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## Memorandum in Support

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TO: New York State Senate and Assembly Members

Date: March 26, 2026

RE: **S.8838-A (Rivera)/A.10576 (Lucas)**

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Cerebral Palsy Associations of New York State (CP State) was founded in 1946 by parents of children with cerebral palsy looking for services. Today it is a broad-based, multi-service organization with 30 Affiliates across the state and 19,000 employees providing support, services, and programs across the lifespan for over 100,000 individuals with developmental disabilities and their families. CP State was founded and has worked for the past eighty years to enhance the rights of and services for individuals with disabilities and their families

**CP State strongly supports S.8838-A (Rivera)/A.10576 (Lucas)** which amends the Social Services Law to require that Medicaid managed care organizations reimburse Durable Medical Equipment (DME) providers at no less than 100% of the Medicaid fee for service DME rate for the same service or item. **CP State strongly supports S.8838-A (Rivera)/A.10576 (Lucas) and urges that it be enacted into law.**

S.8838-A (Rivera)/A.10576 (Lucas) does not change New York's DME Medicaid rates, which were established in 1987. Rather, it ensures that providers are paid the full, existing Medicaid fee-for-service rate and are not subject to additional reductions imposed by managed care plans.

DME encompasses essential equipment and services that meet the medical and mobility needs of patients. These physician-prescribed items are a critical component of care plans and include orthotics, prosthetics, mobility aids such as walkers and wheelchairs, respiratory equipment including CPAP and oxygen, and supports for activities of daily living such as hospital beds and lifts. In addition to equipment, providers deliver clinical assessment and ongoing follow-up care.

Over the past decade, DME providers have faced mounting challenges that threaten patient access. Inflation has increased by approximately 25 percent, while Medicaid enrollment has grown by roughly 50 percent. At the same time, New York Medicaid rates have fallen further behind Medicare, and MCOs often impose additional reimbursement reductions below Medicaid levels. As a result, provider participation has declined significantly, with a nearly 19 percent

reduction in Orthotics & Prosthetics locations and a 40 percent decrease in DME providers statewide.

These reductions have had a direct impact on access to care. Today, 65 percent of New York counties have one or fewer accredited Orthotics & Prosthetics providers, and the state ranks fourth lowest in the nation in providers per capita. Fewer providers mean longer wait times, increased travel burdens, and delayed care for vulnerable patients.

**Importantly, an actuarial analysis conducted by Deloitte demonstrates that this legislation is fiscally responsible. New York's total DME premium allocation is \$539.4 million, and even if all claims were reimbursed at 100 percent of the Medicaid fee schedule, managed care plans would retain more than \$150 million in excess premiums designated for DME services. This confirms that payment parity can be achieved without additional cost to the state.**

Enacting S.8838-A / A.10576 will improve access to medically necessary equipment and services, support better health outcomes, and enhance quality of life for individuals who rely on these critical supports. It will also reduce avoidable falls, emergency room visits, and overall healthcare costs, while enabling more providers to participate in the system and serve patients closer to home.

**For all of the above reasons, CP State strongly supports S.8838-A (Rivera)/A.10576 (Lucas) and urges that it be enacted into law.**