

SUSPENSION

A RESOLUTION TO BE SUBMITTED BY LEGISLATORS MILLS, RATH, WALTER, DIXON, FUDOLI & HARDWICK INTRO 2-5

Re: Supporting changes to federal law to reduce the cost of Medicaid to New York State taxpayers

WHEREAS, Medicaid was established by Title XIX of the Social Security Act of 1965; and

WHEREAS, Medicaid is a taxpayer funded program to provide medical care to lower income families; and

WHEREAS, states have the option of whether or not to participate in the Medicaid program; and

WHEREAS, participating states receive reimbursement for a portion of the cost of providing Medicaid; and

WHEREAS, the reimbursement percentage, known as Federal Medical Assistance Percentage (FMAP), is determined by a formula described in §1905(b) of the Social Security Act of 1965; and

WHEREAS, the formula provides less reimbursement to states with higher per capita incomes than other states; and

WHEREAS, the formula does not consider factors such as cost of living, or the fact that states with higher per capita incomes already pay higher tax rates and greater amounts of taxes on a per capita basis; and

WHEREAS, for example, New York State's FMAP is 50 (the federal minimum) for fiscal year 2011, meaning that it will receive 50 cents for every dollar spent on Medicaid; and

WHEREAS, by way of comparison, Pennsylvania's FMAP is 55.64, Vermont's FMAP is 58.71 and Ohio's FMAP is 63.69; and

WHEREAS, the Public Policy Institute of New York State reports that New York State spends the most per capita on Medicaid, over twice as much as the national average; and

WHEREAS, increasing New York's FMAP to Ohio's 63.69 would save New York State taxpayers billions of dollars.

NOW, THEREFORE, BE IT

RESOLVED, that the Erie County Legislature supports an amendment to the Social Security Act §1905(b) to increase New York State's FMAP to make it more comparable with other states; and be it further

RESOLVED, that the Erie County Legislature encourages our United States Congressional Delegation to join us in our plea to make the FMAP more equal across states; and be it further

RESOLVED, that a certified copy of this resolution be forwarded to Governor Andrew Cuomo, Assembly Speaker Sheldon Silver, Senate Majority Leader Dean Skelos and the local delegation to the United States Congress.

Fiscal Impact: Positive for Erie County taxpayers