



NEW YORK STATE SENATOR

James S. Alesi

## Senate Republican Medicaid Task Force Issues Report

JAMES S. ALESI March 19, 2010

| ISSUE: HEALTH, INSURANCE, SOCIAL SERVICES, INSURANCE FRAUD, MEDICAID



Medicaid continues to be the fastest growing part of state and county budgets. New York spends more than \$52 billion annually, 70% more than the national average. Additionally, more than one in five New Yorkers are on the Medicaid rolls. The sweeping policy recommendations of the Task Force will empower county executives and district attorneys to boost their local Medicaid fraud efforts, combat waste and abuse within the system and save taxpayers as much as \$500 million this year.

The Senate Republican Task Force recommends:

- Reinstating important accountability measures such as finger imaging, face-to-face interviews, and asset/resource tests.
- Allowing counties to perform credit check and real property search of Medicaid applicants to prevent fraud.
- Wherever possible, substituting less expensive generic drugs for name brands. This alone could save taxpayers \$300 million.
- Allowing district attorneys to prosecute cases of Medicaid fraud and abuse by health care providers. Local prosecution reduces the amount of time and state resources used to prosecute these cases.

Left unchecked, Medicaid expenditures are expected to grow 37% over the next four years. This would add another \$5 billion to the state's projected budget deficit. As the biggest driver in the state's annual expenditures, Medicaid fraud and reform have to be addressed if there is to be any hope of a fiscal recovery and long-term fiscal viability for New York.