

**Written Testimony of Dr. Brian G. Donley**  
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**House Ways & Means Committee Hearing on Healthcare Affordability**  
**Tuesday, April 28, 2026**

Chairman Smith, Ranking Member Neal, and distinguished committee members: Thank you for the opportunity to submit this testimony on the critically important topic of healthcare affordability. My name is Brian Donley, and I am the President and CEO of NewYork-Presbyterian.

I'm grateful for the opportunity to discuss an issue that is not only an organizational priority at our hospital but is also deeply important to me personally.

I grew up in Pittsburgh, the son of a nurse and a community pharmacist. I still recall the sense of pride I felt as a child when people came to our home to ask questions about their health. My parents instilled in me the importance of caring for people, and I understood early on that healthcare is about empathy, respect, and the sacred trust between a patient and caregiver. Those experiences shaped my decision to become a physician and have guided every role I have held since.

I joined NewYork-Presbyterian as Executive Vice President and Chief Operating Officer in 2023 and was honored to become the CEO approximately 12 weeks ago. I am an orthopedic surgeon with 20 years of experience at the bedside - and that is the perspective I bring to my job every day: how to best serve our patients.

I took this role because of NewYork-Presbyterian's mission-driven culture, its history of clinical excellence, and the chance to make a real difference for our patients, team members and communities.

NewYork-Presbyterian is one of the nation's most comprehensive, integrated academic healthcare systems. With ten hospitals, over 4,000 beds, more than 10,000 affiliated physicians, 14,000 nurses - 45,000 employees in total - we serve more than 2 million patients each year. We take great pride in caring for every person who comes through our doors, including patients from all 50 states. We deliver 22,000 babies and see approximately 620,000 patients in our emergency departments each year. We are also one of the largest providers of behavioral healthcare in our region, operating 500 inpatient beds, and one of the largest providers of care to Medicaid-insured New Yorkers. For the last reportable year, we provided \$2.4 billion in community benefit, 21% of our total operating expenses.

NewYork-Presbyterian has a profound commitment to our patients, our employees, and the communities we serve. We believe high quality healthcare must be accessible and affordable for all Americans, and we dedicate considerable time and resources to deliver on that mission. However, we recognize our individual initiatives must be part of a broader collaborative effort by all stakeholders. I thank the members of this committee for holding this hearing. Ensuring every

American has access to affordable, high-quality care is among the most pressing obligations we share, and it deserves sustained attention.

NewYork-Presbyterian is one of America's oldest and most respected hospitals. We treat some of New York's and this country's most complex and vulnerable patients, and we have done so for more than 250 years. Several factors have contributed to NewYork-Presbyterian's success and longevity: a commitment to our patients, mission, and world-class teams, as well as a deep connection to our local communities.

### ***A commitment to our patients***

Every day, the remarkable teams at NewYork-Presbyterian strive to provide the highest quality, most compassionate care to thousands of New Yorkers and to patients from across the country. Our teams work tirelessly to maintain our standing as a national leader in quality, safety, patient experience, and clinical outcomes.

Working with our academic partners, we develop and deliver breakthroughs that redefine what's possible in medicine and create solutions that benefit patients nationwide. For example, our children's hospital in Northern Manhattan provides among the highest acuity care of any children's hospital in the United States.<sup>1</sup> Over the past two years, NewYork-Presbyterian has proudly provided care to more than 1,500 children from states represented by members of this committee outside of New York.

We pride ourselves on pairing innovation with empathy, striving every day to make care more human, more personal, and more accessible for every patient—regardless of insurance status or ability to pay. There are countless stories that capture our commitment to exceptional, compassionate patient care and to groundbreaking procedures that save lives.

- Born with sickle cell disease, a seventeen-year-old patient spent much of his childhood cycling through pain crises and hospitalizations, with few treatment options available. When a clinical trial for a new gene therapy opened at NewYork-Presbyterian, he became one of the youngest patients to enroll in a procedure that involved editing his own stem cells and reintroducing them into his body. Today, he lives the normal life of a teenager, free of pain crises. That outcome required sustained investment in research infrastructure, clinical trial capacity, and the specialized teams capable of executing a procedure of that complexity. It is precisely the kind of investment that a challenging reimbursement environment puts at risk.
- In 2025, our teams completed the first Domino-split-liver transplant in adults in the United States — this rare procedure involves four patients: the primary recipient receives a new liver, while the recipient's original liver, which did not function properly for them due to a metabolic disorder but was otherwise healthy, is split to benefit two additional patients with liver failure.

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<sup>1</sup> Internal analysis of the Children's Hospital Association Pediatric Health Information System (PHIS) database.

- When triple-negative breast cancer spread to a young mother’s brain and then her spinal fluid, she believed she had only months to live. Our teams collaborated across disciplines to tailor a complex treatment plan that helped the artist and mother of two beat the odds. Today, this young mom is a full-time artist in Connecticut who uses her talent to promote breast cancer awareness and screening.
- Perhaps most illustrative of where medicine is heading, EchoNext is an AI-powered tool which can identify structural heart disease from an EKG, something even an experienced cardiologist cannot detect with the naked eye. In 2025, after a young man presented to our emergency department with shortness of breath but no other abnormalities; EchoNext flagged him with a high-risk score, and our team discovered he carried a gene mutation that can cause sudden cardiac death if left untreated. As a result, our team performed one of the first heart transplants prompted by an AI-model finding, and today that patient is back home with his wife and daughter.

These outcomes are not accidents — they are the product of sustained, deliberate investment in people, technology, and infrastructure. They represent what an academic medical center, working at the top of its capabilities, makes possible, and they are what is at stake in the policy decisions before this committee.

More of these inspiring stories can be found at <https://www.nyp.org/healthmatters>.

### ***A commitment to our mission***

Providing care to all is fundamental to who we are as an institution. As mentioned, NewYork-Presbyterian is one of the largest providers of care to New Yorkers insured by Medicaid. We treat more Medicaid patients with complex conditions and provide more transplant and pediatric care to Medicaid patients than any other health system in New York State.<sup>2</sup> In addition, other than New York City’s public hospital system, we are the largest provider of Medicaid emergency department visits state-wide.<sup>3</sup>

Regardless of insurance coverage, or lack thereof, we believe every patient should have access to our care. No patient should ever have to skip or delay care they need because of their ability to pay. We have a generous financial aid policy and a team of more than 200 patient navigators to help people understand their coverage and apply for Medicaid or financial aid. We do not sue patients, garnish wages, place liens, or report to credit agencies for unpaid care.

We believe that greater transparency is essential and patients should better understand the cost of their care prior to treatment. However, in U.S. healthcare, both because of the complexity of the healthcare system and the need for flexibility in clinical care, helping patients accurately assess their personal financial responsibility before receiving care remains a challenge. We welcome the

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<sup>2</sup> New York State Statewide Planning and Research Cooperative System (SPARCS), 2023.

<sup>3</sup> New York State Institutional Cost Reports, 2024.

opportunity to build on the bipartisan efforts of Congress and the Administration to make pricing information more user-friendly for patients.

This commitment extends to teaching and preparing the next generation of physicians. Our Graduate Medical Education (GME) programs train approximately one in seventy of the country's physicians each year, helping to address a growing national need as our population ages and the number of physicians fails to keep pace with demand.<sup>4</sup> It's projected that by 2036 there will be a shortage of 86,000 physicians nationwide.<sup>5</sup> Preparing the next generation of physicians to treat patients across the country is core to our mission.

We are grateful for Medicare's role in supporting the costs of GME. However, Medicare alone cannot meet the growing demand, which is why we train more than 500 residents above our GME cap, absorbing \$720 million in costs annually.

### ***The cost of providing care***

Our work is extensive—and it costs a great deal. It has become increasingly difficult to secure adequate resources to keep reinvesting in our patients, people, and infrastructure, especially in New York City, one of the most expensive regions in the world. Inflation in the New York City metropolitan area has consistently ranked among the highest of any major U.S. city, hovering around 4% and frequently outpacing the national average.

While hospitals—including ours—have an important role to play in lowering the cost of healthcare, it is important to note that many cost drivers are external: administrative expenses driven by insurer practices and rising drug and supply prices, the increasing complexity of care for an aging population, and chronic disease becoming more prevalent.

We face sustained cost pressures from rising patient complexity, increasing cost of goods, and persistent administrative burdens imposed by payors. In addition, the evolving demands of our environment—cybersecurity, other critical safety protections, and the ongoing need to update our physical infrastructure—increases capital costs. Across our ten campuses, approximately half of our space is over 50 years old.

With a 3% margin, we must increasingly rely on generous donors and our investment portfolio to maintain the high-quality care and experience patients expect from us.

Our labor costs represent 58% of our expenses and are rising at a rate that far outpaces inflation. Even with optimizing our purchasing efforts and success in deploying technology to drive efficiencies, supplies, goods and other costs rose significantly – with drug costs alone growing by 25% in 2025 over the year prior.

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<sup>4</sup> Medicare Cost Reports, Healthcare Cost Report Information System (HCRIS), 2024.

<sup>5</sup> *The Complexities of Physician Supply and Demand: Projections From 2021 to 2036*, Association of American Medical Schools, March 2024.

And while we are a leading provider for New Yorkers insured by Medicaid and Medicare—treating more individuals enrolled in Medicaid than any other top 20 *U.S. News and World Report* ranked hospital—these payors do not cover the full cost of care.<sup>6</sup>

In New York, Medicaid pays approximately 70 cents on the dollar and Medicare less than 90 cents of the cost of care.<sup>7</sup> MedPAC has acknowledged that Medicare payments to hospitals remain well below costs, with margins at -12.1% in FY 2023 and projected to reach only -10% in FY 2026.<sup>8</sup> Given the volume of Medicaid and Medicare patients we serve, we are preparing to absorb significant reductions in federal reimbursement over the next decade as a result of recent changes in federal law.

Among the most significant and least visible cost drivers in our system is the administrative infrastructure required to navigate insurer practices. NewYork-Presbyterian employs 160 people whose sole function is managing prior authorization claims, and an additional 60 whose sole function is appealing coverage denials. In New York, approximately 25% of inpatient hospital claims are initially denied by commercial health insurers, while 66% of denials are successfully overturned and result in payment (either full or partial).<sup>9,10</sup> The cost of that process — in staff time, delayed treatment, and administrative overhead — is borne entirely by hospitals and patients.

### ***Affordability solutions***

As a world-class provider, we are committed to investing in innovation and streamlining processes—from novel, safe, and ethical applications of AI to virtual nursing and Hospital at Home programs—that expand affordable access for patients, while helping our teams deliver the highest quality care. We are focused on four key areas to address the affordability crisis:

***Continuing to advance the highest quality care.*** Higher quality care reduces the likelihood of readmission and further costly treatment. Better patient outcomes and adherence to best practices eliminate costly inefficiencies, prevent complications, and decrease hospital admissions and readmissions, reducing overall healthcare costs.

NewYork-Presbyterian has a CMS five-star rating, a distinction earned by only 10.1% of rated hospitals nationwide. We are also Leapfrog Grade A for nine of our ten campuses, one of the first hospital systems to achieve the “Excellent Health Outcomes for All” Joint Commission Certification, and Magnet designated by the American Nurses Credentialing Center for excellent nursing care at all ten of our hospital campuses.

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<sup>6</sup> Medicare Cost Reports, Healthcare Cost Report Information System (HCRIS), 2024.

<sup>7</sup> Greater New York Hospital Association analysis of New York State Institutional Cost Reports, 2021 and 2022.

<sup>8</sup> *March 2026 Report to the Congress*, Medicare Payment Advisory Commission.

<sup>9</sup> Greater New York Hospital Association analysis of New York State Division of Financial Services Health Care Claims Reports, available at: [Reports and Publications: Health Care Claims Reports - Current Calendar Year | Department of Financial Services](#).

<sup>10</sup> Greater New York Hospital Association Member Survey, 2023.

***Shifting care to lower cost settings whenever clinically appropriate.*** This includes implementing outpatient focused care models that reduce avoidable hospital stays. We thank Congress for extending the Acute Hospital Care at Home Waiver for an additional five years, alongside the critical extension of telehealth waiver flexibilities.

- Our Hospital at Home program provides a comfortable, safe option for patients to receive care in the least restrictive setting. Launched in late 2025, we have treated 182 patients already, with fewer than 2% needing to return to the inpatient setting, improving throughput at our two largest campuses during the height of respiratory virus season.
- NewYork-Presbyterian was an early adopter of telehealth which improved access for patients and addressed throughput challenges across our campuses. We continue to see value from the program, which lowers overhead costs, along with the access benefits noted above. Extending telehealth waiver flexibilities can reduce the cost of care, in addition to improving access.

***Investing in operational efficiency to reduce the burden on our workforce and better manage costs.*** This includes using technology and automation to reduce administrative burden and free clinicians to spend more time with patients. We have also implemented billing and purchasing strategies to limit price escalation.

- We use Ambient Listening technology to improve the note-taking process for our front-line clinicians in outpatient settings.
- Our Procure-to-Pay team has increasingly streamlined the ordering and payment processes for hospital supplies and services by deploying automation technologies.
- We have more than two dozen hospital-wide “Value-Based Management” teams standardizing products and processes across all our hospitals—driving down pricing in categories ranging from surgical supplies to exam gloves.

***Community health programs.*** At NewYork-Presbyterian we offer evidence-based programs in clinical and community settings that reduce the burden of chronic disease, support patient navigation, reach people where they are, and help reduce unnecessary hospital utilization.

- Our Center for Community Health Navigation has 200 staff providing peer-support in our emergency department (ED), inpatient, outpatient, and community settings. To date, the program has served nearly half a million New Yorkers by connecting them to the appropriate care location, minimizing unnecessary ED use.
- Our mobile medical units, including our mom and baby bus, mobile stroke treatment unit, and our lung cancer screening van, are cost-effective tools that allow us to reach New Yorkers where they are—offering services that keep people healthy, enable early detection, and

prevent unnecessary hospital visits.

- We screen patients for non-medical needs, including housing and food insecurity, and connect them with community-based organizations that can help. Research indicates that pairing screening with referrals reduces healthcare utilization. In 2025 alone, we completed 330,000 such screenings and made more than 2,700 direct referrals to assist patients.

### **Conclusion**

The financial pressures described in this testimony are not unique to NewYork-Presbyterian — they are structural features of the environment in which academic medical centers operate, and they have consequences for all patients. But the burden is most acutely felt by Americans who are least able to bear them.

We appreciate the opportunity to discuss the role hospitals play in providing Americans with innovative, high-quality care that is accessible and affordable. We welcome the opportunity to work with this committee and partner with payers, medical device companies, biopharma organizations, physicians, and policymakers on collaborative solutions.

The 45,000 dedicated people of NewYork-Presbyterian are committed to caring for patients with compassion, advancing treatments that save lives, and strengthening the communities we serve. In an increasingly challenging healthcare environment, this work gets harder every day—and, yet, it has never been more fulfilling. We stand ready to work together to make high quality health care more accessible and more affordable, for all Americans.

Thank you for the opportunity to engage in a meaningful discussion so that we together can be better for the patients and communities we care for—and that you represent.

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