



NEW YORK STATE SENATOR

Kenneth P. LaValle

Senate Republicans Propose Medicaid Reforms –

KENNETH P. LAVALLE June 9, 2010

| ISSUE: **GOVERNMENT OPERATIONS**



Senate Democrats Reject Amendments

Senator Kenneth P. LaValle expressed great disappointment over the Senate Democrats rejection of Medicaid reforms proposed by Senate Republicans. The amendments put forth by Senator LaValle and his Republican colleagues would reduce spending by more than \$400 million.

“The extender bill passed by the Senate Democrats appropriates more than one-third of the entire state budget for health care and Medicaid, and we were expected to vote on it without knowing how it fits with the entire budget or what impact it will have on the \$9 billion deficit,” said Senator LaValle. “This is simply irresponsible. Not even household budgets are put together without looking at the whole financial impact.”

Senator LaValle noted that Senate Democrats continue to exclude Republicans from secret budget talks and have rejected Republican ideas to make the budget bill stronger and save more money in Medicaid and other areas. The extender does not go far enough in reforming and cracking down on Medicaid fraud. The amendments proposed by the Senate Republicans that would save more than \$400 million in Medicaid spending include:

- Ø Reinstating asset eligibility tests, face to face interviews and finger imaging for people applying for Medicaid and welfare;
- Ø Placing a cap on personal care services;
- Ø Tightening eligibility for certain Medicaid services and enacting a two-year asset look back period for home care services;
- Ø Delaying scheduled Family Health Plus (FHP) expansion;
- Ø Evaluating and prioritizing optional Medicaid services;
- Ø Increasing co-pay for FHP service to help lower premiums; and
- Ø Increasing criminal penalties for Medicaid fraud.

“The lateness of the budget is frustrating and angering the public,” said Senator LaValle. “We need an overall financial plan for the state budget. We need a top-to-bottom overhaul of the state’s Medicaid program. We need to convene joint public conference committees to discuss the budget as required by law and we need to begin this process immediately to get a real budget in place.”