

HOLDING CORPORATIONS ACCOUNTABLE BY PREVENTING MEDICAL DEBT

**LEVERAGING COMMUNITY BASED ORGANIZATIONS
TO PREVENT AND ADDRESS MEDICAL DEBT**

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Medical Debt in New York City

Over 13 percent of New York City residents are estimated to have medical debt of \$500 or more. Medical debt in New York City is inequitably distributed: New Yorkers who are low-income and people of color have a higher prevalence of medical debt compared to their White and higher-income counterparts. Medical debt is over twice as common among uninsured New Yorkers (31 percent).¹

Currently, 6 percent of New York City residents are uninsured. However, federal cuts to health insurance under H.R. 1 are expected to increase the number of uninsured New York City residents by nearly 1 million. The increase in uninsurance under H.R. 1 will occur in many ways. Some people will lose coverage or have a gap in coverage due to new bureaucratic hurdles to maintaining insurance eligibility. Others, such as many groups of legal immigrants, will simply be rendered ineligible for public coverage. As a result, even more New Yorkers will be exposed to the misery of medical debt.

Fortunately, New York State has enacted a series of medical debt reforms to mitigate the worst impacts of medical debt and expand access to hospital financial assistance to prevent it in the first place.² But patients are unaware of these new rights. In addition, many New Yorkers, especially low-income and otherwise marginalized populations, will need support to stay covered, or for those who are now becoming ineligible, finding low-cost or free care.

Investing in Community Based Organizations to Prevent and Address Medical Debt

Consumer Assistance programs have a clear history of helping New Yorkers navigate changes in the health insurance landscape and providing a return on investment. The City should increase funding for community-based organizations to provide consumer assistance to: (1) prevent coverage losses, (2) resolve managed care and enrollment problems, (3) support affordability and informed choice, and (4) reach communities at the highest risk of losing coverage.

New York City's Managed Care Consumer Assistance Program (MCCAP)

The Managed Care Consumer Assistance Program (MCCAP) helps New Yorkers navigate the complex health care system by providing individual assistance to New York City residents through a free live-answered helpline. Since 2020, MCCAP has served 23,000 clients, achieved a 90 percent success rate in cases handled, and saved NYC consumers \$1.1 million in health care-related costs. MCCAP has a network of 20 Community-Based Organizations to provide culturally and linguistically competent health advocacy services to residents in more than 15 languages and at 15 different locations across all five boroughs.³

MCCAP's role will be even more critical as New York City residents face major coverage disruptions due to changes under H.R.1, ensuring New Yorkers can understand these changes, protect their coverage, and maintain access to needed health care during this transition by:

- 1. Preventing Coverage Loss.** MCCAP can assist New Yorkers with new eligibility and renewal requirements; completing and submitting required documentation on time; resolving wrongful terminations or enrollment errors; and smoothly transitioning between Medicaid, the Essential Plan, and ACA coverage. For those who will no longer be eligible for coverage, they can help find low-cost or free care options (e.g., NYC Cares and community health centers).
- 2. Resolving Managed Care and Enrollment Problems.** MCCAP advocates can help New Yorkers avoid medical debt by assisting them with managed care plan denials, delays, and service disruptions; helping them access providers during plan transitions; and submitting appeals and grievances related to coverage or care. They can also help negotiate discounts and medical bill forgiveness when a plan does not pay the bill.

3. Supporting Affordability and Informed Choice. MCCAP advocates can assist New Yorkers in comparing plan options and costs under new ACA rules; understanding premiums, deductibles, and cost-sharing; identifying financial assistance and subsidies when available; making informed decisions that fit their health and financial needs; and resolving past due medical debt.

4. Reaching communities at the highest risk of losing coverage. MCCAP advocates and trusted community-based organizations can assist New Yorkers who are low-wage and hourly workers, people of color, immigrant New Yorkers, individuals with limited English proficiency, people with disabilities and chronic health conditions, and other hard-to-reach communities.⁴

Access Health NYC

Access Health NYC (AHNYC) is a City Council initiative supporting 37 community-based organizations across all five boroughs. These organizations provide culturally responsive, language-accessible health education, outreach, and navigation services to underserved New Yorkers, including immigrant, limited-English proficient, uninsured, LGBTQ+, and disabled communities.

As more families experience coverage disruptions due to H.R.1 policies and uncertainty surrounding other federal health care and immigration policies, AHNYC plays a critical role in reaching hard-to-reach communities with trusted information and assistance. Through outreach and education, AHNYC helps residents stay informed about available programs and services that can help them maintain health coverage, access care early, and navigate increasingly complex health care systems.

How New York City Can Leverage State Matching Funds to Invest in MCCAP and Access Health NYC

Following H.R. 1, New York City should expand its limited investment in MCCAP and AHNYC. By leveraging state Article 6 matching funds, the City can increase its impact by 25 percent. Article 6 of the NYS Public Health Law provides reimbursement for expenses incurred by local health departments for core public health areas as defined in law. In the City, Article 6 funding provides support for the New York City Department of Health and Mental Hygiene (NYCDOHMH) to contract with local community-based organizations with the expertise and capacity to provide preventive, culturally competent, and linguistically competent services. Community-based organizations in the MCCAP and AHNYC initiatives, both funded by the City Council through discretionary funding and administered by NYCDOHMH, are eligible for the Article 6 matching funds.

Enhancing MCCAP and AHNYC requires City budgetary action. The City already receives Article 6 matching funds for these programs and would not need to do anything differently to continue to access matching funds. The more the Council invests in these initiatives, the larger the state match will be. This investment will ensure that those community-based organizations are supported to reach the hardest-to-reach and marginalized patients in the communities where they live and work. This ensures that funding is directly targeted to communities, not outside interests or well-heeled providers.

The effectiveness of funding outreach and consumer assistance programs on reducing coverage losses through a changing public policy landscape was demonstrated two years ago when Medicaid eligibility rules radically changed at the end of the COVID-19 emergency. A study of privately funded investment in community-based organization outreach found that \$2.5 million enabled the enrollment of over 85,000 New Yorkers in health insurance during the unwinding of the public health emergency, yielding a 3,850 percent return on investment.⁵ This successful experience of funding grassroots community-based organizations provides the City an effective blueprint for mitigating the worst impacts of H.R. 1 to ensure more people will not be exposed to the ravages of medical debt.

Conclusion

The Managed Care Consumer Assistance Program, Access Health NYC, and their partner community-based organizations have a strong infrastructure that can be leveraged to mitigate H.R. 1 and prevent medical debt by: (1) preventing coverage losses, (2) resolving managed care and insurance enrollment problems, (3) supporting affordability and informed choice, and (4) reaching communities at the highest risk of losing coverage.

Endnotes

- 1 Fordjuoh J., Schwartz R., Maru D., Sood R., Jackson J., and Wiewel EW. *Inequities in Medical Debt and Its Contributing Health Care Services in New York City*. JAMA Network Open, Vol. 9, No. 3 (Mar. 4, 2026), <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2845877>.
- 2 Mia Wagner and Elisabeth Benjamin, *The Campaign to End Medical Debt: How New York Dramatically Reduced Patients' Medical Debt Burden*, Community Service Society of New York (Oct. 2025), https://smhttp-ssl-58547.nexcesscdn.net/nycss/images/uploads/pubs/100825_EMD_Campaign_Report_V81.pdf.
- 3 Report, *Managed Care Consumer Assistance Program (MCCAP) FY 2025*, Community Service Society of New York (Jan. 2026), https://smhttp-ssl-58547.nexcesscdn.net/nycss/images/uploads/pubs/011526_MCCAP_Annual_Report_V3.pdf.
- 4 *Id.*
- 5 Matt Flynn, Sara Kunkel, Mia Wagner, and Elisabeth Benjamin, *We'll Keep You Covered: How Funding Community-Based Outreach Reduces Coverage Losses in the Face of Federal Policy Changes*, Community Service Society of New York (July 2025), https://smhttp-ssl-58547.nexcesscdn.net/nycss/images/uploads/pubs/072325_KNYC_Brief_V7.pdf.