## **Strengthen the Health Care Safety-Net!**

## **NEED FOR CHANGE**

New York's health care system has long been a study in contrasts: In some places, it is capable of providing excellent care; in other areas, especially those with residents of low income and high need, it is woefully inadequate.

The COVID-19 pandemic has revealed the racial and social inequalities in our health care system. The racial disparities in outcomes during the pandemic are particularly stark – they stare us in the face and kick us in the stomach! Racism in health care decision-making, in investments, in distribution of resources, in providing protections for front-line worker and patient protections and the location of services has directly contributed to the high rates of exposure and mortality suffered by Black and Latinx people during the pandemic.

The State has significant power through its regulatory authority and its control of Medicaid and other funding, to ensure that safety-net hospitals and/or vital health services that predominantly serve communities of color are not teetering on the verge of closure and to take action to guarantee that services are universally accessible, equally funded and fairly distributed.

It is high time that the state of New York changes its priorities and begins to address these glaring inequities.

## **OUR DEMANDS**

The following priorities offer an important start and can be smoothly addressed and enacted.

- 1. **No cuts to Medicaid** if the federal government does not act to send needed aid, then the state should look to alternative revenue sources. If there are cuts to Medicaid, enhanced safety nets must be held harmless.
- 2. Increased in Medicaid reimbursement rates should be targeted to support safety net hospitals this should include closing the gap between Medicaid and private insurance reimbursement rates for the same services and eliminating the unfair reimbursement rates for behavioral health and other services that the private networks are dropping and leaving up to the safety net hospitals pick up the slack.
- 3. Indigent Care Pool/DSH distribution formula must be targeted to Essential Safety Net hospitals this funding is intended to support hospitals providing a disproportionate share of health care services to low income Medicaid and uninsured patients. But in New York, this funding is widely distributed to hospitals that don't need it or don't deserve it. This distorted distribution of funds harms the public and private safety net hospitals that serve low-income, immigrant, communities of color, and rural communities.