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## New York Hospitals will Close Under “One Big Beautiful Bill Act”

*70 hospitals at risk of closure from federal Medicaid cuts*

### Key Findings

- 70 of New York’s 156 hospitals get over 25 percent of their net patient revenue from Medicaid or government appropriations; these hospitals are at risk of closure in the case of severe cuts to Medicaid.
- 94 of New York’s 156 hospitals would see annual profits eroded entirely with just a 10 percent cut to Medicaid revenue (and assuming no change to services rendered).
- 8 hospitals at risk of closure — the most of any district in the state — are in New York’s 23<sup>rd</sup> district, represented by Republican Representative Nicholas Langworthy. Another 7 at-risk hospitals are in Republican Representative Elise Stefanik’s district, both of whom voted in favor of the cuts to Medicaid in the One Big Beautiful Bill Act.
- 22 hospitals at risk of closure are in Republican-represented congressional districts.

### Introduction

The One Big Beautiful Bill Act (OBBBA) passed by the U.S. House of Representatives last month will have major implications for New York’s budget and for the provision of healthcare in New York. Federal cuts to Medicaid and to the tax credits that fund the Essential Plan shift the cost of care from the federal government to the State. Given the magnitude of the projected impact of the OBBBA in New York — an estimated \$13.5 billion in lost federal revenue and added costs each year — many health care providers, including hospitals, will experience budget shortfalls. This brief analyzes the risk of hospital closures statewide if the cuts to Medicaid in the OBBBA are enacted.

### 45% of New York hospitals face significant financial shocks

Based on 2023 data from the [National Academy of State Health Policymakers](#), almost 45% of hospitals in New York — 70 out of 156 — receive at least a quarter of their net patient revenue (revenue received

from providing health services) from a combination of Medicaid and other government appropriations. If this funding source shrinks — as it will under the OBBBA Medicaid cuts — these hospitals will face significant financial challenges, reduce services, and may be forced to shutter entirely.

Further, many hospitals already have relatively narrow profit margins. According to the 2023 hospital financing data, 93 hospitals in New York have profit margins smaller than 10 percent of their overall Medicaid revenue. That is, if Medicaid were cut by 10%, 93 hospitals would either find themselves either newly in the red or more deeply in the red than they had been previously. These hospitals will need to adjust their services in order to stay in business.

Of the congressional districts with the highest numbers of at-risk hospitals, two are represented by Republicans who voted for the OBBBA. In District 23 (Rep. Nick Langworthy), 8 out of 12 hospitals rely on Medicaid funding, while 8 out of 16 hospitals in District 21 (Rep. Elise Stefanik) depend on Medicaid for over 25 percent of their revenue. In fact, 22 of the 70 at-risk hospitals are in districts represented by Republicans who voted in favor of the OBBBA (with the exception of District 2, represented by Andrew Garbarino, who did not vote on the bill).

### **Mechanisms through which the OBBBA limits hospital funding**

The OBBBA exposes hospitals to financial risks in several distinct ways:

- **Uncompensated care for the newly uninsured**

The New York State Department of Health has estimated that the reconciliation bill will leave an additional 1.5 million New Yorkers uninsured, more than doubling the uninsurance rate in the state. Any increase to the uninsured rate creates a financial burden on hospitals, because hospitals will continue to have a legal and moral obligation to treat uninsured patients in emergency situations, but will no longer be compensated for that care. Loss of insurance will not only mean hospitals are no longer compensated for medical emergencies, it will also mean that hospitals see more emergency patients; newly uninsured patients will lose access to primary and preventive care, meaning that they will be more likely to face medical emergencies and will seek care in hospital emergency departments.

- **Elimination of Recent Medicaid Rate Increases and Future Downward Pressure on Medicaid Rates**

The OBBBA would eliminate the state's recently enacted MCO tax. This tax was used to fund, among other things, approximately \$700 million in state- and federal-share hospital rate increases in fiscal year 2026 and subsequent years. However, these rate increases were made contingent on availability of the MCO tax revenue — and with that revenue gone, the increases will not happen. Further, fiscal pressures on the larger state budget will likely restrain Medicaid rate increases for the foreseeable future. Medicaid already pays less than half of what commercial insurance pays for the same services, which is why hospitals with a high Medicaid patient share are often financially burdened; the OBBBA would reverse recent progress on this issue.

- **Restrictions on Safety Net Hospital Funding**

New York and other states offer significant direct funding, beyond Medicaid reimbursement, to help hospitals stay afloat. In the past several years this funding has amounted to about \$3.5 billion annually through a variety of programs, including the Vital Access Provider Assistance Program, the Global Budget initiative financed by New York's 1115 waiver, the Directed Payment Template state-directed payment program, and the Safety Net Transformation Fund. All of these sources of revenue are under acute pressure. All these programs serve hospitals that are already financially distressed and rely on ongoing state support to remain open. The programs collectively serve over 70 New York State hospitals, and it is almost inevitable that cuts to these programs will force some of these hospitals to close.

The Senate version of the OBBBA, if passed, may have [an even bigger impact](#) on providers than the House bill by further restricting the ways in which states can reimburse hospitals for care.

Table 1. Hospitals most likely to be impacted by Medicaid cuts, by New York Congressional District

District	Total hospitals	Number of hospitals with > 25% net patient revenue from Medicaid	Number of hospitals where 10% Medicaid cut is larger than total annual profits	Total current hospital employees
1	5	0	5	15,200
2	3	0	2	8,300
3	7	1	3	40,390
4	3	2	2	8,500
5	2	2	2	5,500
6	4	4	0	11,200
7	3	3	3	6,500
8	1	1	1	2,500
9	4	3	2	13,870
10	1	1	1	6,400
11	2	1	2	9,700
12	8	4	2	98,710
13	3	3	3	17,300
14	1	1	1	5,100
15	4	4	2	28,700
16	5	4	4	7,810
17	8	1	5	13,650
18	7	2	4	8,140
19	13	4	8	13,770
20	6	2	3	16,100
21	16	7	10	10,160
22	8	2	7	16,850
23	12	8	6	6,080
24	13	5	5	8,940
25	5	2	4	27,900
26	7	3	6	20,380
<b>Total</b>	<b>151</b>	<b>70</b>	<b>93</b>	<b>427,650</b>

Table 2. Non-government hospitals with more than 20 percent of net patient revenue coming from Medicaid payments or government appropriations

Hospital Name	City	Congressional District	Current Employees	Medicaid and Government Appropriations as % of Net Patient Revenue (2023)	10% of Medicaid Revenue > Profit Margin?
BROOKS-TLC HOSPITAL SYSTEM INC.	DUNKIRK	23	290	97%	No
BROOKDALE HOSPITAL MEDICAL CENTER	BROOKLYN	9	5,800	89%	Yes
EPISCOPAL HEALTH SERVICES	FAR ROCKAWAY	5	1,700	88%	Yes
ST. JOSEPHS MEDICAL CENTER	YONKERS	16	1,600	70%	Yes
WYCKOFF HEIGHTS MEDICAL CENTER	BROOKLYN	7	1,900	61%	Yes
SBH HEALTH SYSTEM	BRONX	15	2,500	55%	No
FLUSHING HOSPITAL MEDICAL CENTER	FLUSHING	6	1,800	54%	No
JAMAICA HOSPITAL MEDICAL CENTER	JAMAICA	5	3,800	53%	Yes
BRONXCARE HEALTH SYSTEM	BRONX	15	4,500	50%	Yes
MAIMONIDES MEDICAL CENTER	BROOKLYN	10	6,400	50%	Yes
AUBURN MEMORIAL HOSPITAL	AUBURN	22	800	48%	No
BERTRAND CHAFFEE HOSPITAL	SPRINGVILLE	23	280	43%	Yes
ARNOT-OGDEN MEDICAL CENTER	ELMIRA	23	2,200	42%	Yes
GOUVERNEUR HOSPITAL	GOUVERNEUR	21	170	42%	No
THE MOUNT VERNON HOSPITAL	MOUNT VERNON	16	410	42%	Yes
CUBA MEMORIAL HOSPITAL INC	CUBA	23	100	42%	Yes
HEALTHALLIANCE HOSPITAL MARYS AVE CA	KINGSTON	18	760	41%	Yes
MONTEFIORE MEDICAL CENTER	BRONX	15	18,000	39%	No
THE BROOKLYN HOSPITAL CENTER	BROOKLYN	7	2,300	37%	Yes

Hospital Name	City	Congressional District	Current Employees	Medicaid and Government Appropriations as % of Net Patient Revenue (2023)	10% of Medicaid Revenue > Profit Margin?
ST. JOHNS RIVERSIDE HOSPITAL	YONKERS	16	1,800	36%	Yes
SISTERS OF CHARITY HOSPITAL	BUFFALO	26	2,000	36%	Yes
ST. JAMES HOSPITAL	HORNELL	23	280	35%	Yes
MARGARETVILLE HOSPITAL	MARGARETVILLE	19	140	34%	Yes
GARNET HEALTH MEDICAL CENTER - CATSK	HARRIS	19	460	34%	Yes
NEWARK WAYNE COMMUNITY HOSPITAL	NEWARK	24	670	33%	Yes
ROCHESTER GENERAL HOSPITAL	ROCHESTER	25	6,200	33%	Yes
ELLENVILLE REGIONAL HOSPITAL	ELLENVILLE	19	200	33%	No
MOUNT ST. MARYS HOSPITAL	LEWISTON	24	680	33%	No
ROME MEMORIAL HOSPITAL INC.	ROME	21	730	33%	Yes
SAMARITAN HOSPITAL	TROY	20	1,800	32%	No
LONG ISLAND JEWISH MEDICAL CENTER	NEW HYDE PARK	3	16,000	32%	No
NIAGARA FALLS MEMORIAL MEDICAL CENTE	NIAGARA FALLS	26	780	31%	Yes
MOUNT SINAI ST. LUKES ROOSEVELT HOSP	NEW YORK	12	6,700	31%	No
THE UNITY HOSPITAL OF ROCHESTER	ROCHESTER	21	3,600	30%	No
NEWYORK-PRESBYTERIAN/QUEENS	FLUSHING	6	3,600	30%	Yes
RICHMOND UNIVERSITY MEDICAL CENTER	STATEN ISLAND	11	2,600	30%	No
CARTHAGE AREA HOSPITAL	CARTHAGE	25	390	30%	Yes
MOUNT SINAI HOSPITAL	NEW YORK	13	13,000	30%	Yes
UPPER ALLEGHENY HEALTH SYSTEM	OLEAN	23	710	29%	Yes
MASSENA MEMORIAL HOSPITAL	MASSENA	21	300	29%	Yes
CLIFTON-FINE HOSPITAL	STAR LAKE	21	90	29%	Yes

Hospital Name	City	Congressional District	Current Employees	Medicaid and Government Appropriations as % of Net Patient Revenue (2023)	10% of Medicaid Revenue > Profit Margin?
CANTON-POTSDAM HOSPITAL	POTSDAM	21	1100	29%	Yes
MONTEFIORE NEW ROCHELLE HOSPITAL	NEW ROCHELLE	16	1,000	29%	Yes
WESTFIELD MEMORIAL HOSPITAL	WESTFIELD	23	70	28%	Yes
ST. MARYS HEALTHCARE	AMSTERDAM	20	1,700	28%	Yes
UPMC CHAUTAUQUA AT WCA	JAMESTOWN	23	760	28%	No
NEW YORK PRESBYTERIAN HOSPITAL	NEW YORK	12	35,000	27%	No
NEW YORK EYE AND EAR INFIRMARY	NEW YORK	12	510	27%	Yes
EASTERN NIAGARA HOSPITAL	LOCKPORT	24	No data	27%	No
OSWEGO HOSPITAL	OSWEGO	24	930	27%	No
CLIFTON SPRINGS HOSPITAL & CLINIC	CLIFTON SPRINGS	24	590	27%	No
NATHAN LITTAUER HOSPITAL & NURSING H	GLOVERSVILLE	21	760	27%	Yes
ST. LUKES CORNWALL HOSPITAL	NEWBURGH	18	1,000	26%	Yes
MERCY MEDICAL CENTER	ROCKVILLE CENTRE	4	1,600	26%	Yes
COLUMBIA MEMORIAL HOSPITAL	HUDSON	19	1,000	25%	Yes
LITTLE FALLS HOSPITAL	LITTLE FALLS	21	220	25%	No
DELAWARE VALLEY HOSPITAL	WALTON	19	150	24%	No
KALEIDA HEALTH	BUFFALO	26	6,900	24%	Yes
STATEN ISLAND UNIVERSITY HOSPITAL	STATEN ISLAND	11	7,100	24%	Yes
MONTEFIORE NYACK HOSPITAL	NYACK	17	1,400	24%	Yes
SOUTH SHORE UNIVERSITY HOSPITAL	BAY SHORE	2	3,700	24%	No
JONES MEMORIAL HOSPITAL	WELLSVILLE	23	360	24%	No

Hospital Name	City	Congressional District	Current Employees	Medicaid and Government Appropriations as % of Net Patient Revenue (2023)	10% of Medicaid Revenue > Profit Margin?
GUTHRIE CORTLAND MEDICAL CENTER	CORTLAND	22	550	23%	Yes
CROUSE HOSPITAL	SYRACUSE	22	2,200	23%	No
STRONG MEMORIAL HOSPITAL	ROCHESTER	25	12,000	23%	No
CHENANGO MEMORIAL HOSPITAL	NORWICH	19	340	23%	No
RIVER HOSPITAL	ALEXANDRIA BAY	24	190	23%	No
ALBANY MEDICAL CENTER HOSPITAL	ALBANY	20	5,000	22%	No
ALICE HYDE MEDICAL CENTER	MALONE	21	620	22%	Yes
IRA DAVENPORT MEMORIAL HOSPITAL INC	BATH	23	190	22%	No
BASSETT HOSPITAL OF SCHOHARIE COUNTY	COBLESKILL	21	160	21%	No
UHS HOSPITALS	BINGHAMTON	19	4,200	21%	Yes
ST CHARLES HOSPITAL	PORT JEFFERESON	1	1,200	21%	Yes
ST. ELIZABETH MEDICAL CENTER	UTICA	22	No data	21%	Yes
FAXTON-ST. LUKES HEALTHCARE	UTICA	22	3,400	21%	Yes
GOOD SAMARITAN HOSPITAL	WEST ISLIP	2	3,300	21%	Yes
KENMORE MERCY HOSPITAL	KENMORE	26	1,100	21%	Yes
CLAXTON HEPBURN MEDICAL CENTER	OGDENSBURG	24	660	21%	No
SAMARITAN MEDICAL CENTER	WATERTOWN	21	1,600	21%	Yes
NYU LANGONE HOSPITALS	NEW YORK	12	23,000	21%	No
GARNET HEALTH MEDICAL CENTER - CATSK	CALLICOON	19	30	20%	No
ST. PETERS HOSPITAL	ALBANY	20	2,800	20%	No
HIGHLAND HOSPITAL	ROCHESTER	25	2,500	20%	Yes

Hospital Name	City	Congressional District	Current Employees	Medicaid and Government Appropriations as % of Net Patient Revenue (2023)	10% of Medicaid Revenue > Profit Margin?
BON SECOURS COMMUNITY HOSPITAL	PORT JERVIS	18	420	20%	No
LONG ISLAND COMMUNITY HOSPITAL	PATCHOGUE	2	1,300	20%	Yes
AURELIA OSBORN FOX MEMORIAL HOSPITAL	ONEONTA	19	450	20%	Yes



Table 3. Government hospitals in New York

Hospital Name	City	Congressional District	Current Employees	Medicaid and Government Appropriations as % of Net Patient Revenue (2023)	10% of Medicaid Revenue > Profit Margin?
LINCOLN MEDICAL&MENTAL HEALTH CENTER	BRONX	15	3,700	104%	Yes
NYC HEALTH + HOSPITAL / SOUTH BROOKLYN	BROOKLYN	8	2,500	98%	Yes
WOODHULL HOSPITAL CENTER	BROOKLYN	7	2,300	94%	Yes
HARLEM HOSPITAL CENTER	NEW YORK	13	2,300	82%	Yes
JACOBI MEDICAL CENTER	BRONX	14	5,100	61%	Yes
UNIVERSITY HOSPITAL OF BROOKLYN	BROOKLYN	9	2,300	55%	No
BELLEVUE HOSPITAL CENTER	NEW YORK	12	5,600	54%	Yes
NYC HEALTH+HOSPITAL/KINGS COUNTY	BROOKLYN	9	5,100	54%	Yes
ELMHURST HOSPITAL CENTER	ELMHURST	6	3,500	53%	No
METROPOLITAN HOSPITAL CENTER	NEW YORK	13	2,000	52%	Yes
QUEENS HOSPITAL CENTER	JAMAICA	6	2,300	51%	No
ERIE COUNTY MEDICAL CENTER	BUFFALO	26	3,700	46%	Yes
UNIVERSITY HOSPITAL AT SYRACUSE	SYRACUSE	22	6,100	40%	Yes
NASSAU UNIVERSITY MEDICAL CENTER	EAST MEADOW	4	3,500	39%	Yes
WESTCHESTER MEDICAL CENTER	VALHALLA	17	4,800	31%	Yes