The Need

Essential safety net hospitals serve historically marginalized neighborhoods and communities of color. **Years of disinvestment and the current financing system weaken the ability of these hospitals to provide equitable care.** New York needs a permanent solution to fix the underinvestment and ensure safety net hospitals receive the funds they need moving forward.

When Medicaid payments fail to cover the cost of care, children who are covered by Medicaid are less likely to receive comprehensive, primary care and specialty care.

**Children** are the poorest and most diverse group of New Yorkers who rely on Medicaid.

84% of physicians have difficulties referring children enrolled in Medicaid or CHIP to specialty care. In contrast, only 26% of physicians report such difficulties for privately insured children.

New York ranks second to last among states in the percentage of children receiving developmental screenings. Only 17.5% of children receive a formal developmental screening before they start school.

In New York, Medicaid covers

50% of births

60% of children 0 - 3 years

40% of children 0 - 18 years
The Health Equity Stabilization and Transformation Act (S.5810) begins to fix the underinvestment in safety net hospitals by supporting investments that will stabilize the safety net workforce, allow for investment in hospital infrastructure, and provide expanded and equitable services to underserved communities. The bill will:

- Require safety net hospitals be reimbursed at a rate no less than the regional average commercial rates for healthcare services
- Adjust the rates for inflation every year
- Update the rates at least once every three years

Because S.5810 excludes children’s hospitals from being designated as safety net hospitals, it will have little to no impact on ensuring equitable access to care for children.

The Solution

1. Include children's hospitals in the definition of eligible hospitals in S. 5810.

2. Secure introduction of a corresponding bill in the Assembly and enact both bills this legislative session.

For every $10 increase in Medicaid reimbursement per visit:

ACCESS

Parents are more likely to report no difficulty finding a provider for their Medicaid-insured children

OUTCOMES

School absences for elementary school-aged children are reduced by 14%