



SUNY Hospitals and Healthcare

SFY2026-27 STATE BUDGET

SUNY HOSPITALS CONTRIBUTIONS AND CHALLENGES

SUNY's three hospitals — Upstate University Hospital, University Hospital at Downstate, and Stony Brook University Hospital — are safety net teaching hospitals serving all patients regardless of ability to pay. Together, SUNY hospitals annually provide over 80,000 hospital stays, 750,000 outpatient visits, and 300,000 emergency department visits. Our hospitals provide quality health care services but struggle with cash flow issues, delayed DSH payments and changes, and damaging pending federal actions.

The FY2026-27 Executive Budget includes important investments in SUNY's hospitals:

Transitional Support for SUNY Downstate

The Executive Budget includes \$100 million in much needed continued transitional operating support for SUNY Downstate hospital as the ambitious multi-year strategic plan informed by the Downstate Community Advisory Board recommendations is implemented.

SUNY Hospitals Infrastructure

The Executive Budget includes \$50 million in capital funding for each of the SUNY hospitals (\$150 million total) to support ongoing maintenance of their current aging facilities. It also includes capital reappropriations needed for the major multi-year capital investments committed to SUNY Downstate and SUNY Upstate hospitals.

SUNY is committed to working with the Executive and Legislature to advance additional provisions that will strengthen these vital safety net teaching hospitals:

Permanently End the Hospital Debt Service Sweep

For the past four years, the final adopted State Budget has removed the "sweep" of patient revenues from the three hospitals back to the General Fund to reimburse the cost of debt service. SUNY is requesting the Legislature provide this debt service relief again and make it permanent, allowing the three SUNY hospitals to continue to use approximately \$70 million in funds for operations. This change is especially critical given the large capital investments underway that will otherwise be unaffordable for the hospitals. Further, the University at Buffalo Jacobs School of Medicine should also be relieved from debt service requirements, consistent with other campuses, which will provide \$12 million in operating support.

Other Needed Support

- › **Restore \$1 million** for the high needs nursing program which has supported simulation equipment/training/ shared resources and innovative partnerships among campuses.
- › **Restore \$1 million** for university wide mental health services which has supported the SUNY tele-psychiatry network, suicide prevention training, mental health first aid, and more.
- › Urge the State to **update, modernize, and make timelier DSH payments** to SUNY hospitals.
- › **Reject proposal** that would allow NYSHIP to sweep hospital accounts.