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GOVERNOR ANDREW M. CUOMO

## **GOVERNOR CUOMO ANNOUNCES PRELIMINARY ANALYSIS OUTLINING DEVASTATING IMPACT OF PRESIDENT TRUMP'S BUDGET ON NEW YORK**

***Budget Cuts \$4.3 Billion in Health Care Funding for New York  
in First Year Alone; \$65 Billion by 2026***

***Medicaid DSH Cuts Cost New York \$11.5 Billion Over 10  
Years***

***20 Percent Reduction in Federal Health Care Funding***

Governor Andrew M. Cuomo today announced that the Division of the Budget has conducted a preliminary analysis outlining the devastating impact of President Trump's proposed budget on New York. The analysis shows that the President's budget would cut \$4.3 billion in health care funding for New York in the first year alone and ultimately lead to a 20 percent reduction in federal health care funding, jeopardizing safety net hospitals and putting at risk the health care coverage of hundreds of thousands of New Yorkers.

"The President's budget is another devastating assault on New York and our values that threatens to unravel the progress we have made ensuring fiscal responsibility, strengthening health care and delivering for New Yorkers," **Governor Cuomo said.**

"While some people say this budget is just a marker to open negotiations, after the Trump Administration passed the SALT cap that specifically targets New York, we take it as seriously as a heart attack. I will do everything in my power, working with the

entire New York State Congressional delegation, to prevent these draconian cuts and protect New Yorkers."

The health care cuts included in the President's Budget are even worse than previous attempts to repeal the Affordable Care Act (ACA). The budget places a federal cap on Medicaid funding that is lower than what was attempted by Republicans in 2017, and grows significantly slower than health care costs.

In FY20, New York projects \$4.3 billion in cuts in federal funding for Medicaid and Essential Plan, growing to \$10.2 billion in 2021 and \$11.2 billion in 2022. By 2026, the cumulative cost to New York due to the effective federal cap on Medicaid will grow to \$65 billion.

After slashing Medicaid, the President's budget also extends cuts to already strained public and safety net hospitals that serve the neediest New Yorkers. The President's budget continues \$7.3 billion in DSH cuts and extends these cuts for four additional years, costing New York \$11.5 billion over 10 years.

In total, the President's budget will lead to a 20 percent reduction in federal health care funding for New York by:

- Eliminating Medicaid expansion/ACA funding
- Eliminating funding for the Essential Plan, which serves 800,000 New Yorkers
- Eliminating tax credits for purchasing healthcare on the exchange
- Extending Medicaid DSH cuts for four more years

The budget also fails on the President's promise to invest in infrastructure. It provides no funding for the \$12.7 billion Gateway Tunnel Project, the most urgent infrastructure program in the nation. And it cuts the Capital Investment Grants Program by more than \$1 billion, eliminating funding that is necessary for major projects in New York, including Buffalo's light rail, Albany's

proposed Bus Rapid Transit, and the MTA's Second Avenue Subway Phase 2 in East Harlem.

The President's budget makes additional devastating cuts to the following programs that New Yorkers rely on, including:

Temporary Assistance for Needy Families (TANF) block grants: Reduces TANF by over \$1 billion, nationally, and eliminates the TANF contingency fund.

Supplemental Nutrition Assistance Program (SNAP) benefits: The budget slashes nearly \$220 billion from the program over a decade through measures such as stricter work requirements and restructuring the delivery of benefits. These cuts would impact the 2.7 million New Yorkers in the 1.5 million households that receive SNAP benefits.

EPA: The President's Budget requests \$6.1 billion for the Environmental Protection Agency, a reduction of \$2.8 Billion or 31.2% from FY19 enacted levels, continuing the federal government's assault on the environment.

Clean water: The budget requests \$1.98 billion for the State Revolving Funds (SRF), a nearly \$900 million decrease, reducing the State's ability to assist local governments with critical clean water and drinking water projects.

HUD/Housing: The elimination of the Community Development Block Grant program would cost New York State \$50 million per year, which leverages an additional \$150 million. In addition, eliminating the Home Program would cut \$24 million that would result in a loss of about \$10 million in additional leveraged funds. The Housing Trust Fund would also be eliminated.

Department of Education: The President requests \$62 billion in discretionary funding an \$8.5 billion or 12% decrease from 2019 enacted levels, eliminating the 21 Century Community Learning

Centers and carry-over Pell Grant funding, which will have a direct effect on the number of students gaining the financial means to go to college.

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