

MEMORANDUM OF SUPPORT

S.8838-A (Rivera) and A.10576 (Lucas)

An Act to amend NY Social Services Law in relation to providing parity to durable medical equipment providers by requiring Medicaid managed care organizations to reimburse such providers at no less than one hundred percent of the medical assistance durable medical equipment fee schedule for the same service or item

The Arc New York supports legislation to require that Medicaid managed care organizations reimburse Durable Medical Equipment (DME) providers at no less than 100% of the Medicaid fee for service DME rate for the same service or item. The legislation, S.8838-A (Rivera) and A.10576 (Lucas), passed both houses of the State Legislature and we urge it to be enacted into law.

S.8838-A (Rivera)/A.10576 (Lucas) does not change New York's DME Medicaid rates, which were established in 1987. Rather, it ensures that providers are paid the full, existing Medicaid fee-for-service rate and are not subject to additional reductions imposed by managed care plans.

DME encompasses essential equipment and services that meet the medical and mobility needs of certain people. These physician-prescribed items are a critical component of care plans and include orthotics, prosthetics, mobility aids such as walkers and wheelchairs, respiratory equipment including CPAP and oxygen, and supports for activities of daily living such as hospital beds and lifts. In addition to equipment, providers deliver clinical assessment and ongoing follow-up care.

Over the past decade, DME providers have faced mounting challenges that threaten patient access. Inflation has increased by approximately 25 percent, while Medicaid enrollment has grown by roughly 50 percent. At the same time, New York Medicaid rates have fallen further behind Medicare, and MCOs often impose additional reimbursement reductions below Medicaid levels. As a result, provider participation has declined significantly, with nearly 19 percent

reduction in Orthotics & Prosthetics locations and a 40 percent decrease in DME providers statewide. These reductions have had a direct impact on access to care. Today, 65 percent of New York counties have one or fewer accredited Orthotics & Prosthetics providers, and the state ranks fourth lowest in the nation in providers per capita. Fewer providers mean longer wait times, increased travel burdens, and delayed care for vulnerable patients.

Enacting S.8838-A and A.10576 will improve access to medically necessary equipment and services, support better health outcomes, and enhance quality of life for individuals who rely on these critical supports. It will also reduce avoidable falls, emergency room visits, and overall healthcare costs, while enabling more providers to participate in the system and serve patients closer to home.

For all the above reasons, The Arc New York strongly supports S.8838-A (Rivera) and A.10576 (Lucas) and urges that it be enacted into law.

About The Arc New York

The Arc New York is a family-led organization that advocates and provides supports and services to people with intellectual, developmental, and other disabilities, emphasizing choice and community engagement. With 33 Chapters across New York state, our organization supports more than 50,000 individuals and families and employs more than 30,000 people statewide.

The parents who created our organization were among the earliest advocates for quality services and opportunities for people with intellectual and developmental disabilities (IDD). With over 75 years since our founding, we have witnessed – and at many times driven – massive transformation and progress in our field.

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