

MONDAY ALERT

New York State Alliance for Retired Americans 800 Troy Schenectady Rd., Latham, NY 12110 | 518-783-6231 | www.newvorkstateara.org

March 3, 2025

HOW FEDERAL BUDGET CUTS WILL HURT YOU, YOUR FAMILY AND YOUR COMMUNITY IN NEW YORK

Background: Republicans in Congress are currently working with Trump and Musk to cut up to \$2.5 trillion in public programs to fund \$4.7 to \$5.5 trillion in tax cuts for the super-rich and wealthy corporations – they're taking money from our families to give more tax breaks to billionaires *again*. Impending federal budget cuts, attacks on federal agencies, and funding "freezes" will hit low-income and working-class New Yorkers hard, every single day.

While Republicans have still not presented a concrete proposal for what they want to cut, below are some highlights from what we know so far.

Medicaid/Affordable Care Act:

- <u>Who's at risk:</u> [source: Center for Budget and Policy Priorities]
 - 7.1 million New Yorkers, including 1.9 million children, rely on Medicaid and the Affordable Care Act's Medicaid expansion for healthcare; that's 36% of our state's population.
 - 816,000 seniors
 - 597,000 people with disabilities
 - 1,901,000 children
 - 1,119,000 adults

- Over 2.6 million adults are covered through the Affordable Care Act's Medicaid expansion.
- 33.9% of non-elderly adults living in small towns and rural areas in New York are covered by Medicaid.
- Nationally, sixty-four percent of Medicaid recipients work at least part-time, and those who don't mainly care for family, are disabled or ill, or go to school.
- How much is at risk:
 - Medicaid is the state's largest source of federal funds, so changes to federal policies have an outsized impact on the state's budget. [source: Center for Budget and Policy Priorities]
 - If federal matching funds for Medicaid decrease, New York would face a 400% cost increase, requiring \$5.5 billion to maintain expansion coverage as it is today. [source: Center for Budget and Policy Priorities]
 - In New York, the federal government pays 50% of the cost of traditional Medicaid and 90% of the cost of the Medicaid expansion. [source: Kaiser Family Foundation]
- What will happen:
 - Republicans are looking to restrict who has access to healthcare by implementing barriers such as work requirements. They also want to cut which services would be covered under Medicaid, including payments to local hospitals, health clinics, and community-wide health programs.
 - All of this will result in longer wait times for care, increased costs for care, and a significant reduction in the quality of care provided
 - Medicaid funding cuts from the state and federal government will put small-town and rural healthcare systems at serious risk of closure, and making it harder

for New Yorkers to get the care they need. [source: Georgetown University Center for Children and Families]

- Cuts could also have a ripple effect, leading to job losses in the healthcare sector and beyond. [source: Kaiser Family Foundation]
- If the state can't or won't cover the loss of federal Medicaid funds, the increase in uninsured residents and rising costs of uncompensated care will further strain state and local budgets, creating even larger deficits the state must address. [source: Kaiser Family Foundation]

SNAP:

• <u>Who's a risk:</u>

- 1 in 6 New Yorkers, 2.9 million people who make up 15% of the state's population, relied on SNAP during the 2024 federal fiscal year [source: Center for Budget and Policy Priorities]
 - more than 52% are in families with children
 - more than 46% are in families with older adults or disabled
 - more than 31% are in working families
- <u>How much is at risk</u>: New York provided \$6.5 billion in SNAP federal funds in 2024 [source: New York Governor Hochul's Office]

• What will happen:

 The GOP wants to make it harder for people to access SNAP benefits including imposing impossible work requirements. This will impact older adults up to the age 65, people living in areas with insufficient jobs, veterans, youth who've aged out of foster care, and parents of school-aged children.

- Republicans also want to roll back what's called "broadbased categorical eligibility," a process that allows states like New York to enroll more people, and keep them enrolled in SNAP
- The people who can still access SNAP will see their benefits cut, including limits on what SNAP benefits can buy.
- Economic activity will slow: The U.S. Department of Agriculture estimates that in a weak economy, \$1 in SNAP benefits generates \$1.50 in economic activity. [source: Center for Budget and Policy Priorities]

Federal Rental Assistance and Housing Programs:

- <u>Who's at risk:</u> [source: Center for Budget and Policy Priorities]
 - New York is facing both an affordable housing and homelessness crisis. While the median rent has increased by 27% in the past 22 years, wages only increased by 7%
 - 2,021,600 people in 951,600 low-income New York households pay more than half their income for rent, often forgoing necessities, like food or medicine, to keep a roof over their heads.
 - Federal rental assistance helps struggling seniors, people with disabilities, veterans, and working families keep a roof over their heads
 - In New York, federal rental assistance helps:
 - 1.1 people in 584,000 New York households to afford modest housing.
 - 260,800 of New York's seniors age in place.
 - 322,400 people with disabilities to live independently in New York.

- 527,500 people in families with children in New York avoid homelessness.
- But it's important to note that federal rental assistance has not kept pace with the need in our state:
 - 4 in 10 low-income New Yorkers are experiencing homelessness or pay over half their income for rent. Most don't receive federal rental assistance due to limited funding.
 - In 2024, 158,020 people experienced homelessness in New York. Over 130,000 New York school children lived in shelters, on the street, doubled up with other families.
- •<u>How much is at risk:</u> New Yorkers relied on \$8 billion in federal rental assistance in 2023
- What will happen:
 - The GOP is proposing to gut HUD the Housing and Urban Development Agency - which oversees, among other things, federal rental assistance
 - That means all federal funding for low-income and supportive housing will be cut, local plans for affordable and homeless housing will be stopped, and current aid will be slashed or ended.
 - New laws and regulations will be implemented to cut off assistance and stop support to individuals and government agencies.
 - Rent will go up, evictions will go up, homelessness will go up and repairs will be delayed or never done.

Social Security And Disability Benefits

• <u>Who's at risk</u>: Over 4 million New Yorkers rely on Social Security and Disability benefits [source: Social Security Administration]

- 2.7 million retired workers, along with 122,422 spouses and 44,582 children of retirees
- 433,997 disabled workers
- o 66,190 children received disability benefits.
- 573,058 New Yorkers received Supplemental Securit Income
- <u>How much is at risk:</u> New Yorkers received about \$75 billion for Social Security and SSI [source: Smart Asset]
 - \$55 billion for retirement
 - \$7.4 billion for survivors
 - \$8.5 billion for disability
 - \$4.2 billion for SSI
- What will happen:
 - Elon Musk and his unelected, unappointed DOGE team have taken over access to federal payments systems, giving them access to our personal information,
 - While Trump has claimed he won't cut social security, Musk may freeze payments as he looks into the "fraud" he claims is taking place within the program. [source: Forbes Feb. 18, 2025 article]
 - Trump also said on the campaign trail that he'd look into cutting entitlements (which include Social Security payments) [source: CNBC]

Republicans, however, are keen on cutting social security. In September 2024, the Republican Study Committee called for \$1.5 trillion in cuts to Social Security benefits over the next 10 years. They also want to would reduce benefits for seniors and raise the retirement age to 69, which would especially hurt low-income retirees. [source: United State Senate Committee on the Budget]

Upcoming Events for Long Island Activists

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PRESS CONFERENCE AND RALLY

The Trump administration and its Congressional allies are creat of disarray and destruction" accross the nation and on Long Isl up for Long Islanders and our families!

Location: Rep. Andrew Garbarino's District 31 OAK ST, PATCHOGUE NY, 11772

2PM TUESDAY MARCH

For more info: areyes@maketheroadaction.org

Call for "Good Trouble" by NYSARA Members

NYSARA President, Barry Kaufmann, is asking members to consider getting into "good trouble" as former Congressman John Lewis famously said. We are urging all NYSARA members to let their voices be heard by their elected federal representatives. Let them know that it is NOT all right to vote for tax breaks for the wealthy while Medicaid is cut (63% of all seniors in long term care rely on Medicaid to pay. Let them know it is NOT ok to vote for tax cuts for Elon Musk and Donald Trump while cutting funding for Social Security. Let them know it is NOT ok to vote for tax cuts for corporations while cutting food stamps for the poor and "Meals on Wheels" for seniors. Let them know it is NOT ok to increase the debt of theUnited States by \$4.5 trillion by giving tax cuts to millionaires and billionaires and corporations while cutting rental assistance and housing programs which allow 260,800 NY seniors to age in place.

We are unique in New York. House Republican members must be aware of their constituents wishes or really be challenged for re election. They do respond to pressure in districts that are not slam dunks. We need to exert that pressure on the NY Republicans:

Congressional District #1 Nick Lakota -631-289-1097 <u>lalota.house.gov</u> to e mail. 31,887 households NYSARA members, 32,276 NYSARA members

Congressional District # 2 Andrew Garbarino 631-541-4225 <u>garbarino.house.gov</u> to e mail 25,125 households, 25,408 members

Congressional District # 11 Nicole Malliotakis 718-568-2870 <u>malliotakis.house.gov</u> 19,870 households 20,131 members

Congressional District # 17 Mike Lawler 845-743-7130 <u>lawler.house.gov</u> 28,105 households 28,374 members

Congressional District # 21 Elise Stefanik 518-561-2324,

518-561-2408 (fax) <u>stefanik.house.gov</u> 40,740 households 40,980 members

Congressional District # 23 Nick Langworthy 585-543-5033, 716-547-6844 or 607-377-3130 <u>langworthy.house.gov</u> 44,569 households and 44,929 members

Congressional District 24 Claudia Tenney 716-514-5130, 585-869-2060 or 315-236-7088 tenney.house.gov 34,317 households and 34,533 members.

We MUST call our Democratic members to reinforce how angry we are about giving tax breaks to the very wealthy while taking away services to regular working class people and seniors and to give them the ammunition to fight this attack on seniors and the middle class. All Democrats in Congress voted AGAINST the budget. By making lots of calls to Democrats we reinforce that vote.

Other good trouble we must get into is making appointments to see our representatives and repeat our concerns. If you make an appointment please e mail me at <u>president@newyorkstateara.org</u> and I will e mail you Congressional district statistics that reinforce our positions.

SSA Offers Buyouts to Staff Ahead of Planned Workforce Reductions and Field Office Closures

The Social Security Administration is offering financial incentives of \$15,000 to \$25,000 to staff who voluntarily resign from the agency before mandated staffing reductions and office closures take place. Acting Social Security Commissioner Leland Dudek reportedly intends to cut the agency's staff by 50%.

In response, Rep. **John Larson** (CT), Ranking Member of the House Ways and Means Social Security Subcommittee, announced on Thursday that he will introduce a bill to block staff cuts and field office closures. President Trump, through the so-called Department of Government Efficiency (DOGE), has fired thousands of government workers this month. He and DOGE leader **Elon Musk** have warned that even more personnel will be terminated in the coming weeks and months.



<u>Nearly 60,000</u> Americans work for the SSA. Most are in front-line roles and help people apply for benefits, answer questions, or solve problems. There is just one Social Security worker for every 1,900 beneficiaries. On average,

118,000 Americans visit a Social Security office each day with more getting help on the phone.

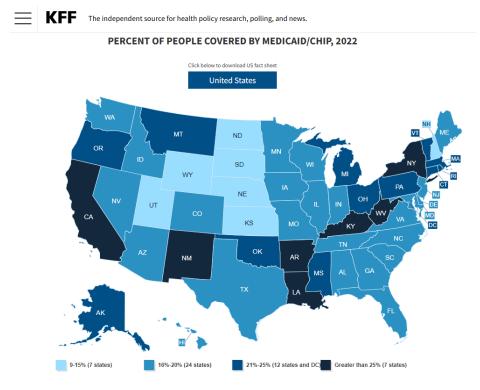
Former SSA Commissioner **Martin O'Malley** <u>posted</u> a warning on X. "Social Security is being driven to a total system collapse. I give the DOGE kids and co-President Musk 30-90 days before they crater it to the point of interruption of benefits."

"This Administration is trying to dismantle Social Security piece by piece. Trump has broken his promise not to 'touch' Social Security," said **Robert Roach**, **Jr.**, President of the Alliance. "The Alliance stands with Congressman Larson, and others, to pass legislation to stop this assault on the most vulnerable Americans."

House Passes Budget Proposal That Slashes Medicare and Cuts Taxes for the Rich

The House of Representatives <u>passed</u> a FY 2025 Budget Resolution in a 217-215 party-line vote. President Donald Trump personally lobbied several House Republicans to vote for the proposal.

The budget blueprint calls for \$4.5 trillion in tax cuts for wealthy individuals and corporations and deep cuts to Medicaid (\$880 billion) and food assistance (\$230 billion) for low-income Americans over ten years.



Medicaid is the primary program providing comprehensive coverage of health and long-term care to <u>83 million</u> low-income people in the United States. Medicaid accounts for one-fifth of the nation's health care spending including providing care to almost 2 in 3 nursing home residents.

"This vote demonstrates how House Republicans will stop at nothing to give tax cuts to the wealthiest Americans, even if it threatens the livelihood of millions of seniors," said **Richard Fiesta**, Executive Director of the Alliance. "However, we still have an opportunity to prevent these cuts from being enacted and we will hold every politician who voted for this cruel budget accountable."

<u>Learn more</u>: See how many people in your state rely on Medicaid for health care <u>here</u>.

Supreme Court Schedules Arguments in Case Challenging ACA Benefits Mandate

On Monday, the Supreme Court <u>scheduled arguments</u> for April 21 for an Affordable Care Act (ACA) case that will decide the legality of ACA's requirement that insurers cover certain preventive services. For example, the ACA requires Medicare to provide free annual wellness checks and health screenings.

The challenge was brought by Texas employers who argue that the preventive services mandate is unconstitutional because the recommendations are made by the U.S. Preventive Services Task Force, not elected officials. If the justices agree with their argument, free preventive care for millions of Americans will be in jeopardy.

Twenty-three attorneys general filed an amicus brief asking the court to <u>protect the requirement</u> that guarantees access to critical preventive care for millions of Americans.

"The Affordable Care Act's preventive services provide critical care for millions of Americans," said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance. "Without these preventive services, millions of Medicare beneficiaries will pay more for essential health care."

KFF Health News: Republicans Once Wanted Government out of Health Care. Trump Voters See It Differently.

Like many Americans who voted for Donald Trump, Jason Rouse hopes the president's return will mean lower prices for gas, groceries, and other essentials.

But Rouse is looking to the federal government for relief from one particular pain point: high health care costs. "The prices are just ridiculous," said Rouse, 53, a retired Michigan firefighter and paramedic who has voted for Trump three times. "I'd like to see a lower cap on what I have to pay out-of-pocket." Government regulation of health care prices used to be heresy for most Republicans. GOP leaders fiercely opposed the 2010 Affordable Care Act, which included government limits on patients' costs. More recently, the party fought legislation signed by former President Joe Biden to cap prescription drug prices.

But as Trump begins his second term, many of the voters who sent him back to the White House welcome more robust government action to rein in a health care system many Americans perceive as out of control, polls show.