



Legislation Text

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Res. No. 1284

Resolution in opposition to the New York State Governor's cuts to New York State's Medicaid program

By Council Members Dromm and Chin

Whereas, Since its creation in 1965, Medicaid has provided vital health care coverage to millions of Americans, including over seven million New Yorkers who receive Medicaid-eligible services through more than 80,000 health care providers in New York State (NYS); and

Whereas, NYS' Medicaid program, similar to other states, offers a full range of vital health services to those eligible including: regular medical checkups and needed follow-up care, immunizations, doctor and clinic visits, medicine, lab tests and x-rays, eye care and eye glasses, dental care and hospital stays; and

Whereas, According to NYS' Fiscal Year (FY) 2021 Executive Budget, total Federal, State and local Medicaid spending is expected to be about \$73.4 billion, which includes \$39.9 billion in Federal spending and \$23.6 billion in State spending; and

Whereas, Medicaid accounts for a significant portion of NYS' currently projected \$6.1 billion budget gap, and thus, in January of 2020, as part of the FY 2021 Executive Budget, Governor Cuomo unveiled plans to reduce NYS' budget gap by: reconvening a Medicaid Redesign Team to identify \$2.5 billion in savings; rewarding counties that hold annual Medicaid cost increases to 3% or less and punishing counties that exceed annual Medicaid cost increases by more than 3%; and

Whereas, Governor Cuomo's plan would be detrimental to New York City (NYC), as under this plan, the city estimates that NYC would have been forced to pay approximately \$646 million in 2019 due to NYC's Medicaid spending having increased by 7% - much higher than the proposed 3% cap; and

Whereas, Notably, city officials estimate that this number could be much higher if property taxes were raised above the state-mandated 2% cap, with costs for NYC estimated to be about \$1.1 billion in 2019, as NYC would have been responsible to pay for the full 7% cost increase; and

Whereas, In addition to the proposed cuts outlined in the FY 2021 Executive Budget, the NYS Department of Health, effective January 1, 2020, implemented a 1% rate cut for most NYS Medicaid payments, including payments to hospitals, nursing homes, doctors, pharmacists, home-care providers and Medicaid managed-care plans, estimating a reduction in gross Medicaid payments, including federal matching aid, of \$124 million in the final quarter of the current NYS FY and \$496 million in NYS' FY 2021, according to the Empire Center; and

Whereas, As NYC's Health + Hospitals (H+H) is the largest public health care system in the United States, providing essential inpatient, outpatient, and home-based services to more than one million New Yorkers annually in over 70 locations throughout NYC, the current and proposed cuts in Medicaid would gravely impact New Yorkers' access to health care, as well as H+H's ability to continue to provide comprehensive, affordable health care; and

Whereas, According to NYC H+H, in light of the 1% rate cut in January 2020, it is already facing \$30 million in cuts to Medicaid reimbursement; and

Whereas, NYC and its taxpayers contribute greatly to the revenue of NYS, yet these current and proposed cuts by Governor Cuomo would significantly punish them; and

Whereas, As millions of New Yorkers, including those in NYC, depend on quality health care coverage provided by Medicaid, the current and proposed cuts to Medicaid threaten the health and well-being of New Yorkers, the quality and affordability of health care in NYS and NYC and the strength of NYC H+H, a vital source of health care for the City at a time when we are facing a global health emergency; now, therefore, be it

Resolved, That the Council of the city of New York opposes the New York State Governor's cuts to New York State's Medicaid program.

KK/MN
LS #14302
3/13/20