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RMS End of Week Update 3/28/2025



Budget Update

As the budget deadline of April 1st draws closer a number of issues are still undecided leading to a standstill in negotiations making an on time budget unlikely. Governor Hochul noted this week that "I'm not aiming for a late budget. We always strive for an on-time budget…We are in overdrive in terms of trying to push this forward."

"The leaders take everything we talked about — they now have to go back to their conferences," Hochul said. "Then they'll bring back what the conferences say about what we thought we were getting close on and then we'll go in (another) direction."

Governor Hochul said she has four must-haves in the state budget, as of now. Those include restrictions on cellphones in schools, changes to laws on criminal discovery, new involuntary commitment standards and limits on wearing masks in public.

In an interview Thursday Speaker Heastie stated "Things are kind of, kind of at a standstill. We're going to pass this debt service bill, and the members will go home, do work in their districts and we'll pick it back up next week," the Speaker also noted his frustration with the amount of policy that gets included in the state's spending plan every year. One policy item Speaker Heastie said he would like to see part of the budget is paying off New York's \$6 billion in outstanding unemployment insurance debt from the COVID-19 pandemic, especially given the situation, he says, going on in Washington.

"If the federal government is going to continue to do what they're doing with this Republican administration, I can only assume we're going to a start to see people applying for unemployment and it's just another burden on our already exhausted unemployment system".

However, the immediate logiam is due to a lack of language presented by the governor's office according to Speaker Heastie. They agree in concept on their negotiations on changing the state's laws on criminal discovery but, without a written proposal from Governor Hochul, discussions can't proceed.

That's because Speaker Heastie would have to run that proposal by the majority members in his chamber for approval or feedback before returning to the negotiating table.

"It's a conceptual idea," Heastie said. "They want to be invested in this process and at some point, you've got to talk to members about actual language".

Meanwhile Senate Majority Leader Stewart-Cousins noted on Wednesday that we are at the "end of the middle" in budget negotiations but that talks remain impacted by President Donald Trump's agenda in Washington that could bring various government cuts.

"The process is tedious because what we see on the horizon coming from our Republican colleagues in Washington," Stewart-Cousins said. "We do have seven congressional Republicans in the majority that, if they had the strength, they could actually stand together and make sure New York is protected," she added. "So, it is a hope that they will take what's happening very, very seriously."

We will continue to keep you updated as budget negotiations continue.

Budget Links:

RMS Tax/Revenue Table
SFY 2025-26 H/MH Budget Summary Comparison

By The Numbers: Governor Hochul Updates New Yorkers On The Devastating Impact Of Federal Cuts On New York State's Health And Human Service Programs

Earlier today, Governor Hochul shared a breakdown of the Trump administration's sweeping federal cuts to New York State's health programs, and how these cuts to health funding will affect New Yorkers. The amount of funding lost will have a devastating impact statewide on programs that ensure the safety and well-being of people in New York, gutting over \$360 million in financial resources toward mental health and addiction services, and health departments across the State.

"Slashing funding for public health, suicide prevention and addiction services is just plain cruel, and it's going to hurt everyday New Yorkers most," Governor Hochul said. "Here's the sad truth: there is no State in the nation that has the resources to backfill these sweeping cuts. It's up to New York's elected officials who serve in the House majority to stand up and fight back."

New York State Department of Health Commissioner Dr. James McDonald said, "It is disappointing these grants were terminated so impulsively without any advance notice and without consideration for the people we serve. We were poorly prepared as a nation for the last pandemic. I see the same pattern occurring now, where decisions are made without consideration for the public's health and well-being. These grants were preparing us to be healthier for the next pandemic. These investments allowed New York to develop strategies that prevent chronic disease, improve nutrition and find problems before they started."

Office of Addiction Services and Supports Commissioner Dr. Chinazo Cunningham said, "These sweeping federal cuts to health and human services threaten critical addiction funding streams that support prevention, harm reduction, treatment, and recovery services, putting lives at risk and straining the providers working tirelessly on the frontlines of this public health crisis. OASAS remains committed to protecting and expanding access to lifesaving services and will work to mitigate the damage caused by these harmful cuts."

Office of Mental Health Commissioner Dr. Ann Sullivan said, "For many years, the federal government has been a trusted and valued partner in efforts to provide critical mental health services and supports to New Yorkers, many living in traditionally marginalized communities and under difficult socioeconomic conditions. These drastic cuts will likely slow, and in some instances, halt the fantastic progress our federally funded programs have made and continue to make across our state. We have come too far to reverse course on mental health, which is why our federal legislators owe it to New York to challenge these cuts however possible."

Department of Health

DOH expects to lose over \$300 million in funding for organizations across the State.

• This funding supports many activities that are core to public health functioning, including virus surveillance, outbreak response, electronic data exchange, public dashboards, infection prevention activities in hospitals and nursing homes, laboratory reporting, program operations, and support to local health departments. The backbone of the State's public health infrastructure will be weakened significantly due to reduced virus surveillance and reporting systems that can no longer provide communities and families with real-time information on

- developing outbreaks, laboratory support and testing, data collection and analysis, public-facing dashboards, data and analytics.
- Losing this funding will shutter multiple areas of work that are largely seen as foundational components of the Department's response to emerging infectious diseases. These cuts will also eliminate the Centers for Disease Control (CDC) and Prevention's COVID-19 Health Disparities Grant, which funded 135 subcontractors to support community-based work addressing health disparities in New York, such as mental health, maternal and infant health, and food security.

Office of Addiction Services and Supports

OASAS expects to lose \$40 million total in funding, which will result in significant cuts to addiction and prevention services, treatment supports and access to resources for individuals struggling with substance use. This work includes, but is not limited to:

- Transitional housing to help provide short-term housing and case management for individuals leaving OASAS residential treatment or correctional facilities who cannot otherwise access permanent housing.
- Support for programs, access to treatment, recovery, and other basic services that keep people connected to care in their communities.
- Expansion of outpatient clinics to offer medication for addiction treatment and to purchase and outfit mobile medication units to bring services where they are needed.
- Administering and implementing Screening, Brief Intervention, and Referral to Treatment (SBIRT) which is a comprehensive public health approach to identify those at risk of developing substance use disorders and deliver early intervention and treatment services to individuals who exhibit habits of risky use of alcohol and other substances.

Office of Mental Health

OMH expects to lose \$27 million total in funding for programs and services for individuals experiencing mental health and/or substance use needs. These programs were intended to allow individuals in need of care to remain in their homes, connected to their natural support systems during treatment. The loss of this funding will result in an increased reliance on emergency services and hospital-based care with fewer community resources and supports for our most vulnerable New Yorkers, including:

- Crisis Stabilization and Crisis Residence Programs to provide urgent treatment to individuals experiencing an acute mental health and/or substance use crisis, and a safe place for the stabilization of psychiatric symptoms and support for children and adults.
- Adult Assertive Community Treatment Teams (ACT) serving individuals with serious mental illness who are in danger of losing their housing/becoming homeless, are homeless, and/or have histories of involvement with the criminal justice system, and Children and Youth Assertive Community Treatment Teams

- (ACT) for youth who are returning home from inpatient settings or residential services, at risk of entering such settings, or have not adequately engaged or responded to treatment in more traditional community-based services.
- Grants to expand and improve upon the mobile crisis services statewide, including 9-8-8 crisis call centers. These call centers have relied on this funding to ensure they have capacity to connect callers experiencing emotional distress to the compassionate care of trained counselors.

To view the full press release please click here.

CDPAP registration deadline extended through April 30

The state Department of Health has decided to extend the period for consumers and personal aides to register with Public Partnerships, LLC through April 30. The "grace period," as Health Commissioner James V. McDonald called it Monday, is open to all consumers and workers. So, you can still start the registration process after April 1. It's not just for completing the process. This move comes after officials had insisted the transition was on track and refused to publicly consider a delay. Home care advocates and users of the program have called the transition plan rushed and mismanaged.

Governor Hochul and DOH Commissioner Dr. McDonald have insisted that the new vendor, Public Partnerships LLC, is capable of running the consolidation since the company took over three months ago, even as advocates and the program's users have said they fear a widespread drop-off in services by the April 1 deadline.

But last Friday, Hochul's administration quietly decided to hit pause on that deadline, blaming misinformation. McDonald told reporters the administration is not calling the grace period a delay or an extension, which would require a statutory change. As of April 1, all fiscal intermediaries must still shutter operations, McDonald said.

As the statewide fiscal intermediary, Public Partnerships LLC — which has promised to move its headquarters to Albany and hire 1,200 workers — is responsible for paying home care aides and providing customer service and general system maintenance for the home care program.

Maria Perrin, the CEO of Public Partnerships, said Monday that rumors swirling around the program were false and disrupting registrations. But she also said that the transition was proceeding smoothly. Agents working with the company are taking calls and registering people in-person, Perrin said.

Meanwhile the state Department of Health is asking government workers to assist in the transition, requesting "volunteers" from the agency to step up despite paying PPL millions of dollars to do the work.

A Health Department directive (<u>according to Spectrum News</u>) was circulated that asked for volunteers from the department and its affiliated institution, the Health Research Inc., to assist with registering thousands of people with long-term medical needs as the program is midway through a takeover by the private vendor.

The Department of Health did not deny that the directive had been circulated to agency employees in response to questions from the Times Union. Spokeswoman Cadence Acquaviva said it the department is using "all available resources" but did not specify how many people the agency has recruited and whether state employees would be paid overtime for their efforts.

"The state Department of Health is bringing together all available resources to advance this much-needed transition to ensure the fiscal sustainability of CDPAP, support home care users, and protect New York taxpayers by putting an end to years of runaway administrative costs," Acquaviva said in a statement.

She said that recruiting Health Department staff for programs in transition is not a unique move. According to the document, state employees were asked to help "facilitate data entry" as the state continues to enroll thousands of the home care consumers with the state vendor tasked with overseeing the transition, Public Partnerships LLC. The state set an initial deadline of April 1 for all consumers to transition their paperwork and administrative oversight to the new company, a behemoth task in the three-month timeframe that New York health officials allotted.

We will continue to keep you updated as the transition continues.

Consumer Advocates File Lawsuit to Delay Medicaid CDPAP Transition

Attorneys from the New York Legal Assistance Group (NYLAG) and Patterson Belknaplate Wednesday evening <u>filed a lawsuit</u> on behalf of New York Medicaid recipients enrolled in the Consumer-Directed Personal Assistance Program, known as CDPAP, to delay the rushed and tumultuous transition from 600 fiscal intermediaries to one, Public Partnerships LLC (PPL).

Advocates maintain that the fast-tracked PPL transition would devastate access to inhome care for people with disabilities and older adults who rely on CDPAP to lead safe, dignified lives in their own communities, in violation of the 14th Amendment and the Medicaid Act. Some CDPAP participants have not started making the transition because they are unaware of the change, or they have not been able to complete their own enrollment or register their personal assistants—not for a lack of effort, but because the rollout has proven to be logistically inaccessible and confusing for consumers and caregivers alike. The Department of Health's rollout of the transition to PPL denies participants' rights to notice and hearing to which all Medicaid beneficiaries are entitled

in the face of state actions that would end their vital CDPAP services leading, in some cases, to serious medical harm.

"From the start, this transition has been riddled with chaos. Our clients either do not know they are supposed to enroll with PPL, or have been unable to use PPL's website or hotline to complete their registration, and this means that they are in danger of losing services on April 1," said Elizabeth Jois, supervising attorney in NYLAG's Special Litigation Unit and one of the attorneys litigating the case. "Ultimately, following through with the timeline as planned will violate CDPAP participants' rights as Medicaid beneficiaries. New Yorkers deserve better, we need more time to ensure a successful transition that protects their care, and we intend to secure that time through the courts."

The filing, submitted in United States District Court for the Eastern District of New York (EDNY), seeks a temporary restraining order to prevent the State from staying the course with the current deadline to transition to the new administrative system with PPL. The plaintiffs, which include six individuals and two independent living centers, are asking for at least a six-month extension for CDPAP participants to make the transfer to PPL. Read the filing here.

To view the full press release click here.

New York County Clerk Blocks Texas Court Filing Against Doctor

A New York county clerk on Thursday blocked Texas from filing a legal action against a New York doctor for prescribing and sending abortion pills to a Texas woman.

The dispute is widely expected to reach the Supreme Court, pitting Texas, which has a near-total abortion ban, against New York, which has a shield law that is intended to protect abortion providers who send medications to patients in other states.

New York is one of eight states that have enacted telemedicine abortion shield laws after the Supreme Court overturned the national right to an abortion in 2022. The laws prevent officials from extraditing abortion providers to other states or from responding to subpoenas and other legal

The action by the New York county clerk is the first time that an abortion shield law has been used to refuse the enforcement of an out-of-state judgment. "In accordance with the New York State Shield Law, I have refused this filing and will refuse any similar filings that may come to our office," Mr. Bruck said in a statement. "Since this decision is likely to result in further litigation, I must refrain from discussing specific details about the situation."

Governor Hochul responded with the following statement "The anti-woman, anti-abortion zealots are at it again. Texas Attorney General Ken Paxton is trying to come

after a New York doctor who prescribed medication abortion via telemedicine — the same doctor who is facing charges in Louisiana for the so-called 'crime' of prescribing this FDA-approved medication."

"The County Clerk in Ulster County bravely stood up with a simple message: hell no. Acting County Clerk Taylor Bruck has formally notified Texas that in accordance with our shield laws he is rejecting the filing of a judgment against a New York doctor. New York is grateful for his courage and common sense."

"This is New York. We'll never back down from fighting for these fundamental rights."

To view the statement please click here.

<u>Comptroller DiNapoli Has Released His Annual Estimate On The Wall</u> Street Bonus Pool

This week Comptroller DiNapoli released his annual estimate on the Wall Street bonus pool this week. The report states that the average bonus paid to employees in New York City's securities industry for 2024 reached \$244,700, up 31.5% from last year. The bonus pool for the city's securities employees reached a record \$47.5 billion, its first major increase since the COVID-19 pandemic highs. Wall Street's profits rose 90% in 2024.

"The record high bonus pool reflects Wall Street's very strong performance in 2024," DiNapoli said. "This financial market strength is good news for New York's economy and our fiscal position, which relies on the tax revenue it generates. However, increasing uncertainty in the economy amid significant federal policy changes may dampen the outlook for parts of the securities industry in 2025."

Charts

Bonus Pool Chart from 1995 to 2024 Annual Profits and Employment Chart

Related Work Report

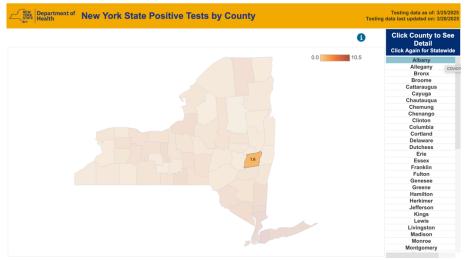
The Securities Industry in New York City, October 2024

Dashboard

Securities Sector Industry Dashboard

NYS COVID-19 Monitoring Dashboard

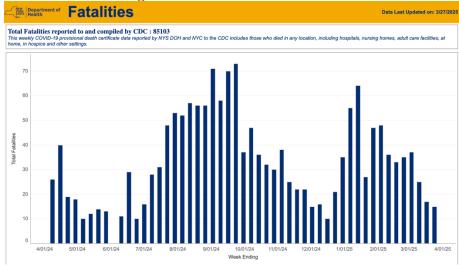
Below we have included the link to the State's Testing Tracker which includes the State's overall testing status--by clicking on the link above you can view the testing results by county. This data is current through March 27, 2025.



Use this link to view the State's updated COVID-19 Hub.

NYS COVID-19 Fatalities Tracker

Below we have included the Fatalities Tracker with the webpage where updated numbers can be found throughout the week linked <u>here.</u>



Helpful Links and Resources

SFY 2025-26 H/MH Budget Summary Comparison

RMS Tax/ Revenue Table

Center for Disease Control and Prevention

Department of Financial Services information and resources

New York COVID-19 Vaccine Information Page

Department of Health

https://coronavirus.health.ny.gov/home

COVID-19 Guidance for Medicaid Providers

Office of Mental Health

https://omh.ny.gov/omhweb/covid-19-resources.html

OPWDD

https://opwdd.ny.gov/coronavirus-guidance
State Education Department

http://www.op.nysed.gov/COVID-19.html

NYS Department of Labor

https://dol.ny.gov/