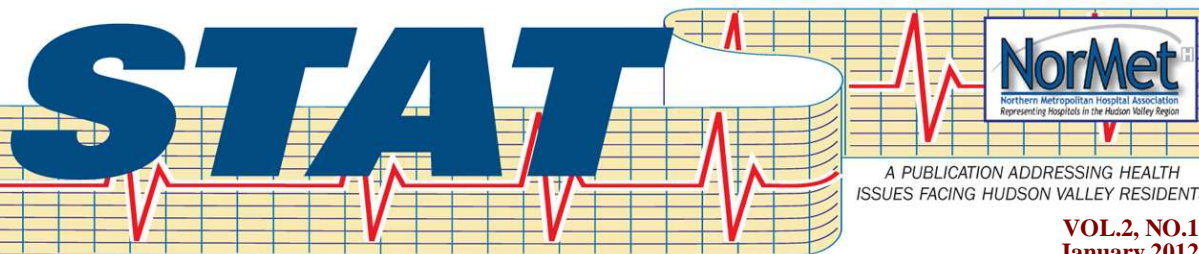


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MEMBER HOSPITALS

Benedictine Hospital
Blythedale Children's Hospital
Bon Secours Community
Hospital
Burke Rehabilitation
Hospital
Catskill Regional Medical
Center
Ellenville Regional Hospital
Good Samaritan Hospital
Helen Hayes Hospital
Hudson Valley Hospital Center
Keller Army Community
Hospital
The Kingston Hospital
Lawrence Hospital Center
The Mount Vernon Hospital
The New York Presbyterian
Hospital Westchester
Division
Northern Dutchess Hospital
Northern Westchester Hospital
Orange Regional Medical
Center
Phelps Memorial Hospital
Center
Putnam Hospital Center
St. Anthony Community
Hospital
Saint Francis Hospital
St. Joseph's Medical Center
St. Luke's Cornwall Hospital
St. Vincent's Westchester
(Division of St. Joseph's
Medical Center)
Sound Shore Medical Center of
Westchester
Vassar Brothers
Medical Center
VA Hudson Valley Health Care
System
Westchester Medical Center
White Plains Hospital Center



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Federal Update: Congress Funds Operations through FY 2012, Short-Term Package Addresses "Doc Fix"

As the December 16, 2011 deadline for funding of federal government operations drew near, Congress passed an omnibus appropriations bill that funds the government through federal fiscal year 2012, which ends September 30, 2012. Had this appropriations bill not been passed, the government would have faced a shutdown. Due to the advocacy efforts of the American Hospital Association (AHA) with significant leadership from New York's Senator Charles Schuimer, it was a classic example of partnership between the AHA, the Healthcare Association of New York State, and the Northern Metropolitan Hospital Association to provide national, state, and grassroots education for our congressional representatives.

Shortly after this action was taken, and before the year ended, Congress approved a two-month reprieve from the 27 percent physician payment cut that was set to take effect January 1, 2012. Congress also approved a two-month extension of unemployment insurance benefits, and the Social Security payroll tax holiday. All this was achieved without cuts to hospitals. This short-term package expires the end of February 2012.

Next step is to have a Congressional panel develop a year-long solution to the Medicare physician payment fix and the extension of unemployment insurance and the Social Security Tax holiday. House members return January 17, 2012 and Senate members return January 23, 2012. House and Senate leaders will appoint members to the panel.

State Update: Cuomo Issues State of State, MRT Offers Final Recommendations, Region Secures Economic Development Funding to Spur Job Growth

MRT: The public, private committee assembled by Governor Cuomo to find savings and efficiencies in the Medicaid program approved the final recommendations from all of its work groups before 2011 ended. In Phase One of the MRT process, MRT members worked alongside the Governor's office earlier in 2011 to help it close an unprecedented budget gap without raising taxes. The MRT's recommendations are expected to be included in the Governor's 2012 – 2013 budget.

Governor Cuomo's State of the State Address: The Governor called on the legislature to establish health insurance exchange legislation pursuant to the federal health care reform law – the Affordable Care Act. The Medicaid Global Spending cap instituted in last year's budget will continue in 2012. The Governor also said he plans to close the state's \$2 billion budget deficit with no new taxes or fees, and he would like to work on mandate relief. In December 2011, Governor Cuomo and the leaders of the state legislature agreed to an MTA tax relief plan and revised tax code. The MTA tax relief plan and revised tax code will provide residents and businesses with much needed tax relief. However, hospitals were not included in the MTA tax relief plan. Hospitals are economic engines in their communities and in most cases the largest employers. *In the Hudson Valley, hospitals are responsible for 50,490 jobs and contribute \$8.3 billion to the local economy.*

Economic Development Funding: Awards announced by the Governor in early December 2011 include \$67 million for the mid-Hudson region. Bio-tech research initiatives and investment in pharmaceutical manufacturing were among the projects supported. These will have some bearing upon the health care industry in future years.

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