

For Immediate Release

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HARLEM UNITED RESPONDS TO GOV. CUOMO'S WORLD AIDS DAY PRESS RELEASE

Each World AIDS Day, the Governor issues a [press release](#) honoring the day and celebrating the progress we have made in the fight to end the HIV/AIDS epidemic. Yesterday was no different. But tucked in the middle of yesterday's press release was the Governor's announcement that the State will provide \$100 million to 340B providers in 2021 "to mitigate changes in reimbursement and ensure continuation of critical services." To anyone not familiar with this issue, this sounds like a good thing—a gift from the State to those of us who are impacted by this "change in reimbursement." Harlem United's CEO, Jacquelyn Kilmer stated, "This is a deeply flawed view of the reality to be faced by our most vulnerable neighbors as a result of the Governor's actions." She discusses the facts below.

Fact #1: [The actual loss of revenue to the safety net providers](#)—community health centers, HIV clinics, Ryan White program providers and hospitals that serve low income and indigent New Yorkers—**is at least \$250 million in the first year alone**. The proposed \$100 million payment is a fraction of these losses, is only for one year, is subject to legislative and budget action and could be taken away at any time.

Fact #2: This revenue comes to the safety net providers in the form of savings from the federal 340B drug discount program and [not through any state or federal taxpayer dollars](#). The 340B drug discount program allows safety net providers to purchase drugs at discounted prices and get reimbursed at higher rates.

Fact #3: This revenue is [reinvested by the safety net providers directly into their programs and services](#) to improve health outcomes by expanding the scope of their services and covering costs of essential supportive services that are not otherwise reimbursable. This reinvestment of the revenue generated from the 340B savings to improve health outcomes is the Federal intent of the program. The Governor's "change in reimbursement" is a blatant circumvention of the original purpose of the 340B drug discount program.

Fact #4: As a result of changes in the State's budget that will go into effect on April 1, 2021, [this revenue will be diverted](#) from the safety net providers and instead, [will go to the state, which will then have to send a portion of it back to the Federal government](#).

Fact #5: Because this revenue supports the safety net system, diversion of these funds will disproportionately impact [Black and brown New Yorkers, low-income people, communities hardest hit by the COVID-19 pandemic, immigrants, the uninsured, and those who already experience health disparities](#).

Fact #6: Loss of this revenue will cause safety net providers to [lay off staff, reduce services, eliminate programs, and, in many cases, close their doors entirely](#).

Fact #7: [The most vulnerable communities in New York will lose access to life-saving services and medications](#). Their health will suffer; people could die. Progress in our fight to end the HIV/AIDS epidemic will be stalled, if not lost altogether. Our goal of achieving health equity for all—a goal we can only reach through the work of the safety net providers—will become unachievable. And this will all happen in the midst of one of the largest public health crises in recent history, when our communities need us the most.

Jacquelyn Kilmer continued, "Governor Cuomo, this plan to mitigate the damage caused by these changes is a slap in the face to all of New York's most vulnerable communities and an insult to those working on their

behalf. Touting such a plan in the World AIDS Day press release as a solution, sadly demonstrates a lack of empathy and compassion for those indigent New Yorkers who will languish and likely not survive without being able to access the life-saving medications and services they need. It is shameless thievery from those whom your office swore to protect.”

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