

Inter-County Association of Western New York

Representing the Counties of Allegany, Cattaraugus, Cayuga, Chautauqua, Chemung, Erie, Genesee, Livingston, Monroe, Niagara, Ontario, Orleans, Schuyler, Seneca, Steuben, Tompkins, Wayne, Wyoming, and Yates.

RESOLUTION NO. 2020-5-IC

RESOLUTION CALLING ON THE GOVERNOR AND NEW YORK STATE LEGISLATURE TO PRESERVE THE ZERO PERCENT MEDICAID GROWTH CAP FOR ALL COUNTIES AND NEW YORK CITY

Offered by: the Inter-County Association of Western New York

WHEREAS, spending in New York State for Medicaid is the single largest expense in the State budget; and

WHEREAS, the funding to support the Medicaid program is provided by a combination of federal, state, and local resources; and

WHEREAS, the required county and New York City contribution is \$7.6 billion annually; and

WHEREAS, the local share of Medicaid funding paid in New York is the highest of any state in the country and is more than what 43 individual states pay in state share for their Medicaid programs; and

WHEREAS, this large local funding share for Medicaid and other state programs is a major contributor to New York's high local tax burden compared to other states; and

WHEREAS, the Governor and legislative leaders recognize the fiscal burden the financing of Medicaid is for local taxpayers and initiated steps to relieve part of that burden by capping the growth of local costs in this program; and

WHEREAS, one of the most prominent property tax reduction and mandate relief initiatives in state history was Governor Cuomo's establishment of the zero percent Medicaid growth cap; and

WHEREAS, this zero percent growth cap enables counties to keep funding for the growing cost of many vital state programs and services, while continuing local quality of life services demanded by taxpayers; and

WHEREAS, the Medicaid budget is facing billions of dollars in annual deficits over the next several years; and

WHEREAS, these Medicaid deficits are contributing to the largest budget deficit the State has faced since the Great Recession; and

WHEREAS, the Governor's Executive Budget Recommendation is proposing a variety of ways to address these combined fiscal shortfalls; and

WHEREAS, budget proposals advanced by the Governor rely on \$150 million in Medicaid program costs assumed by local taxpayers; and include:

- Using county government federal enhanced medicaid match savings;
- Losing state Medicaid growth cap if counties breach the state property tax cap;
- Shifting the local share of Medicaid growth above 3 percent to counties, if counties cannot contain costs under 3 percent; and

WHEREAS, counties do not have tools to control the Medicaid program growth; some of these limitations include:

- The ability to audit the Medicaid program;
- The ability to control the cost of perscription drugs;
- The ability to set provider reimbursement rates;
- The ability to modify eligiblity and benefit levels for Medicaid recipients;
- The ability to control changing demographics across the state;
- The ability to control provider contracts; and

WHEREAS, if state experts in the Medicaid program are unable to develop solutions to control growth in the Medicaid program, it will be impossible for counties to do so since they do not have this authority to control costs, now, therefore be it

RESOLVED:

1. That the Inter-County Association of Western New York urges the Governor and legislative leaders to maintain the zero percent Medicaid growth cap for counties and New York City as they address state budget shortfalls in order to keep downward pressure on the local tax burden.

2. That the Inter-County Association of Western New York Secretary is directed to send a certified copy of this resolution to state representatives and all others deemed necessary and appropriate.

This is to Certify that I, the undersigned, Secretary of the Inter-County Association of Western New York, have compared the foregoing copy of resolution with the original resolution now on file in this office and which was duly adopted by the Association at a session held on the 8th day of May 2020 and that the same is a true copy of said original and of the whole thereof.

In Witness Whereof, I have hereunto subscribed my name and affixed the official seal of the Inter-County Association of Western New York dated May 8, 2020.

Jodi Adams

Jodi Adams, Secretary
Inter-County Association of Western New York



Sponsored by: Allegany County, Moved by: Rigby Riehle (*Allegany*), Seconded by: Rondinaro (*Schuyler*)