MONDAY ALERT

New York State Alliance for Retired Americans

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July 28, 2025

Important Resources from NYS AFL-CIO Fiscal Policy Institute and Brennan Center for Justice to Help You Better Grasp How Recent Federal Actions Undermine New Yorkers and Other Americans

The latest edition of the NYS AFL-CIO Union Strong podcast offers detailed insight into the impact of federal actions on New York State and its taxpayers. The program featuring a conversation with NYS Comptroller Tom DiNapoli, explains important ways that you can access information and stay up to date on the ways the federal action under the grossly misnamed "Big Beautiful Bill" undermines New Yorkers and all Americans.

https://nysaflcio.org/news/union-strong-116

Additionally, the Fiscal Policy Institute has its own analysis that sheds meaningful perspective on the arbitrary cruelty of the enacted federal legislation and how it will cost you.

Learn more at: https://fiscalpolicy.org/

The non-partisan Brennan Center for Justice also has valuable reports and insights about protecting our democracy and ensuring the integrity and security of our courts and other institutions from political interference and overreach.

Learn what they mean for you and how you can help protect our Constitutional rights and norms: https://www.brennancenter.org/

Why Won't New York Lawmakers or the Governor Call a Special Session to Address Trump's Cuts?

By Jie Jenny Zou

Neither top legislators nor the Governor have laid out a clear vision for addressing impending federal cuts. A perspective from two diametrically opposed organizations.

Top lawmakers don't seem to be in a rush to figure out how to handle impending federal cuts. On July 4, President Donald Trump signed the One Big Beautiful Bill Act into law, enacting over $1 trillion in historic cuts to Medicaid and the Supplemental Nutrition Assistance Program (snap) and forcing states like New York to rethink their largest and oldest safety net programs. So far, neither top legislators nor Governor Kathy Hochul have laid out a clear vision for what comes next. New York Focus spoke to fiscal advocates to get their take on how the state should move forward.

THE TIMELINE

The law's first wave of Medicaid cuts takes effect in January, and new snap requirements are projected to take effect in March. State officials estimate the initial funding loss at a conservative $750 million — a figure small enough to be absorbed by a special reserve fund, which would spare the state from having to implement any midyear budget cuts.

But starting April 1, that shortfall will balloon into a recurring, multibillion-dollar hole that fiscal experts say can't be resolved by stopgap measures and will require the state to take decisive action: slash spending, raise revenue, or both.

WHAT IS A SPECIAL SESSION?

Despite the massive scale of the cuts, several lawmakers have said they don't plan to reconvene this year to address the funding loss and instead will take up the matter in January as part of the state's regular budget process. However, that timeline coincides with the start of federal cuts, and could prove to be unwieldy for a legislature that struggled to deliver a budget on time earlier this year.

The legislature closed its doors for the year in June, but it can call a special session at any time to address any issue it deems urgent. New York is among 37 states where special sessions can be called by either the governor or the legislature. There are no limits on how many special sessions can be convened per year or for what purpose.

The last special session took place in 2022, just days before Christmas, when lawmakers convened to give themselves raises that made them the country's highest paid state legislators with a base salary of $142,000. That same year, Hochul convened a special session in June to discuss gun safety in response to a Supreme Court decision.

Advocates at the Fiscal Policy Institute, a left-leaning think tank, are urging leaders to host a special session before a time crunch makes spending cuts all but inevitable. "I think they would like people to believe that nothing can be done and so there's no point in having a big debate on how to manage the situation," said Nathan Gusdorf, the institute's executive director. "If they're going to manage these funding cuts entirely through reducing benefits and services, it's probably easier to get that done through the chaos of the annual budget session."

Last week, Gusdorf proposed a variety of tax reform changes to help the state avoid cutting benefits by raising revenue or cutting future costs — all measures that could be discussed in a special session. He said he was concerned by several state lawmakers echoing Hochul's claim that the state is not in a financial position to backfill the federal funding losses.
"We've always pointed out that's not true," he said.

Patrick Orecki, director of state studies at the fiscally conservative Citizens Budget Commission, was less insistent about the need for a special session, but said budget talks next year should be the "latest" the state starts cobbling together a comprehensive, long-term plan for how to deal with the larger, looming cuts.
"The state has a runway right now, the cuts don't all happen overnight," he said. Instead, lawmakers should begin strategizing now — ensuring that they are amply prepared come January, he said. A special session could help speed up complicated discussions, Orecki said, but isn't strictly necessary.

WHAT KINDS OF CHANGES COULD THE STATE MAKE TO OFFSET THE CUTS

- **Raise Taxes:** The Fiscal Policy Institute estimates raising taxes by one percent on New Yorkers earning over $250,000 or imposing a one percent sales tax on services could each generate $5 billion annually. Revising the state's corporate tax code to ensure "pass-through" businesses are treated like corporations could generate $9 billion. These proposals could offset a large share of the federal cuts announced in July, and could provide the state with greater flexibility to address future federal cuts.

- **Don't Raise Taxes:** The Citizens Budget Commission is against any tax increases but urges the state to consider other cost-cutting changes, like reforming how the state delivers aid to schools or retooling its economic development subsidy program. Hochul recently vocalized her opposition to any tax raises on wealthy New Yorkers. Orecki notes that the state's budget is based on conservative revenue projections and that new, soon-to-be-released data will sharpen the state's true financial picture.
- **Where They Agree:** Both Gusdorf and Orecki agree that the state should cancel Hochul's inflation refund checks — a $2 billion rebate program that is slated to deliver one-time checks to 8.2 million New Yorkers starting in October. Orecki noted it's a change Hochul could likely make unilaterally without legislative action.

NYSARA Biennial Convention

Date: September 4, 2025 10:30 am to 3:00 pm:

Place: NYSUT Headquarters 800 Troy Schenectady Rd. Latham, NY

Purpose: To Elect NYSARA Officers 2025 -2027, Get Information on Issues both nationally and Statewide that have impact on Seniors and Actions to take that have impact. Hearing from people who impact Seniors.

Keynote Speakers: Robert Roach, President National ARA (CONFIRMED), **Ravi Reddi, Senior Staff for US Senator Kirsten Gillibrand** (CONFIRMED), **Thomas DiNapoli, NYS Comptroller** (REQUESTED) and **NYS Senator Patricia Fahy** (REQUESTED)

Click to get Registration Form Due by 8/25/2025

Celebrating Social Security, Medicare and Medicaid Anniversaries With an Eye Toward Current Hazards and Future Threats

By Julie Carter and our Friends at Medicare Rights

In a new AARP poll, 96% of respondents said Social Security is important, and 2023 KFF polling showed that 80% of respondents held a positive or very positive view of the program. Recent research shows that Social Security alone slashes poverty for older adults by 75%, and many rely on it—or plan to do so—for a substantial part of their retirement income.

Medicare and Medicaid are also extremely popular. KFF polling in early 2025 found that 82% of respondents had a favorable view of Medicare with 77% saying the same for Medicaid. By June, as Congress targeted Medicaid in the reconciliation, polling revealed its favorability had climbed to 83%. Before Medicare and Medicaid, half of older adults were uninsured. Today, less than 1% are without coverage. Together, Medicare and Medicaid continue to be the bedrock of our nation's health care system and critical pillars for enrollee well-being. Despite their clear popularity and proven successes, the programs face headwinds. Although the conversation about Medicare's future often revolves solely around "solvency" and the trust funds, there are functional challenges—like problematic payment structures and outdated coverage rules—that if reformed could promote sustainability and reduce friction.

The program's overspending on Medicare Advantage alone, driven by built-in overpayments, an overabundance of plans, and misaligned incentives for insurance companies, drains billions of dollars from the program every year. Other issues, too, increase pressure on Medicare financing, including

lack of coverage for dental, hearing, and vision care that could reduce long-term costs, and payments that incentivize providers to treat patients in more expensive settings.
Medicare remains strong, and policy changes could make it even more so. Looking ahead, policymakers could address the systemic inefficiencies, misaligned incentives, gaps in coverage, and growing complexities that drive up program, beneficiary, and taxpayer costs.

Legislative Cuts Endanger Medicaid and Medicare

Massive Medicaid cuts in the just-passed budget reconciliation bill put access to care at risk for millions of people, including older adults and people with disabilities who the need the program to access care, stay healthy, and live safely in their homes and communities. The bill makes it harder for people with Medicare to access Medicaid-funded assistance like Medicare Savings Programs (MSPs) that help them afford their Medicare and meet other basic needs like food and housing.
Medicare, too, was directly cut in the same reconciliation bill, through policies that roll back eligibility, modernizations, and beneficiary protections. Even bigger reductions loom. Because the bill increases the national debt, it triggers substantial cuts to Medicare through a budgetary rule known as "PAYGO." This means an automatic cut of nearly $500 billion will start next year unless Congress takes immediate action.

Administrative Cuts and Staffing Shortages Put Access to Services at Risk for Older Adults and People with Disabilities

Procedural rules prevented Congress from harming Social Security in the reconciliation bill, but recent administrative changes have undermined it nonetheless. Since January, the Trump administration has taken aim at Social Security's ability to support people applying for or receiving benefits

by slashing staffing, closing offices, and changing rules, creating widespread confusion and service barriers.
Similarly, Medicare, Medicaid, and other programs within the Department of Health and Human Services have been harmed by the administration's arbitrary cuts to staffing and funding. For those impacted, the effects are often cumulative and exponential. The planned elimination of the Administration for Community Living and termination of vital staff at the Medicare-Medicaid Coordination Office are especially devastating for older adults and people with disabilities.

Protecting the Promise of All Three Programs

At Medicare Rights, we know how important Medicare, Medicaid, and Social Security are to the health, well-being, and financial stability of older adults and people with disabilities. We celebrate the enormous successes of these programs while continuing to work to protect and strengthen them for current and future generations.

UnitedHealth Confirms It Is Under Investigation for Medicare Billing Malpractices as House Committee Holds a Medicare Advantage Hearing

On Thursday, July 24, UnitedHealth revealed that they are facing an investigation from the U.S. Department of Justice. The company disclosed the investigation in a filing with the Securities and Exchange Commission, stating that it is cooperating with federal investigators.

This news follows a report earlier this year by *The Wall Street Journal*, which revealed that federal officials had launched a civil fraud investigation into how UnitedHealth records patient diagnoses that lead to higher payments for its Medicare Advantage plans.

Medicare Advantage plans [are](#) privately run alternatives to traditional Medicare, primarily serving people aged 65 and older. More than [8 million people](#) are currently enrolled in a UnitedHealth Medicare Advantage plan.

Separately, the House Ways and Means Committee held a hearing this week to examine ongoing issues with the Medicare Advantage program.

Rep. Lloyd Doggett, Ranking Member of the Health Subcommittee on the House Ways & Means Committee, delivers a statement during the July 22 hearing.

“Medicare Advantage was sold as a program to save taxpayer dollars and improve the quality of care,” said Rep. **Lloyd Doggett** (TX) during the hearing, noting that the program has ended up costing taxpayers far more than traditional Medicare.

House Health Subcommittee Chair **Vern Buchanan** (FL) emphasized the importance of ensuring patients get the care they need. “We have heard many stories of access issues, prior authorization delays, and payment problems that negatively impact patients,” he said.

“Medicare Advantage makes big promises to seniors and is allowed to offer services that traditional Medicare cannot,” said **Richard Fiesta**, Executive Director of the Alliance for Retired Americans. “That’s why it’s especially important for Congress and the Administration to hold corporations accountable for delivering quality care and rooting out any waste and fraud in the program.”

FRAUD ALERT: Phone Scammers Targeting Medicare Beneficiaries

Law enforcement officials and the Federal Trade Commission are warning about a new Medicare fraud scheme targeting seniors. Scammers are exploiting recent changes to Social Security and Medicare—introduced by Elon Musk’s Department of Government Efficiency—to trick beneficiaries and defraud the Medicare system.

Posing as employees from the Centers for Medicare & Medicaid Services (CMS), scammers are calling seniors and claiming they need to “update” or “verify” personal information. But these calls are not legitimate. The scammers are collecting Medicare numbers and other sensitive information to submit fraudulent claims for medical equipment or medication, pocketing the reimbursements.

It’s important to know: **CMS will never call you unless you’ve contacted them first.** They are not issuing new Medicare cards. If you receive a call claiming you need to verify your Medicare number or are being issued a new card, it’s a scam.

“As long as older adults keep their Medicare information private and avoid phone calls asking for these details, they should not have to worry about being taken advantage of,” said Alliance President **Robert Roach, Jr.** “Make sure to stay on high

alert and protect your Medicare card and number as if it was a credit card.”

If you believe your Medicare number has been compromised or want to report a suspicious call, contact Medicare directly at **1-800-MEDICARE (1-800-633-4227).**

You’re Invited: Webinar on the Republican Tax and Budget Plan and Seniors

The Alliance is hosting a free webinar “The Ugly Truth About the One Big Beautiful Bill” on Thursday, July 31, at 4 PM ET. Join Legislative Representative David Simon and Field Mobilization Director Maureen Dunn to learn more about how the Republican budget bill will harm retirees, and ways Alliance members are fighting back.

Please click here to RSVP for the event!

KFF Health News: Trump Voters Wanted Relief From Medical Bills. For Millions, the Bills Are About To Get Bigger.

By Noam N. Levey

President Donald Trump rode to reelection last fall on voter concerns about prices. But as his administration pares back federal rules and programs designed to protect patients from the high cost of health care, Trump risks pushing more Americans into debt, further straining family budgets already stressed by medical bills.

Millions of people are expected to lose health insurance in the coming years as a result of the tax cut legislation Trump signed this month, leaving them with fewer protections from large bills if they get sick or suffer an accident.

At the same time, significant increases in health plan premiums on state insurance marketplaces next year will likely push more Americans to either drop coverage or switch to higher-deductible plans that will require them to pay more out-of-pocket before their insurance kicks in.