



Legislation Text

File #: Res 0822-2025, **Version:** A

Res No. 822-A

Resolution calling on the New York State Legislature to pass, and the Governor to sign, S.705/A.2140, which would cap the amount people pay for non-complicated, routine medical procedures at 150% of the cost paid by Medicare for those same services.

By Council Members Schulman, Menin, Cabán, Louis, Banks, Brooks-Powers, Gutiérrez, Rivera and Mealy

Whereas, Medical costs for the same services are often higher in hospital outpatient departments than in non-hospital medical settings; and

Whereas, These higher costs result in greater healthcare spending, in higher insurance premiums, and in hospitals acquiring physician practices, further increasing costs of medical care; and

Whereas, According to data from the United States Department of Health and Human Services' Medical Expenditure Panel Survey, in 2023 New York State's average premium for employer-sponsored insurance coverage for singles and families were the third-highest and second-highest in the United States, respectively; and

Whereas, A major study by health researchers at the University of Washington also found that between 2010 and 2019, New York State ranked third in per-capita health care spending; and

Whereas, A 2023 study by the Urban Institute found that 740,000 New York State adults with credit reports have medical debt, and nearly three in four of these adults owe at least some of that debt to hospitals; and

Whereas, The study also found that the burden of medical debt tended to fall most heavily on communities of color and lower income communities; and

Whereas, High healthcare costs can cause consumers to put off needed care and preventative services,

leading to poor long-term health outcomes; and

Whereas, New York State Senate Bill S.705, sponsored by Senator Liz Krueger and pending in the New York State Senate, and companion bill A.2140, sponsored by Assembly Member Chantel Jackson and pending in the New York State Assembly, would enact site neutral payment policies for certain healthcare services to ensure that routine outpatient services are priced fairly for New Yorkers; and

Whereas, Site neutral payment policies equalize payment rates across sites of service including hospitals, doctor's offices, surgical centers, and outpatient settings; and

Whereas, The site neutral payment policy was a provision in the 2015 Bipartisan Budget Act and has been federally implemented by Centers for Medicare and Medicaid Services; and

Whereas, S.705/A.2140 would include services that Medicare's Payment Advisory Commission have determined to be safe and effective to conduct in outpatient settings; and

Whereas, Examples of these services include imaging procedures such as EKGs and MRIs, drug administration procedures such as vaccines, some clinic visits such as gynecological exams, and wellness visits; and

Whereas, S.705/A.2140 would cap provider fees for services at 150% of what Medicare pays for the same services regardless of the location in which the service takes place; and

Whereas, Researchers at the Brown University School of Public Health released a report in February 2025 that found that had S.705/A.2140 been implemented in 2022, it would have saved New Yorkers approximately \$1.14 billion; and

Whereas, The researchers also found that S.705/A.2140 would also reduce government spending on health care programs for government employees, retirees, and dependents, including saving the New York City Health Benefits Program over \$120 million; and

Whereas, Site neutral payment policies could generate considerable savings for New York City, for New York State, and for consumers, remove a barrier to healthcare, and ensure more equitable access to routine, non

-complicated, and preventative medical services; now, therefore, be it

Resolved that the Council of the City of New York calls on the New York State Legislature to pass, and the Governor to sign, S.705/A.2140, which would cap the amount people pay for non-complicated, routine medical procedures at 150% of the cost paid by Medicare for those same services.

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