



Legislation Text

File #: Res 0264-2010, **Version:** *

Preconsidered Res. No. 264

Resolution calling upon the United States Congress to extend the Federal Medical Assistance Percentage (FMAP) for 6 months.

By The Speaker (Council Member Quinn), Council Members Recchia, Foster, Comrie, Rivera, Fidler, Dickens, Vann, Barron, Chin, Gentile, James, Koppell, Koslowitz, Lander, Mealy and Palma.

Whereas, Medicaid provides health and long-term care coverage to more than 59 million Americans;
and

Whereas, States design their own Medicaid programs within broad federal guidelines; and

Whereas, The Federal Medical Assistance Percentage (FMAP) is a matching rate enacted in 1965 that determines the federal funding share for state Medicaid programs; and

Whereas, The federal government matches state funds spent on Medicaid, based on the state's FMAP;
and

Whereas, In New York, local governments share with the state in Medicaid participation, and counties are mandated by the state to contribute approximately \$7 billion annually or about 32 percent of the non-federal share of the State's Medicaid Program; and

Whereas, The American Recovery and Reinvestment Act (ARRA), passed by Congress in 2009, provided all states with a temporary increase in their FMAP for 27 months, ending December 31, 2010; and

Whereas, Under ARRA, which provided \$87 billion in additional federal funding for states to help ease the burden of increased Medicaid reimbursements caused, in part, by the recession, New York State qualifies for the maximum FMAP percentage point increase of 11.5% to 61.5%; and

Whereas, New York State's FMAP benefits are projected to total \$11.7 billion for the nine quarters of

ARRA; and

Whereas, New York City would receive \$1.6 billion over the same period; and

Whereas, While this funding protected the healthcare coverage of those in need, this funding ends on December 31, 2010; and

Whereas, On March 10, 2010, the United States Senate passed the American Workers, State, and Business Relief Act of 2010 (H.R. 4213) with a six-month extension of the Recovery Act's enhanced federal Medicaid match; and

Whereas, This bill would have extended the increased FMAP for two additional quarters, through June 30, 2011; and

Whereas, On May 6, 2010, New York City Mayor Michael Bloomberg released his Executive Budget for Fiscal 2011; and

Whereas, In such budget, the Mayor assumes the extension of FMAP and New York City's receipt of \$609 million of its \$1.6 billion share; and

Whereas, On May 28, 2010, the United States House of Representatives passed a renamed version of the bill, the American Jobs and Closing Tax Loopholes Act, which omitted the FMAP extension; and

Whereas, If the FMAP extension is not approved by Congress, New York, along with at least 30 other states that have budgeted for the upcoming fiscal year, Fiscal 2011, on the assumption that Congress will approve a six-month extension to the enhanced FMAP, would be required to modify their budgets and adopt even deeper budget cuts and/or tax increases to accommodate the loss of funding; and

Whereas, New York State currently has a \$9.2 billion deficit, and the repercussions of the State not getting its increased FMAP share would extend far beyond health care, likely forcing the State to make deep cuts to education, social services and public safety, which are all vital to New York City; and

Whereas, As the beginning of Fiscal 2011 approaches, timely passage of an extension of ARRA's

enhanced FMAP would greatly assist New York State and New York City in maintaining services and further stabilizing the economy; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the United States Congress to extend the Federal Medical Assistance Percentage (FMAP) for 6 months.