



MONDAY ALERT

New York State Alliance *for* Retired Americans

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July 14, 2025

NYSARA President Quoted in Saturday Newsday Article

NYSARA President Barry Kaufmann was quoted in an article that appeared in Newsday on Saturday July 12. The article titled "President Donald Trump's Big Bill Cuts Taxes for Many Seniors but Won't Eliminate them on Social Security." In the article NYSARA President Kaufmann gave a quote on the overall bill and contributed many of the facts included in the article. [Click the link to go to the article](#)

Fiscal Policy Institute Provides Detailed Briefing And Report on Impact of Federal Budget Actions on New York

Last Friday, July 4, 2025, President Trump signed a sprawling piece of legislation —referred to as the "One Big Beautiful Bill Act" ("OBBBA") — that enacts one of the most regressive set of tax and spending cuts seen in United States history. In addition to redistributing towards the wealthy and cutting programs that support the health and wellbeing of low- and middle-income families, the bill adds significantly to the federal debt and reverses important progress that has been made towards stemming climate change.

The OBBBA reduces tax revenue by \$4.5 trillion over the next 10 years and cuts spending by \$1.5 trillion. Combined with added spending on programs like the ramping up of the budget for Immigration and Customs

Enforcement (ICE), the OBBBA adds \$3.3 trillion to the federal deficit over the next 10 years.

The OBBBA spending cuts are concentrated in Medicaid and food stamps (SNAP), with devastating effects for New Yorkers. The bill will cut federal funding to the New York State budget by approximately \$10 billion *annually* and kick 1.5 million New Yorkers off their health insurance, more than doubling the statewide uninsured population. On top of the direct fiscal costs to New York State, the OBBBA will cut an additional \$13 billion in funding to New York's healthcare system. Cuts to healthcare funding will hit New York's many financially distressed hospitals, forcing **closures across the state**. FPI **previously estimated** that cuts to healthcare spending will eliminate 215,000 jobs statewide, raising the unemployment rate by 50 percent.

The OBBBA will also reduce federal funding for food stamps (SNAP) - a program that keeps 3 million low-income New Yorkers from going hungry - but it requires state governments to fill in these spending gaps, which would cost New York State up to \$1.4 billion annually.

Ultimately, New York's elected leaders will be forced to make hard choices between new tax measures to fund these obligations and spending cuts to the State's most important safety-net programs. To protect New Yorkers from the draconian cuts coming from Washington, New York lawmakers must convene a special session and establish new revenue measures to pay for funding gaps.

Impact of Federal Cuts to New York

Essential Plan takeover costs \$2.7 billion to NY as of 1/1/26

Essential Plan Loss of Funding costs \$4.9 billion to Healthcare System
1/1/26

Cancelling of the Managed Care Organization Tax will cost \$1.6 billion as of 1/1/26

Medicaid Work Requirements will cost NY \$500 million and cost the healthcare system \$8.1 billion as early as 12/31/26

Changes to State-Directed Payments and Provider Taxes Approximately \$1.6 billion over time starting in 2030

SNAP (Food Aid) benefits cost shifting \$1.1 billion starting 10/2027 and increasing 10/2028

SNAP Administrative Cost Shifting \$266 million 10/26

Total Cuts Approximately \$8.4 Billion cost to NY and \$13 billion cost to Healthcare System.

Facts About Our Republican Representatives and Their Districts

With the horrible Big Ugly Bill Passing and being signed into law let's discuss our New York House members votes on this bill that does significant damage to healthcare, nutrition programs and the NYS budget in order to give massive tax breaks to millionaires, billionaires and multi national corporations, making ICE the largest funded law enforcement organization in the US. (Yes, far bigger than the FBI and other law enforcement agencies)

Every Democrat voted against this bill that will drastically cut Medicaid, raise the US deficit by trillions of dollars, triggering an almost \$500 billion automatic cut in Medicare and drastically cut nutrition programs to the poor and seniors.

All Republican Representatives voted FOR this bill that will drastically impact New Yorkers while ignoring their constituents needs.

The facts about the Republican members districts:

CD 1 - Nick Lalota - 18.02% of district over 65, 13,000 people with disabilities and 32,565 NYSARA members in district

CD 2- Andrew Garbarino - Absent from vote, 13.27% over 65, 18,200 people with disabilities, 25895 NYSARA members

CD 11 - Nicole Maliotakis - 15.25 % over 65, 20,700 people with disabilities and 20,772 NYSARA members

CD 19 - Mike Lawler - 9.7% over 65, 13,300 people with disabilities and 33, 049 NYSARA members

CD 21 - Elise Stefanik - 12.59% over 65, 33,100 people with disabilities and 41,539 members SHE IS ALSO CONSIDERING A RUN FOR GOVERNOR

CD 23 - Nick Langworthy - 12.02% over 65, 27,100 people with disabilities and 42,674 NYSARA members

CD 24 - Claudia Tenney - 11.82% over 65, 27,700 people with disabilities and 36,019 NYSARA members

New York Faces Major Budget Crisis Following Federal Cuts: As reported in [Politico yesterday here](#) and the [Albany Times Union here](#), President Trump's newly signed budget "megabill" is expected to have a devastating impact on New York, triggering deep federal funding cuts that will force

difficult decisions at the state level. The state is projected to lose \$750 million this fiscal year—and \$3 billion annually starting in April—due to cuts to the Essential Plan, which provides coverage to 1.6 million low-income residents and relies entirely on federal funding.

The most immediate risk is to the Essential Plan itself, which could lose all federal support by 2027. A large majority of residents insured under the Essential Plan are classified as lawfully present immigrants; around 500,000 of those people will be moved onto state Medicaid rolls, while roughly 225,000 will become uninsured. On top of that, new Medicaid work requirements could result in 1.2 million more losing coverage. Hospitals warn of a \$2 billion annual loss from the elimination of provider taxes, with rural and financially distressed hospitals hit hardest.

Governor Hochul's administration estimates up to 63,000 jobs could be lost, nearly half in health care. Officials are still awaiting more detailed data from the Congressional Budget Office, and a special legislative session may be convened later this summer. Hochul has blamed New York's House Republicans for backing the cuts, while defending a \$2 billion plan to issue inflation rebate checks—though critics argue those funds would be better spent addressing healthcare shortfalls.

Lastly, New York will face at least \$500 million in additional costs over the next few years to train staff at the Department of Health and the Office of Temporary and Disability Assistance to implement new eligibility rules for programs like Medicaid and SNAP.

SSA Commissioner Sends Misleading Email to Millions of Americans, Buries a Correction Online Days Later

Last week, Social Security Administration (SSA) Commissioner **Frank Bisignano** [sent an email](#) praising the passage of the Republican tax and budget law and incorrectly saying that it "includes a provision that

eliminates federal income taxes on Social Security benefits for most beneficiaries.”

The unusually political message went to 71 million Americans who have online MySSA accounts and was widely criticized for inaccurately describing the law. President **Trump** and White House officials have repeatedly claimed that the budget package eliminates taxation of Social Security benefits. It does not.

The law offers a temporary tax deduction to some people over the age of 65. Whether or not someone’s tax bill goes down depends on their combined income from Social Security, pensions, retirement accounts, investments, and work. Seniors whose total income is between \$50,000 and \$200,000 are most likely to see a change, but many beneficiaries will see no change at all.

However, unlike the tax cuts for the wealthy and corporations, this deduction ends in 2028 — just three years after starting. It will [weaken Social Security](#), reducing trust fund revenue by about \$30 billion a year and lowering the projected timing of insolvency from 2033 to 2032.

The SSA [quietly issued a correction](#) on its website four days after sending Commissioner **Bisignano**’s initial email, but did not email a correction to everyone who received the first message.

“It’s highly disappointing to see the Social Security Commissioner distribute misleading, inaccurate information to millions of Americans,” said **Robert Roach, Jr.**, President of the Alliance. “At a minimum, he should send an email with a correction to every person who received his first message.”

Hospitals and Nursing Homes Are Preparing for the Worst Now That Republican Budget is Law

Many community hospitals and nursing homes [are](#) bracing for major financial hits now that President **Donald Trump** has signed the Republican budget bill into law.

The bill [includes](#) over \$1 trillion in cuts to Medicaid over the next decade. Researchers [estimate](#) that over 300 hospitals will either have to reduce vital services or shut down completely. One in four nursing homes will also be forced to close, and thousands of good health care jobs will be eliminated.

Rural hospitals will be especially vulnerable. Over 20 percent of the country's population [lives](#) in rural areas — roughly [66 million](#) people — and one in four adults in these areas are covered by Medicaid. Many patients will [lose](#) access to local health care, forcing them to take long journeys to reach the closest facility and increasing burdens on the remaining hospitals.

The Senate [voted](#) to allocate \$50 billion for a Rural Health Transformation Program in the wake of Medicaid cuts, but it won't be enough to help rural hospitals stay afloat. The Republican budget bill is [estimated](#) to reduce federal spending in rural areas by around \$155 billion.

"Every legislator who voted yes for this budget bill was warned of the danger to constituents and the health care system, but approved it anyway," said **Richard Fiesta**, Executive Director of the Alliance. "This is too high a price to pay so the wealthiest Americans can get even richer. Our members will remember their votes."

Our retirement security is at risk. Stay up to date by downloading the Alliance's fact sheets and share them with your friends and family members:


FACT SHEET



Threats to Retirees in Republican Budget Law

On Friday, July 4, President Trump signed the Republican Budget Reconciliation bill into law. The bill, which was passed along party lines, makes the largest cuts to health care and taxes in United States history, while adding at least [\\$3.3 trillion to the nation's deficit](#).

Alliance Position

The Alliance for Retired Americans strongly condemns this legislation because of its harmful effects on older Americans, including cutting nearly half a trillion dollars from Medicare and just under a trillion dollars in Medicaid to pay for tax breaks for corporations and wealthy Americans.

Many provisions of the law harm older Americans, including:

Deep Across-the-Board Cuts to Medicare

Because the budget increases the deficit by \$3.3 trillion, it triggers \$490 billion in [automatic cuts](#) to Medicare over 10 years. This will make it more difficult for beneficiaries to get the care they need at a price they can afford.

All payments to hospitals, doctors, other health care providers, Medicare Advantage plans, and standalone prescription drug plans would be reduced by four percent per year starting in 2027.

In response, some health care providers are likely to limit services to Medicare beneficiaries or stop accepting Medicare altogether. Beneficiaries are likely to face higher co-pays for medical services and prescription drugs.

Stay informed. Sign up for weekly retiree news.




FACT SHEET



Threats to Medicare in Republican Budget Law

Republican Budget Law Cuts Medicare

The Republican budget signed into law by President Trump on July 4 harms the guaranteed Medicare benefits Americans have earned in three significant ways.

It triggers automatic, across-the-board [Medicare cuts](#) of \$490 billion over 10 years starting in 2027. This will affect all beneficiaries and every health care provider that accepts Medicare.

It also hastens the insolvency date for the Medicare Trust Fund by one year, from 2033 to 2032, and weakens the law requiring Medicare to negotiate lower drug prices with drug corporations.

Alliance Position

The Alliance for Retired Americans opposes all cuts to Medicare. Older Americans earned their Medicare benefits over a lifetime of hard work and the program's benefits ensure they receive the health care they deserve in retirement.

The Alliance calls on Congress to immediately pass legislation [abolishing](#) the PAYGO provision to prevent the \$490 billion in cuts.

Since 1965, Medicare has served Americans as the nation's largest and most successful health insurance system. Today, Medicare provides health insurance for over 68 million Americans, including 61 million who are 65 years of age or older and over 7 million with disabilities under 65.

Take action. Tell Congress to stop automatic Medicare cuts.




FACT SHEET



Republican Budget Health Care for Millions of Americans

On Friday, July 4, President Trump signed the law that makes the largest cuts to health care in the nation's history.

The law cuts nearly \$930 billion from Medicare and Medicaid, as well as hospitals and nursing homes, all of which serve millions of Americans.

Alliance Position

The Alliance for Retired Americans strongly opposes this legislation because it threatens the health care of millions of Americans directly and through the Medicaid program.

What is Medicaid?

Medicaid is a partnership between the federal government and states to provide health care to low-income people. It covers a wide range of health care services, including long-term care for older adults.

How Medicaid Helps Older Americans

Medicaid funds are used to provide services to older adults and people with disabilities with a range of health care services including:

- Long-Term Services and Supports (LTSS):** This helps 5.6 million older adults and people with disabilities live at home instead of in nursing facilities.
- Home and Community-Based Services (HCBS):** Includes services like senior centers, adult daycare, skilled nursing home-delivered meals, and transportation.
- Nursing Home Care:** Medicaid covers 63% of nursing home costs, assisting over 860,000 seniors; and

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Pharmaceutical Corporations Will Get \$5 Billion Windfall from Republican Budget Law

The Republican budget law includes a provision that [excludes](#) more drugs from Medicare drug price negotiation, a major win for the pharmaceutical industry.

The legislation creates a loophole that exempts medicines that treat more than one rare disease from drug price negotiation. These so-called "orphan drugs" [include](#) lifesaving cancer medicines such as Imbruvica, Calquence, and Pomalyst.

The Congressional Budget Office [estimates](#) that the ORPHAN Cures Act will cost American taxpayers \$5 billion over the next ten years.

"This is a blatant giveaway to drug corporations that will be able to keep drug prices sky-high and protect their monopoly pricing power," said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance. "It is not only bad news for any senior who needs one of these drugs, but it chips away at the drug price negotiation law that Alliance members fought hard to pass."

KFF Health News: To Keep Medicaid, Mom Caring for Disabled Adult Son Faces Prospect of Proving She Works

By Bram Sable-Smith

Four years before Kimberly Gallagher enrolled in Medicaid herself, the public health insurance program's rules prompted her to make an excruciating choice — to give up guardianship of her son so she could work as his caregiver.

Now, another proposed twist in the rules could mean that, even though Missouri pays her to do that work, she might still have to prove to the state that she's not unemployed.

The Kansas City, Missouri, resident has cared for her disabled son, Daniel, for all 31 years of his life. A rare genetic condition called Prader-Willi syndrome, in addition to autism, left him with an intellectual disability; a constant, excessive hunger; and an inability to speak. His needs left Gallagher, an elementary school teacher by training, with little opportunity to work outside her home.

As congressional Republicans slash about \$1 trillion in federal Medicaid spending, Gallagher is among the 18.5 million Americans who could be required to prove that they work enough to keep their health insurance.

