conference are urging Governor Hochul to ensure increased Medicaid funding is expeditiously distributed to New York nursing homes.

While this year's enacted State Budget included a much-needed Medicaid rate increase for nursing homes, it appears the additional funding has not yet been carried out. Under the budget approved earlier this year, Medicaid funding increased 3-percent, or about \$900 million from the prior year.

"Nursing homes in New York State are in desperate need of this increased Medicaid funding in order to provide the care patients deserve," Senator Gallivan said. "The state must ensure the rate increase is implemented, and the funding is provided as intended in the budget."

Senator Gallivan is the Ranking Member of the Senate's Standing Committee on Health. In a letter to the Governor, he notes that nursing homes across the state "are facing considerable financial obstacles, due in part to increased operational costs and staffing issues."

Meanwhile, Senator Gallivan continues to advocate for legislation (S.6914A) he co-sponsors, which amends the public health law, in relation to residential health care facility rates.

"Nursing homes in New York State are providing care to Medicaid patients but are being reimbursed for only about 70-percent of the actual cost of services," Senator Gallivan said.

The proposed bill would regularly update Medicaid reimbursement rates to align with current costs. While Medicaid is the primary payer for nursing home care and the main revenue stream for providers, the "expense basis" calculation for Medicaid reimbursement has not been updated since 2007.

