



## Department of Health

**KATHY HOCHUL**  
Governor

**JAMES V. McDONALD, M.D., M.P.H.**  
Acting Commissioner

**MEGAN E. BALDWIN**  
Acting Executive Deputy Commissioner

April 20, 2023

Dear Colleague,

On April 1, 2023, the transition of pharmacy benefits in the New York State Medicaid program from Managed Care to the new NY Medicaid Pharmacy Program (NYRx) went into effect. The New York State Department of Health (NYSDOH) recognizes that this change affects HRSA Ryan White-funded organizations and other providers who offer services as part of the 340B drug pricing program. Governor Hochul's proposed FY2024 budget includes an additional \$30 million appropriation for these organizations to off-set revenue losses that impact the provision of services to vulnerable populations, including those living with HIV/AIDS.

The NYSDOH AIDS Institute (AI), in collaboration with our colleagues throughout the Department, anticipated this change and are taking steps to ensure that Ryan White providers who offer essential services to priority populations, especially persons living with HIV/AIDS, expediently receive this funding in order to overcome 340B-related revenue losses. On April 11, NYSDOH AI announced a Solicitation of Interest (SOI) to determine eligibility for these funds, contingent upon funding being included in the FY2024 NYS fully enacted budget. More information and the link to a survey to determine eligibility [can be found here](#).

On Monday, April 10, and subsequently on April 17th, the New York State Legislature approved an extender bill intended to cover critical expenses that may be incurred prior to having a final enacted budget. The extender bills include \$9 million to allow the above referenced SOI to be issued. The initial \$9 million is intended to support an expedited procurement process and the establishment of short-term contracts to cover immediate expenses prior to the beginning of the SOI contract start date. Responses received from the SOI will also serve as the foundation for establishing eligibility criteria for the interim funding. The AIDS Institute expects to finalize interim contracts by the end of May. Longer-term contracts will be established in October pending the approval of the appropriation in the FY2024 final enacted budget.

The AIDS Institute will continue to provide information as it becomes available pending the closing of the SOI and the approval of the FY2024 NYS final enacted budget. We anticipate convening eligible Ryan White providers for further discussion and orientation to the disbursement of any approved budget appropriation. The NYSDOH is committed to ensuring that organizations which are affected by this change receive the support necessary to continue providing critical services.

We thank you for your continued partnership.

Sincerely,

Joseph Kerwin  
Director, AIDS Institute