

# RM&S

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## **RMS End of Week Update 7/3/2026**



*Happy 4<sup>th</sup> Of July From All Of Us At Reid, McNally & Savage!*

**Event Celebrating July 4<sup>th</sup> Around NYS**

### Macy's 50th Annual Fourth of July Fireworks

The centerpiece of New York City's Independence Day celebration will be the 50th Annual Macy's Fourth of July Fireworks, which is expected to be the largest display in the event's history. Commemorating both the nation's 250th anniversary and the golden anniversary of the Macy's fireworks tradition, the show will feature more than 80,000 fireworks launched from barges on both the East and Hudson Rivers. Millions of spectators are expected to line the waterfront while millions more watch the nationally televised broadcast on NBC and Peacock, making it one of the premier Fourth of July celebrations in the country.

### Sail4th 250 and International Naval Review

As part of the nationwide America250 celebration, New York Harbor will host Sail4th 250, one of the largest international maritime gatherings ever held in the United States. Nearly 80 tall ships, naval vessels, and military ships representing more than 20 nations will participate in a Parade of Sail through New York Harbor, accompanied by military flyovers, public ship tours, and patriotic ceremonies throughout the holiday weekend. The event is expected to draw hundreds of thousands of visitors and showcase New York as the focal point of the nation's Semi quincennial celebration.

### Empire State Plaza Fourth of July Celebration – Albany

The Empire State Plaza Fourth of July Celebration remains Upstate New York's signature Independence Day event. The free festival will feature nationally known musical acts, local performers, family entertainment, food vendors, Revolutionary War reenactors, and activities celebrating New York's role in the American Revolution. The evening concludes with a major fireworks display over downtown Albany, drawing tens of thousands of visitors from across the Capital Region.

**For a list of more July 4<sup>th</sup> events around NYS please click [here](#).**

### **NYS Assembly District 129 Democratic Primary Race Called**

In the Democratic primary race for the NYS Assembly's 129th district which was too close to call on election day a winner has been called, Onondaga County Legislator Mo Brown has defeated Assemblyman Bill Magnarelli.

After a counting of the vast majority of outstanding absentee and affidavit ballots, Brown declared victory and Magnarelli conceded the race. The contest between Brown, the 34-year-old Democratic Socialist, and stalwart state lawmaker Magnarelli, a moderate, was too close to call on June 23. Brown maintained an 82-vote lead with 3,365 votes to Magarelli's 3,283, but the candidates and their supporters had to wait a week before seeing the contents of a few hundred fateful mail-in ballots. Vote-by-mail ballots are valid if dated June 23 or earlier and received by the Onondaga County Board of Elections by June 30. Brown declared victory in a [statement](#) on social media.

“No recount needed, our campaign is moving to the general, and I am the Democratic nominee for the 129th Assembly,” Brown wrote. “Central New Yorkers are tired of politics as usual, and today’s election results show how urgently they need a government that stands up to big money and works for them.”

Magnarelli issued a statement stating, “It has been an honor and a privilege to represent the people of Central New York in both the Syracuse Common Council and the NYS Assembly for over 30 years. Unfortunately, all good things come to an end. I congratulate Mo Brown on his win and wish him the best of luck. I want to once again thank all of my constituents who have supported me through the years. I am grateful to you all,”

**For more information, please click [here](#).**

**The Office Of The Inspector General (OIG) Of The United States  
Department Of Health And Human Services (HHS) Has Denied  
Recertification To The New York State Medicaid Fraud Control Unit  
(MFCU)**

According to the letter, linked [here](#), the U.S. Department of Health and Human Services Office of Inspector General (HHS OIG) has denied the 2026 recertification of New York's Medicaid Fraud Control Unit (MFCU) and suspended its federal grant funding effective July 1, 2026, citing significant deficiencies in the Unit's ability to investigate and prosecute Medicaid fraud and patient abuse and neglect. The New York MFCU receives approximately \$60 million annually in federal funding, employs more than 270 staff, and oversees a Medicaid program serving 7 million beneficiaries with annual expenditures exceeding \$100 billion.

Key findings according to the letter:

- **Lowest Performing Large-State MFCU:** OIG found New York ranked last among comparable large-state Medicaid Fraud Control Units (California, Texas, Florida, and Ohio) in criminal Medicaid fraud investigations and prosecutions from 2023–2025.
- **Poor Criminal Enforcement:** Between 2023 and 2025, New York secured only 53 criminal fraud convictions, compared with 129 in California, 200 in Texas, 153 in Florida, and 270 in Ohio. The Unit also recorded fewer than 10 criminal fraud indictments in four of the past five years.
- **Weak Patient Abuse Enforcement:** Despite receiving more than 2,000 patient abuse and neglect referrals annually, the Unit obtained only four patient abuse convictions over the last three years, the lowest among comparable states.
- **Leadership Strategy Criticized:** OIG concluded that a long-standing leadership decision to prioritize complex civil fraud cases over criminal investigations significantly contributed to the Unit's poor criminal enforcement performance.

While New York achieved respectable civil recoveries, those results did not offset its consistently weak criminal outcomes.

OIG identified several systemic issues according to the letter, including:

- An imbalance in staffing between auditors and investigators.
- Persistent backlogs, with more than one-third of open cases older than three years.
- Insufficient fraud referrals from Medicaid managed care organizations.
- Limited coordination with federal investigators.
- Failure to adequately track referrals and case outcomes.

Because of these findings, OIG denied New York's annual MFCU recertification. Suspended federal grant funding through September 30, 2026. OIG warned that failure to implement corrective actions could result in the loss of FY 2027 federal funding.

To regain certification, OIG directed New York to:

- Rebalance staffing toward investigative personnel.
- Improve fraud referral processes.
- Reduce case backlogs and improve case management.
- Increase criminal indictments and prosecutions.
- Strengthen coordination with federal law enforcement.
- Submit detailed corrective action plans within 30 days and progress reports within 90 days demonstrating measurable improvement.

**To read the full letter please click [here](#).**

### **NYS Department Of Financial Services Issues Guidance To Insurers Implementing Reforms To Help Bring Down The Cost Of Auto Insurance Rates And Combat Fraudulent Claims Across NYS**

Governor Hochul announced that the NYS Department of Financial Services (DFS) has issued new guidance to insurers, implementing reforms enacted in the FY 2027 Budget to help bring down the cost of auto insurance rates and combat fraudulent claims across NYS.

The enacted budget delivers sweeping reforms to address key factors driving up auto insurance premiums, including insurance fraud and excessive litigation costs. The guidance issued by DFS is an important step to translate these reforms into meaningful cost savings for New Yorkers.

“Since taking office, I have been committed to making New York safer and more affordable, and that includes driving down the cost of auto insurance,” Governor Hochul said. “For most New Yorkers, driving is a necessity to get to school, work or run daily errands and it’s imperative that we ensure these savings are passed down to hard working families.”

New York State Department of Financial Services Acting Superintendent Kaitlin Asrow said, “Today's guidance makes clear the Department’s expectations that insurers include expected savings from Governor Hochul’s reforms in any pending and future rate applications. The Department is engaging in a collaborative approach with all stakeholders to lower costs for New Yorkers.”

State Senator Jamaal T. Bailey said, “For years New York families have been feeling the financial burden of high automobile insurance costs. The recently enacted automobile insurance reforms seek to address these rising costs, while at the same time ensuring that innocent New Yorkers who are legitimately injured can still receive the compensation they deserve. I applaud Governor Hochul for her ongoing commitment to making sure these reforms are properly and expeditiously implemented, as well as Majority Leader Andrea Stewart-Cousins, Speaker Heastie, my colleagues in government and all the dedicated staff members who worked so hard on this endeavor.”

Assemblymember David Weprin said, “I commend Governor Hochul and Acting Superintendent Asrow for helping deliver meaningful savings to drivers across our state while preserving protections for those who are legitimately injured. These reforms represent an important step toward making auto insurance more affordable for New Yorkers while strengthening the integrity of our insurance system. By cracking down on fraud, reducing abusive litigation and ensuring that insurers reflect these savings in future rate filings, we are addressing some of the key drivers of rising premiums.”

The Department’s guidance outlines expectations for all insurers authorized to write motor vehicle insurance in New York State to update their pricing models to integrate the impact of these reforms in all pending and future rate filings. Reforms addressed in the guidance include:

- **Expanded Definition of “Fraudulent Insurance Act”:** Prosecutors are now able to seek criminal penalties against all individuals responsible for organizing or facilitating a staged accident, not just the individual behind the wheel.
- **Limiting Damages for Individuals Engaging in Unlawful Behavior at the Time of an Accident:** Damages are capped for drivers engaging in criminal behavior at the time of an accident to ensure that drivers who violate the law, including uninsured motorists, drunk drivers and drivers in the act of committing a felony, do not receive disproportionate financial recoveries at the expense of policyholders.
- **Tightening the Serious Injury Threshold:** The enacted budget modifies the definition of “serious injury” so that damages for pain and suffering or emotional distress are reserved for those persons able to objectively demonstrate that they have suffered serious injuries.
- **Limiting Damages for Individuals Who Are “Mostly” At Fault in Causing an Accident:** Drivers found to be primarily responsible for causing an

accident are now unable to sue other parties for outsized damage payments. This change puts New York in line with most other states.

- **Updates to Approval Authority Over Auto Insurers' Rates:** New limits have been put in place requiring companies to seek express prior approval from DFS before any upward rate changes.

DFS-regulated insurers are expected to review the guidance to determine what steps they need to take to comply with the new requirements, including incorporating the anticipated savings from these reforms in all pending and future auto insurance rate filings.

This guidance builds on the Department's efforts to address property insurance costs, including guidance on mandatory premium discounts, guidance to combat discrimination in affordable housing markets, and DFS's [Insurance Discounts and Savings webpage](#).

**To view the Governors full press release please click [here](#).**

**To view the full DFS letter please click [here](#).**

### **Governor Hochul Announces Designations To The Appellate Divisions In The First Department**

Earlier this week Governor Hochul announced the designation of Justice Matthew Parker-Raso as an Additional Justice of the Appellate Division of the Supreme Court, First Department and the elevation of current Justice Manuel Mendez to Associate Justice of the Appellate Division of the Supreme Court, First Department.

“New Yorkers deserve a judiciary that reflects excellence, fairness, and the diversity of our state,” Governor Hochul said. “Justice Matthew Parker-Raso’s historic appointment to the First Department and Justice Manuel Mendez’s elevation strengthen New York’s appellate court. I am confident that their appointments will ensure justice is administered fairly and impartially throughout our state.”

### **Judge Matthew Parker-Raso**

The Honorable Matthew Parker-Raso was elected as the first openly gay male Justice of the New York State Supreme Court for The Bronx. He previously served as a NYC Civil Court Judge and was the Supervising Judge of Bronx Civil Court for the last two years of his Civil Court term. Justice Parker-Raso currently serves on the Board of Directors for both the NYS LGBTQ+ Judges Association and the Supreme Court Justices Association of the City of New York. He chaired the NYC Civil Court’s Equal Justice Implementation Committee from 2023 to 2024 and has been an active member of the NYS Courts’ Gender Fairness Committee for the 12th Judicial District since 2017.

Presiding Justice Renwick said, “I am pleased to welcome Justice Parker-Raso as our newest colleague at the Appellate Division, First Department. Justice Parker-Raso brings

to this Court the intellect and collegiality he demonstrated as a Justice of the Supreme Court. He has earned a reputation as a hard-working jurist possessed of sound judgment, integrity, respect for the rule of law, and a passion for justice. I look forward to working with him as he continues his distinguished judicial service.”

### **Judge Manuel Mendez**

The Honorable Manuel J. Mendez was appointed to the Appellate Division, First Department, on July 27, 2020. Prior to serving in the Appellate Division, Justice Mendez served in Supreme Court New York County as coordinating judge of the New York City Asbestos Litigation (NYCAL), where he handled a docket of thousands of complex products liability and toxic tort cases. Justice Mendez is admitted to the practice of law in all courts of the Dominican Republic 1989, the State of New York 1990, Eastern and Southern Districts of New York, 1991 and Federal District Court for the District of Puerto Rico 2004.

Presiding Justice Renwick said, “I am delighted that Governor Hochul has designated Justice Mendez as a Constitutional Justice of our Court. He is an exceptional jurist whose hard-working, deliberate, and collegial approach to his responsibilities as an appellate judge make him an asset to the bench and a valued colleague. I am confident that our Court, the bar, and the public will continue to benefit from his exemplary service.”

**To read the full press release please click [here](#).**

### **NYC Sending Out First Pied-À-Terre Tax Notices To Owners Of Luxury Second Homes**

According to a recent article Mayor Mamdani’s administration has unveiled rules for how the city’s new pied-à-terre tax will be enforced with the first surcharge notices going out in the coming weeks.

The city Department of Finance will let owners of thousands of luxury secondary residences know they’ve been deemed eligible for the tax by August 30, according to the newly published proposed guidelines. The DOF has subpoena power and can conduct audits going back six years to determine whether a property should be taxed or exempt. One-to-3 family homes worth at least \$5 million and co-ops and condominiums valued at \$1 million or more that are unoccupied, non-primary residences would be subject to the surcharge. The DOF has subpoena power and can conduct audits going back six years to determine whether a property should be taxed or exempt. And it can impose a fine equal to 50% of the pied-à-terre tax bill for providing false, inaccurate or misleading information — in a bid to crack down on “gamesmanship” by owners seeking to avoid the levy, according to the rules.

The city particularly highlighted as an example, “a condominium property [that] has been divided into more than three units to avoid application of the surcharge and such

division was made in bad faith.” “This provision would promote compliance with the surcharge by increasing the potential cost of evasion by property owners while ensuring that such property owners are afforded an opportunity to challenge the imposition of such penalties,” the regulation states.

Owners will have 30 days to appeal or challenge the new tax bill imposed on non-primary residences. Appeals would be made to the city’s Tax Commission, or in some cases to the DOF.

One-to-three family homes will be taxed at a rate of between 0.8% to 1.3% depending on their value, while the rate for co-ops and condos starts at 4% and goes up to 6.5% for those worth over \$5 million. Co-ops and condos are believed to be undervalued, based on the city’s property value assessment system, so the higher rate of tax will allow the city to collect more revenue from them, real estate insiders said. The DOF is expected to recalculate their value in two years, as part of “phase two” of the tax, which will lapse in 2031 unless the Legislature renews it.

The rules go into effect after the public comment period closes July 9.

**To read the full article please click [here](#).**

### **Medicaid Provider Enrollment Transition Changes To Paper Maintenance Submissions For All Providers**

Beginning July 1<sup>st</sup>, paper maintenance transactions for all New York State (NYS) Medicaid provider types will no longer be accepted, and all provider maintenance must be completed in the NYS Medicaid Provider Services Portal (PSP). Examples of maintenance transactions include address changes, affiliations, managing employee disclosures, specialty updates, etc.

**Complete paper maintenance transactions (including required documentation) mailed to eMedNY, postmarked by July 1<sup>st</sup>, and received prior to close of business July 10<sup>th</sup> will still be accepted.** Paper maintenance transactions received after July 10<sup>th</sup> will be returned, regardless of date postmarked, with instructions for providers to submit the transaction in the PSP.

To submit maintenance transactions in the new PSP:

- To register and access the PSP, providers must first create a NY.gov business account. Account creation and the associated identity proofing process only need to be done once and can be done from a desktop, laptop, tablet or phone. Documents submitted and photos taken during the identity proofing process will not be retained.
- Once a NY.gov business account has been created, providers can log into the PSP and navigate through the registration process to "claim/link to" their enrollment

files. For more information related to this process, please visit <https://www.emedny.org/PSP/>.

- Providers can view and update existing provider information during and after the registration process.

#### Recent updates related to this transition:

- Change of ownership and reinstatement applications are being returned if the May 2026 version of the form was not submitted.
- Paper transactions that are **resubmitted in response to a rejection** will be returned with instructions to submit via the PSP.
- A date when any type of paper transaction will no longer be accepted will be announced in the near future.

#### Reminders:

- All providers, duly authorized representatives, and credentialing staff who prepare or submit applications must create NY.Gov business accounts to access provider files and prepare transactions in the PSP. However, **only individual practitioners and owners or managing employees** of an organization who are disclosed as such on the application **can sign and submit enrollment transactions**.
- In accordance with the New York State Office of Information Technology Service's International Access to NYS Systems or Data policy and New York State Department of Health Office of Health Insurance Program's Offshoring Data policy, **organizations that use or contract with offshore credentialing staff should be aware that those individuals are not permitted to access State systems**.

#### **Helpful Links and Resources**

**[2026 RMS HMH End of Session Update](#)**

**[RMS Revenue and Tax Final Budget Table](#)**

**[RMS Health/Mental Hygiene Final Budget Table](#)**

**[FY 2027 Enacted Budget Financial Plan](#)**

**[Empire State Development Tariff Resource Guide](#)**

**[NYS COVID-19 Monitoring Dashboard](#)**

**[NYS COVID-19 Fatalities Tracker](#)**

**[Eliminating Distractions In Schools Resource](#)**

**[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/>