

CHAIRMAN
CIVIL SERVICE & PENSIONS
SELECT COMMITTEE ON SCIENCE, TECHNOLOGY,
INCUBATION AND ENTREPRENEURSHIP
COMMITTEE MEMBER
AGING
BANKS
CODES
FINANCE
HEALTH
INSURANCE
INVESTIGATIONS
& GOVERNMENT OPERATIONS
VETERANS, HOMELAND SECURITY
& MILITARY AFFAIRS
REPRESENTATIVE
MTA CAPITAL REVIEW BOARD

THE SENATE
STATE OF NEW YORK

MARTIN J. GOLDEN
CHAIRMAN, REPUBLICAN CONFERENCE
STEERING COMMITTEE
Senator, 22nd District

ALBANY OFFICE:
ROOM 409
LEGISLATIVE OFFICE BUILDING
ALBANY, NEW YORK 12247
(518) 455-2730
FAX: (518) 426-6990
DISTRICT OFFICE:
7408 5TH AVENUE
BROOKLYN, NEW YORK 11209
(718) 759-0044
FAX: (718) 738-6070
E-MAIL ADDRESS:
GOLDEN@HYSENATE.GOV
WEBSITE:
GOLDEN.NYSENATE.GOV

August 5, 2014

Honorable Andrew Cuomo
Governor, New York State
State Capitol
Albany, NY 12224

Dear Governor Cuomo:

I note that the federal government is seeking a refund of \$1.3 billion in Medicaid funding for payments to New York State developmental centers and intermediate care facilities, based on the claim by CMS that New York data is incomplete, inaccurate, unreliable, and out of compliance with federal requirements.

You have announced that the State will appeal. I applaud that action, and hope, as you do, that the State's appeal of this determination will be successful. However, budgeting on future hope and ignoring contingencies is seldom a successful strategy, and is not the way we have budgeted in New York during your tenure.

I urge that a plan be developed now and be ready in the event that the appeal is unsuccessful, so as to avoid penalizing the providers of care, and by extension, their clients, who are among the most vulnerable population in this state.

Funding for such a contingency is apparently available: according to the current projections from the State Division of the Budget, New York will end the year with a surplus of \$6.2 billion. I realize that there will be many calls on these funds, from many sources.

However, we should seek to avoid a repeat of last year, when the budget would have penalized providers who did not create the problem but were bystanders to it. You worked with my office, and with Assemblyman Weisenberg, and the Legislature, to devise a plan to make the providers whole and not penalize their clients. That effort became Chapter 349 of 2013, which appropriated up to \$90 million to fund OPWDD nonprofit services, with the actual amount based on the resulting need after applying savings recommendations developed by a workgroup appointed pursuant to the budget.

The savings recommendations, by the chapter, could be implemented only if they did not "diminish or impair the quality of care." The law directed the director of DOB to deposit funds
Page 2

as necessary to the credit of the general fund to fund the OPWDD services at levels that would sustain rates and reimbursement levels paid in SFY12-13.

This year, we have an early warning of a possible problem, with time to make provision in the event that decisions go against us. I would be pleased to work with you in any way that is helpful to develop a strategy now to avoid problems next year.

Many thanks for your anticipated cooperation in this.

Sincerely,

A handwritten signature in black ink, appearing to read "Martin J. Golden". The signature is written in a cursive, flowing style with a prominent initial 'M'.

Martin J. Golden
22nd Senate District