



## February 2026 Public Policy & Government Relations Update Volume 2: Issue 2

### Introduction

PPGR is happy to provide our February 2026 update. In this issue we focus on providing relevant federal and state updates, along with a summary of some of our many ongoing policy and advocacy efforts to protect Medicaid and our members access to care. The policy outlook remains challenging; we urge you to use this resource to stay empowered with the information we provide.

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## Federal Update

### House Passed Renegotiated FY26 Appropriations Bill

On Feb 3, 2026, Congress passed the final bills for the Federal Fiscal Year 2026 budget. This bill referred to as a 'minibus package', because it pulls together several different bills, covers Defense, Labor, Health and Human Services, Homeland Security and Transportation-Housing and Urban Development. Passage of the bill ensures funding for critical federal healthcare programs through September 30, 2026.

The funding package averted a proposed \$2B cut to federal HIV funding. The bills included level funding for the Ryan White HIV/AIDS Program, Ending the HIV Epidemic (EHE) Initiative programs, CDC Division of HIV Prevention programs, the SAMHSA Minority AIDS Initiative, Title X family planning and the Global HIV program at the CDC, along with a \$24M (5%) increase for HOPWA. The only HIV program to receive a cut was the Minority HIV/AIDS Initiative at HHS, which saw a \$4M decrease.

Health related highlights from the bill below:

- Provides \$7.4B for the Substance Abuse and Mental Health Services Administration (SAMHSA)
- Provides \$4.6B for the Community Health Center Fund through FY 2026, plus an additional \$1.159B through the end of calendar year 2026, supporting Federally Qualified Health Centers (FQHCs)
- Eliminates scheduled Medicaid Disproportionate Share Hospital (DSH) cuts for FY 2026–2027 and expands DSH payment calculations to include the uncompensated care costs of dually eligible individuals
- Provides \$418M for rural health programs, an increase intended to support rural hospitals and primary care access
- Increases funding for mental health and substance use block grants, including State Opioid Response Grants and Certified Community Behavioral Health Clinics

### Ongoing Challenges with Disbursement of Federal funds

Although Congress has set aside funding for all federal health care programs the Trump Administration continues to pursue extra-budgetary reductions in funding for these programs (recissions). This practice by the administration undermines efforts to improve access to healthcare and add urgency to our ongoing advocacy to protect Medicaid.

**These recissions include an attempt to defund substance use and behavioral health services. This attempted \$2B cut was reversed thanks to public outcry from affected organizations across the United States.** Currently the administration is threatening to withhold funds for Minnesota's Medicaid program and is attempting to rescind \$600M in Centers for Disease Control (CDC) public health funding in four states with Democratic leadership. The states include Minnesota, California, Illinois and Colorado. Attorney generals in these states have filed suit to stop the implementation of these unlawful cuts. (See Additional Reading for more details)

## **New York State Update**

### Summary of Amida Care Budget Priorities for FY26-27 (Details in Additional Reading)

- Continue to support Medicaid HIV Special Needs Plans to end the HIV epidemic
- Reject overly broad limitations on Utilization Review for Managed Care
- Invest \$300M in new funding for Community Health Centers (\$150M state share)
- Protect access to health care for transgender and LGBTQ+ New Yorkers
- Exempt people living with HIV (PLWH) from Medicaid Work Requirements
- Amida Care also Supports the ETE Coalition priorities –
  - Ensure critical funding to sustain state’s HIV response
  - Provide equal access to meaningful HIV housing supports across NYS
  - Invest in NY’s peer workforce and employment opportunities for PLWH
  - Advance PrEP equity
  - Support older adults living with HIV

### Governor’s 30 day amendments to her budget proposal

After releasing a budget proposal, the New York State Governor has 30 days to adjust their initial proposal. In February, Governor Hochul released her adjustments. The amendments made few changes to her initial proposal, and Medicaid remains funded. The biggest change since her initial budget release was that the state is expected to receive over \$1B in additional Medicaid funding because a federally approved source of funding (the MCO tax – described in the January PPGR update). These funds are expected to allow the state additional leeway in funding Medicaid in FY 2027 and FY2028.

As stated in the January update PPGR continues to be vigilant about Medicaid funding and continues to meet with state legislators to ensure that Medicaid support for SNPs remains in place, both in the budget, and during the rate setting process. PPGR will be in Albany with Doug Wirth on March 9-10 advocating for our budget priorities.

(See Additional Reading for Amida Care’s NYS Budget Priorities)

### Change of Deputy Secretary for Health

On February 11<sup>th</sup>, Deputy Secretary for Health Angela Profeta announced her resignation which will take effect this month (*February*). Angela will stay on to serve as primary adviser to the administration. She will be replaced by Megan Baldwin, who as of this writing serves as chief of staff and senior vice president of government relations for the Westchester Medical Center Health Network. She previously served as assistant secretary for health in former Governor Andrew Cuomo’s administration, and as a health policy adviser to the SUNY chancellor. Angela Profeta has served for five years. Megan Baldwin will take over just before Hochul and the Legislature begin serious negotiations over the state budget that is due April 1<sup>st</sup>. She is expected to participate in negotiations surrounding how the state will divvy up an additional revenue of over \$1B from a MCO tax on health plans that the federal government recently agreed to extend by nine months. The Deputy Secretary’s role will be crucial in the coming years as the state deals with the impact of the federal funding cuts and policy changes to Medicaid and the Affordable Care Act.

**Background:** The deputy secretary for health oversees the state Department of Health and is deeply involved with the Medicaid program, making it a particularly critical role during budget negotiations. Medicaid is the largest budget item alongside school aid, with total state spending projected to reach \$48.5 billion in the upcoming fiscal year, according to Hochul’s executive budget.

## Results of New York State Special Elections

As reported in our last issue, there were special elections held to fill vacancies in 4 state legislative districts.

The special elections were for Assembly District 36 (*Zohran Mamdani left to become Mayor of New York City*), Assembly District 74 (*Harvey Epstein left to join the NYC Council*), Senate District 47 (*Brad Holyman-Sigal left to become Manhattan Borough President*), and Senate District 61 (*Sean Ryan left to become Mayor of Buffalo*). Below are the results:

- Assembly District 36 (Mamdani): Diana Moreno (former Co-chair of the Queens Democratic Socialists of America) defeated two independent candidates, Rana Abdelhamid and Mary Jobaida.
- Assembly District 74 (Epstein): Keith Powers (NYC Councilmember) defeated Republican Joseph Foley.
- Senate District 47 (Hoylman-Sigal): Erik Bottcher (NYC Councilmember) defeated Republican Charlotte Friedman.
- Senate District 61 (S. Ryan): Jeremy Zellner (the former head of the Erie County Democrats) defeated Republican Dan Galiardo.

## NYC Mayor Mamdani Appointees Update (*Please note that appointments are ongoing*)

On January 1, 2026, NYC Mayor Mamdani signed Executive Order 2, establishing the structure and operations of his administration. This order designated five Deputy Mayors:

- **First Deputy Mayor:** Dean Fuleihan
- **Deputy Mayor for Housing and Planning:** Leila Bozorg
- **Deputy Mayor for Economic Justice:** Julie Su
- **Deputy Mayor for Operations:** Julia Kersons
- **Deputy Mayor for Health and Human Services:** Helen Arteaga Landaverde

Deputy Mayor for Health and Human Services Helen Arteaga Landaverde supervises and coordinates agencies focused on public health, health care delivery and social services, including the below:

- NYC Health + Hospitals
  - *CEO of NYC Health+ Hospitals continue to be Mitchell Katz, who was appointed by Mayor DeBlasio*
- NYC Department of Health and Mental Hygiene
  - *Dr. Alister Martin was appointed by Mayor Mamdani*
- NYC Department of Social Services
  - *Erin Dalton was appointed by Mayor Mamdani*
- NYC Administration for Children’s Services

- *Jess Dannhauser is currently still commissioner, appointed by former Mayor Adams.*
- NYC Department for the Aging
  - *Dr. Lisa Scott-McKenzie was appointed by Mayor Mamdani*
- Office of Management and Budget
  - *Sherif Soliman was appointed by Mayor Mamdani*
- Office of the Chief Medical Examiner
  - *Dr. Jason Graham was appointed Chief Medical Examiner by Mayor Mamdani*
- The Mayor’s Office for People with Disabilities
  - *Nisha Agarwal was appointed by Mayor Adams as Commissioner*
- The Mayor’s Office of Community Mental Health
  - *Eva Wong was appointed as Executive Director by Mayor Mamdani*

## **PPGR Advocacy**

### AIDS Advisory Council & Public Health Plans Lobby Day in Albany

On February 11<sup>th</sup>, Joe Pressley divided his time between joining the AIDS Advisory Council and Public Health Plan’s legislative education meetings in Albany. In addition, Joe ran into newly elected NYS Senator Erik Bottcher (former NYC councilmember) and congratulated him on his new position. Meetings included:

- Assemblymember Albert A. Stirpe’s office (District 127)
- Assemblymember Rebecca Seawright’s office (District 76)
- State Senator Jamaal Bailey’s office (District 36)
- State Senator Gustavo Rivera’s office (District 33)



*Joe Pressley and NYS Senator Erik Bottcher*

### AIDS United Policy Meetings in Washington D.C.

From Tuesday February 10<sup>th</sup> to February 12<sup>th</sup>, Lyndel Urbano was in Washington D.C. to join the AIDS United Policy Department for meetings with Senate and congressional staff from various legislative offices including:

- US Senator Schumer
- US Senator Gillibrand
- US Representative Malliotakis
- US Representative Velazquez
- US Representative Goldman
- US Representative LaLota

## Caucus Weekend 2026 in Albany

From Friday February 13<sup>th</sup> to February 15<sup>th</sup>, Joe Pressley attended the annual Caucus Weekend in Albany.

Lyndel Urbano joined Joe for the annual LGBTQIA+ reception during Caucus Weekend, cosponsored by Amida Care and organized and held in collaboration with New Pride Agenda, Callen-Lorde, the Ali Forney Center, Destination Tomorrow, The Center, In Our Own Voices and Caribbean Equality Project. We were joined by:

- NYS Senate Majority Leader Andrea Stewart-Cousins
- NYS Senator Gustavo Rivera
- Assemblymember Jessica Gonzalez Rojas
- Assemblymember Gabriella Romero
- NYC Council Deputy Speaker Natasha M. Williams
- NYC Public Advocate Jumaane Williams



*NYS Senator Gustavo Rivera*

*NYC Public Advocate Jumaane Williams*



*Assemblymember Gabriella Romero*



## ACAP Fly-In Washington D.C.

From Monday February 23<sup>rd</sup> to Thursday February 26<sup>th</sup>, Joe Pressley joined ACAP for their quarterly fly-in policy update sessions and legislative meetings in Washington D.C. He met with:

- Representative Nicole Malliotakis' office
- Representative Nick Langworthy's office
- Senate Committee on Finance (Majority member's staff)
- House Energy & Commerce Committee (Minority member's staff)



*Joe Pressley in D.C.*

## Amida Care signs on to letter addressed to CMS Administrator Dr. Mehmet Oz

On February 17, Amida Care joined 66 other organizations (making the undersigned count 67) on a letter to Centers for Medicare & Medicaid Services (CMS) Administrator Dr. Oz, commenting on two proposed rules.

1. Change to the Children's Health Insurance Program (CHIP) and
2. Change in Medicaid regarding coverage for gender-affirming care for youth

Both would restrict federal funds and prohibit providing of gender-affirming care for youth. If these rules are finalized, hospitals would be restricted in providing lifesaving healthcare to youth.



## Resources of Interest

National Alliance of State and Territorial AIDS Directors (NASTAD) has announced the re-introduction of the ADAP Watch Report

NASTAD announced the re-introduction of [ADAP Watch](#). This report tracks the current and projected fiscal health of Ryan White HIV/AIDS Program (RWHAP) Part B AIDS Drug Assistance Programs (ADAPs), providing essential data on cost-containment measures as programs navigate an increasingly complex fiscal landscape.

### **NASTAD ADAP Watch Key Findings: February 2026**

The February 2026 edition of ADAP Watch is based on data received from 44 states and territories during a request for information (RFI) conducted in late January.

While ten jurisdictions reported deficits in the current fiscal year, that number is forecasted to nearly double, with 19 ADAPs forecasting deficits for the upcoming RWHAP Part B fiscal year starting April 1, 2026. The leading cause of these deficits is the rising cost of medication per client. Other significant pressures include the expiration of enhanced premium tax credits for Affordable Care Act (ACA) marketplace insurance and increased program enrollment.

Several states have already moved to lower Federal Poverty Level (FPL) eligibility caps to manage costs, including Florida, Pennsylvania, Kansas, Delaware, and Rhode Island.

### **Active and Emerging Measures**

Currently, there are zero waiting lists reported nationwide. However, programs are actively utilizing other measures to sustain operations:

- Ten states have reduced RWHAP Part B funding for core medical and support services to support ADAP.
- Jurisdictions such as Arizona, Florida, and Michigan have reduced formularies or restricted insurance premium assistance.
- Arkansas, Louisiana, and New Jersey are currently considering the establishment of waiting lists.

NASTAD will conduct RFIs and publish *ADAP Watch* on a quarterly basis. The next issue is scheduled for release in the second quarter of the 2026 calendar year, coinciding with the first quarter of the 2026 RWHAP Part B fiscal year. This regular cadence will allow for longitudinal analysis to help support technical assistance and policy activities in response to evolving budget pressures. Read the full report [here](#).

### Twice-Yearly Injectable Lenacapavir for HIV Pre-Exposure Prophylaxis (PrEP)

On February 24<sup>th</sup>, 2026, the New York City Department of Health and Mental Hygiene (NYC Health Department)'s Bureau of Hepatitis, HIV, and Sexually Transmitted Infections (BHHS), shared a Dear Colleague letter from Dr. Sarah Braunstein, the Assistant Commissioner for BHHS and Acting Deputy Director for the Division of Disease Control on the use of the twice-yearly injectable lenacapavir for HIV pre-exposure prophylaxis (PrEP). The letter can be read [here](#).

## PPGR Round Up

We hope that this update has been informative. We ask that you let us know if you have any questions and look forward to working with you, as we strive to protect Medicaid and ensure that our Members, providers and you our colleagues at Amida Care have the resources to take informed action.

## Additional Reading

### Department of Homeland Security (DHS) spokesperson Tricia McLaughlin to leave Trump administration

On February 17, one of the Trump administration's most vocal defenders of its aggressive immigration crackdown is leaving as public opinion sours against the hardline approach, according to two DHS officials familiar with the move.

Tricia McLaughlin, Department of Homeland Security Secretary Kristi Noem's spokesperson, is expected to inform colleagues Tuesday about her plans, according to the officials. Read the full article [here](#).

### Long Island state Assemblyman Keith Brown won't run for reelection in 2026

Long Island state Assemblyman Keith Brown announced February 17 he would not seek reelection to a fourth term.

"This decision was a difficult one, but it is time," Brown said. "I am proud of the work we have done these past five years, and I really loved being your assemblyman! I am truly humbled. It has truly been an incredible honor, and I have loved serving the community where I grew up in the New York State Legislature. I am proud of my accomplishments, having delivered real results."

Brown, a Republican, was first elected to the 12th state Assembly District in 2020, serving as ranking member of the Assembly Committee on Alcoholism and Substance Use. Read the full article [here](#).

### New York Governor Kathy Hochul's health care push runs into GOP wall

Gov. Kathy Hochul wants to work with House Republicans to ensure noncitizens and low-income New Yorkers continue to receive health care coverage beyond July. Finding any takers inside the Empire State's GOP delegation hasn't been easy.

At stake is health care for roughly 1.5 million New Yorkers who may lose coverage following approval of President Donald Trump's sweeping tax-and-spending package.

The moderate Democratic governor, facing a tricky reelection, is trying to persuade recalcitrant House Republicans to advocate for a waiver from the federal government that would preserve coverage for roughly two-thirds of the people slated to lose benefits. The rift between the two parties is playing out as health care coverage remains in doubt for New Yorkers who aren't citizens but are living in the country legally or earn too much to qualify for Medicaid. Read the full article [here](#).

### Trump says he will issue executive order to get voter-ID requirements before midterms

President Donald Trump on Friday said he will issue an executive order “shortly” laying out the “legal reasons” for national voter-identification requirements.

Trump, in posts late Friday to Truth Social, said he wants voter-ID laws implemented for the 2026 midterm elections, even though legislation mandating them appears poised to stall in Congress.

“The Democrats refuse to vote for Voter I.D., or Citizenship. The reason is very simple — They want to continue to cheat in Elections,” Trump posted to Truth Social.

“This was not what our Founders desired. I have searched the depths of Legal Arguments not yet articulated or vetted on this subject and will be presenting an irrefutable one in the very near future. There will be Voter I.D. for the Midterm Elections, whether approved by Congress or not!” he continued. Read the full article [here](#).

### NYU Langone Health Ends Medical Treatment for Transgender Youth

The move by the hospital, NYU Langone Health, comes after the Trump administration in December proposed rules that would pull federal dollars from any hospital that provides gender transition treatments for adolescents, such as puberty blockers, hormone therapy or surgery.

On Tuesday February 17, a spokesman for NYU Langone issued a statement citing “the current regulatory environment” as among the reasons the hospital had decided to discontinue its program for gender-related care for youth.

“Given the recent departure of our medical director, coupled with the current regulatory environment, we made the difficult decision to discontinue our Transgender Youth Health Program,” according to the statement, which was provided by an NYU Langone spokesman, Steve Ritea. Read the full article [here](#).

### NIH Director Jay Bhattacharya takes helm of the CDC

Jay Bhattacharya, the head of the National Institutes of Health, will become acting director of the Centers for Disease Control and Prevention following the dismissal last week of Jim O’Neill, according to a White House official and an administration official.

**Background:** Health Secretary Robert F. Kennedy Jr. removed O’Neill as HHS deputy secretary and elevated deputy administrator of CMS Chris Klomp to chief counselor in charge of overseeing all HHS operations. President Donald Trump will name O’Neill to lead the National Science Foundation, said one of the officials. Read the full article [here](#).

### Minnesota sues after CDC cuts millions of dollars in public health grants

In Minnesota, a judge issued the temporary restraining order to stop some federal funding cuts after Attorney General Keith Ellison and other attorneys general filed a lawsuit against the federal Office of Management and Budget.

The U.S. Centers for Disease Control and Prevention’s five-year Public Health Infrastructure grant was awarded to the state in 2022 and was set to end in 2027. MDH reported that 107 health departments across the county received this funding, but the grants for Minnesota, Colorado, Illinois and California have been canceled prematurely, totaling more than \$600 million. Read the full article [here](#).

### Senate Democrats blast CDC's rescission of \$600M in 'woke' health funding

At the start of the month, the White House Office of Management and Budget (OMB) directed the Transportation Department and the Centers for Disease Control and Prevention (CDC) to rescind a collective \$1.5 billion in grant funding from California, Colorado, Illinois and Minnesota, with \$602 million in health care funding being clawed back.

An OMB spokesperson said at the time that the rescissions were targeting “woke” healthcare grants within “states fraught with waste and mismanagement.”

Senate Democrats representing the affected states as well as those in leaderships positions on key committees lambasted this action in a letter to Health and Human Services Secretary Robert F. Kennedy Jr., seen first by The Hill. “The administration has allegedly deemed the \$600 million in grant funding as ‘inconsistent with agency priorities.’ Despite this claim, the administration’s effort guts essential public health infrastructure, as well as testing and treatment for lethal diseases, including HIV. Should the administration move forward with these planned cuts, basic public health infrastructure in California, Colorado, Illinois, and Minnesota will be threatened,” their letter stated.

They decried that “no explanation” has been given regarding how these grants were judged as being inconsistent.

The targeted funds included \$3 million to Colorado to address COVID-19 disparities among racial and ethnic minority groups; \$5.2 million to a Chicago children’s hospital for increasing HIV PrEP use among Black cisgender women; and half a million to the University of California for evaluating state-level laws to prevent sexual and intimate partner violence among gender and sexual minorities.

“These latest grant terminations also fall on the heels of your recent attempt to terminate 2,800 grants and \$2 billion in funding supporting mental health and substance use prevention and treatment programs nationwide, as well as your attempt to pause all activities under CDC’s PHIG program nationwide,” added the senators. “Those actions were so reckless and deadly that both decisions were reversed within 24 hours.”

The senators demanded that the administration reverse all rescissions.

The lawmakers who signed the letter included Democratic Sens. Adam Schiff (Calif.), Alex Padilla (Calif.), Dick Durbin (Ill.), Tammy Duckworth (Ill.), Amy Klobuchar (Minn.), Tina Smith (Minn.), Michael Bennet (Colo.), John Hickenlooper (Colo.), Patty Murray (Wash.), Tammy Baldwin (Wis.) and Bernie Sanders (I-Vt.).

## Budget priorities

In addition to Amida Care state budget priorities, we are also working with priorities formulated by coalitions that we are a part of. Below you will find the Ending the Epidemic (EtE) state budget priorities which we are also working with. We are sharing these with legislative offices as well. Read the full EtE Budget and Policy Platform [here](#).

**To end AIDS as an epidemic in NYS, we need investments and policy changes. Below are five urgent budget and legislative priorities for FY27.**

### **1. Ensure Critical Funding to Sustain the State’s HIV Response**

#### *Sustain FY26 funding levels*

- During this time of federal attacks on Medicaid, funding cuts for programs are essential to achieving the end of the epidemic, and other federal actions targeting the communities still disproportionately impacted by the epidemic, it is critical to continue FY26 ETE funding levels in FY27 and restore FY25 legislative adds for CSPs and MSAs that were eliminated from the FY26 Budget and baseline those legislative adds.

### **2. Provide Equal Access to Meaningful HIV Housing Supports Across NYS**

#### *Public assistance expenditure*

- Every low-income, benefit-eligible New Yorker with HIV experiencing homelessness or housing instability should have access to the existing NYS public assistance HIV rental subsidy program. Housing is necessary to benefit from HIV treatments, stop new HIV transmissions, and address persistent HIV health inequities that will also result in net Medicaid savings.

### **3. Invest in NY’s Peer Workforce and Employment Opportunities for PLWH**

#### *\$10M*

- Ending the Epidemic through employment is a cost- saving, high-impact strategy to increase health care access, support the safety net, intensify the impact of under-resourced organizations, and provide life- changing economic mobility opportunities for people living with HIV. Investing in NY’s peer workforce is more essential than ever as our communities face “mandatory community engagement requirements” and other unprecedented barriers in accessing healthcare, benefits, HIV prevention, treatment, and other supportive services.in going to work.

### **4. Advance PrEP Equity**

#### *\$6M*

- Despite its proven efficacy, PrEP uptake remains alarmingly low among Black and Hispanic New Yorkers, women, and those over 50—all populations disproportionately impacted by HIV. Progress towards PrEP equity is essential to address stark disparities in new HIV diagnoses. New York must act boldly by investing in community-rooted outreach and scaling access to the latest prevention tools, including groundbreaking ultra-long-acting injectable PrEP recently approved by the FDA. Long-acting PrEP holds transformative potential for people facing barriers to traditional PrEP. More equitable access to PrEP will translate to a reduction in new HIV infections and savings from averted HIV care costs for NYS.

### **5. Support Older New Yorkers Living with HIV**

#### *\$10M*

- New Yorkers over the age of 50 make up the majority of New Yorkers with HIV and are estimated to be 70% of the population by 2030 due to medical advances, overall aging

trends in NYS, and new HIV diagnoses. NYS must act now to address the medical and social needs of long-term survivors and older New Yorkers with HIV.

**The End AIDS NY Community Coalition is a group of 90+ healthcare centers, hospitals, and community-based organizations across NYS that are committed to realizing the goals of our historic Blueprint for Ending the Epidemic (EtE) for all New Yorkers.**