

County Concerns - Federal Health Care & Nutrition Cuts



May 21, 2025

Federal Health Care Cuts



The House Budget Reconciliation Proposal:

- Nationwide Medicaid Cuts of \$700 billion
- Nationwide Affordable Care Act Cuts of \$105 billion
- Nationwide nutrition cuts of \$270 billion
- Extends permanently, some of the TCJA of 2017, and adds new tax cuts approaching \$3.8 trillion in net tax cuts overall
 - Raises the SALT cap from \$10,000 to \$40,000 – income limit of \$500k
 - CBO anticipates the overall tax package will add \$3.8 trillion to the federal debt over the next 10 years
- **Scheduled to be voted on as soon as this week.**

Federal Health Care Cuts



Impact on New York

- According to data released by the Governor and NYS DOH New York is facing annual federal funding cuts and new mandated costs of \$15 billion annually from the House Budget.
- Federal Medicaid, Affordable Care Act (Essential Plan in NY), and related program funding will be heavily targeted.
 - The Essential Plan will lose \$7.5 billion annually, half of its federal funding
 - More than 200,000 people would become newly uninsured
 - Medicaid will be subject to additional federal cuts that will disproportionately harm New York, raising costs in Medicaid and CHIP
 - For New York, eligibility changes in Medicaid could increase the uninsured by 500,000 by 2029 – and by another 1,000,000 annually thereafter when enhanced work requirements begin.
 - Total people losing health coverage from the House Budget bill is 1.5 million and could reach 2 million, 23% of people currently enrolled in Medicaid or Affordable Care Act health insurance programs in New York.

Federal Health Care Cuts



Destabilizing New York's Healthcare System

- **Hospital losses exceeding \$1.3 billion annually** will threaten safety-net facilities.
- Uncompensated care increases as uninsured residents seek emergency services.
 - 9-1-1 systems will be overburdened and back up during system peaks leading to increased emergency services costs for counties and other localities
- Provider closures would eliminate access points and create healthcare deserts.
- **Job losses at healthcare facilities would harm local economies.**
- **Rural communities would be particularly vulnerable** to access challenges.
- Economic ripple effects across all counties
- Local economic multiplier effect from healthcare job losses.
- **Strains will increase on county** social service, aging, public and mental health agencies as more residents' face health care, family stability and financial crisis.

Federal Nutrition Cuts



Impact on New York

• SNAP Changes

- Requires a state match for program costs based on error rates beginning in FY 2028
 - All states would contribute a minimum of 5 percent
 - States with error rates of 6 to 8 percent must contribute 15 percent
 - States with error rates of 8 to 10 percent must contribute 20 percent
 - States with error rates greater than 10 percent must contribute 25 percent (NYS is in this category as of FFY 2024 -- **NYS costs would be \$2.1 billion annually**).
- Requires a 75% state match for SNAP administration – In New York, the 50% state match is paid by counties – **estimated increase of \$240 million annually for counties under current law**
- Establishes cost neutrality rules that prevents the Secretary from increasing the cost of the thrifty food plan based on an updated of market baskets. Last updated in 2021, resulted in 21% benefit increase.
- Changes definition of “Able Bodied Adults Without Dependents (ABAWDs)” to include individuals up to age 64 (54 currently) and individuals with children aged 7+
- Requires counties to have unemployment rates above 10% to be eligible for work requirements waivers and limits these to be valid 12 consecutive months. States would only have the discretion to waive work requirements for 1% of the total ABAWDS not living in waived counties, down from 8%.

Federal Nutrition Cuts



Monthly Snapshot - SNAP Caseload Statistics ¹							
February 2025							
County	Households	Recipients	Benefits	County	Households	Recipients	Benefits
ALBANY	18,518	32,528	\$6,468,325	ONEIDA	16,233	27,121	\$5,182,650
ALLEGANY	3,122	5,335	\$921,755	ONONDAGA	37,051	66,670	\$13,102,921
BROOME	15,252	26,175	\$5,057,703	ONTARIO	5,702	9,364	\$1,738,716
CATTARAUGUS	6,016	10,616	\$1,863,573	ORANGE	19,566	45,549	\$8,576,147
CAYUGA	5,102	8,860	\$1,623,959	ORLEANS	3,112	5,274	\$930,820
CHAUTAUQUA	13,373	23,662	\$4,484,888	OSWEGO	9,392	17,198	\$3,168,920
CHEMUNG	8,204	14,482	\$2,823,181	OTSEGO	3,925	6,788	\$1,224,669
CHENANGO	4,010	6,856	\$1,196,053	PUTNAM	1,987	2,923	\$604,195
CLINTON	7,373	11,828	\$2,221,823	RENSSELAER	8,517	15,740	\$2,990,356
COLUMBIA	3,341	5,213	\$993,937	ROCKLAND	18,524	52,484	\$10,129,424
CORTLAND	3,363	5,696	\$1,062,047	SAINT LAWRENCE	7,952	13,777	\$2,518,826
DELAWARE	2,776	4,741	\$832,530	SARATOGA	8,933	14,539	\$2,640,607
DUTCHESS	10,960	16,949	\$3,388,433	SCHENECTADY	11,528	20,875	\$4,221,415
ERIE	78,508	141,469	\$28,142,001	SCHOHARIE	2,256	3,852	\$684,875
ESSEX	1,894	3,053	\$533,654	SCHUYLER	1,170	1,921	\$329,903
FRANKLIN	4,068	6,709	\$1,263,717	SENECA	2,095	3,622	\$631,536
FULTON	4,917	8,005	\$1,517,844	STEUBEN	6,889	12,378	\$2,165,318
GENESEE	2,963	4,796	\$835,256	SUFFOLK	81,133	129,723	\$28,397,086
GREENE	2,499	3,882	\$773,237	SULLIVAN	6,483	12,867	\$2,611,505
HAMILTON	204	371	\$60,225	TIOGA	2,878	5,322	\$865,865
HERKIMER	5,270	9,116	\$1,650,993	TOMPKINS	4,774	7,700	\$100,878
JEFFERSON	8,265	14,615	\$2,712,870	ULSTER	10,908	17,401	\$3,527,790
LEWIS	1,682	2,992	\$487,253	WARREN	4,250	6,945	\$1,273,669
LIVINGSTON	3,259	5,439	\$983,032	WASHINGTON	4,105	6,933	\$1,214,286
MADISON	3,684	6,318	\$1,145,656	WAYNE	5,058	8,461	\$1,513,713
MONROE	63,328	108,807	\$22,277,672	WESTCHESTER	45,322	73,925	\$15,407,291
MONTGOMERY	4,583	8,471	\$1,570,659	WYOMING	1,562	2,522	\$417,295
NASSAU	31,740	44,244	\$8,654,399	YATES	1,275	2,083	\$356,596
NIAGARA	16,233	27,121	\$5,182,650				
New York City	1,076,153	1,794,907	\$419,397,625				
				February Total	1,743,240	2,957,213	\$646,654,222

Statewide 1 in 7 New Yorkers receive Nutrition Assistance through SNAP with \$7.8 billion in federal benefits anticipated in 2025.

Federal Tax Fairness for New Yorkers



Federal SALT Cap Impact on New York

SALT Cap Changes

- The TCJA of 2017 imposed a cap on the federal deduction for state and local taxes. The new cap was set at \$10,000 for single & married filers.
- TCJA imposed a **new federal marriage tax penalty** and **double taxation** on taxpayers primarily from a handful of states like New York. It also reversed a provision that had been part of the tax code since 1913.
- When enacted in 2017 the **cost to taxpayers in New York and a handful of states was projected to be \$1.2 trillion in higher taxes** over 10 years.
- **NYSAC supports our New York members efforts to reduce the negative impact of SALT. In the final agreement New York needs to substantially curtail another \$1 trillion tax hike over the next 10 years on taxpayers in a handful of states such as New York.**



We share President Trump's call for unity within the House Republican Conference. A fair SALT deduction is a matter of fundamental fairness for the hardworking families we represent, including the many who proudly support President Trump and voted for him, in part, because he promised to restore SALT. We hope his remarks today motivate the Speaker to advance a SALT proposal that delivers meaningful relief for our middle-class constituents, as we have worked in good faith with House Leadership for more than a year. Our states are donor states, consistently subsidizing so-called fiscally responsible red states.

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YOUNG KIM
CALIFORNIA'S 40TH DISTRICT



NYSAC
NEW YORK STATE
ASSOCIATION OF COUNTIES

The Full Package Needs to Work for New York



Impact on New York Counties

The Full Package Needs to be Balanced and Not Disproportionately Impact New York

- One of the biggest cost drivers and services provided by New York's counties is for our fellow residents at the lower end of the income scale seeking assistance in finding and help paying for
 - Health Care - Medicaid recipients
 - Nutrition Assistance – SNAP
 - Public health services
 - Mental health services
 - Job training and skills development
 - Temporary shelter – Safety Net and TANF

The House Budget package being considered now exposes counties to higher costs and liabilities based on estimates from the State on the loss of health insurance. It also unfairly impacts NYS with large Affordable Care Act funding cuts. The Congressional Budget Office also has concluded the lowest 10% of income earners will see a net reduction in resources available to them to pay daily expenses if this bill is enacted, compared to current law.