



NEW YORK STATE SENATOR

Thomas F. O'Mara

O'Mara to Governor: Time is Now for Medicaid Takeover

THOMAS F. O'MARA October 8, 2011

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Elmira, N.Y., October 8—State Senator Tom O'Mara (R-C, Big Flats) strongly criticized today Governor Andrew Cuomo's statements earlier this week that New York State can't afford to take over the local cost of Medicaid and alleviate counties of their single-largest state-mandated expense.

"Governor Cuomo's wrong on this one. The fact is that New York can't afford not to initiate a state takeover," said O'Mara, who recently joined a bipartisan group of state legislators co-sponsoring legislation (S.5889) that would begin an eight-year phase-in of a complete state takeover of local Medicaid costs and save county taxpayers approximately \$180 million next year.

Earlier this week in Albany, Cuomo dismissed that idea outright, saying that ongoing state budget deficits prevent it from even being considered. *At a Wednesday news conference at the Capitol the governor said, "Do we have money to subsidize them (local governments)? No."*

O'Mara criticized the governor's position. It's unrealistic, O'Mara said, for the state to keep believing that local governments can find a way to handle escalating local Medicaid costs in the face of the 2-percent property tax cap the state imposed as part of this year's state budget.

“Governor Cuomo persuasively built the case for enacting the property tax cap by promising that it would be accompanied by meaningful mandate relief. I, for one, would not have supported the tax cap without the governor’s commitment to follow it up with serious mandate relief,” said O’Mara. “The only way to get serious about mandate relief is to get counties out from under the mandate of Medicaid costs. Governor Cuomo should live up to his commitment, push for a Medicaid takeover now and make it his number one mandate relief priority in 2012.”

O’Mara believes that a Medicaid takeover is the key way to keep up the governmental and political momentum that’s built up this year behind an economic and fiscal turnaround for New York.

“I’ve been a steady and strong supporter of many of Governor Cuomo’s initiatives throughout the first year of his administration. We’ve taken some important steps for long-term economic and fiscal reform,” said O’Mara. “But it’s just plain wrong to dismiss this idea out of hand. We can’t just sweep the need for meaningful mandate relief under the rug. Local property taxpayers remain at risk under a mountain of unfunded state mandates, and the heaviest unfunded mandate of all is Medicaid. In my opinion, New York State has no choice but to find a way to take over the local cost of Medicaid. It has to be a top priority during the next legislative session. I hope Governor Cuomo will reconsider his position and work with us to find a way to get it done. The time is now.”

O’Mara noted that earlier this year he also introduced legislation (S.5787) with local Assemblymen Phil Palmesano (R-C-I, Corning) and Chris Friend (R-Big Flats) that would effectively freeze local Medicaid costs.

Either way, O’Mara said that the idea behind legislation to do away with local Medicaid costs is twofold. One is that it’s the only way to ever get serious about meaningful, long-term relief for local property taxpayers. But it’s also the best way to ensure that the state finally gets serious about reining in the cost of the Medicaid system, which is costing state taxpayers more than a billion dollars a week, by implementing oversights to make it more efficient, better managed, and less abused and wasteful.

“The number one goal should be a Medicaid system where county governments never again have to raise property taxes in order to meet rising Medicaid costs,” O’Mara said. “I believe we need to eliminate, once and for all, the local property tax as a source of Medicaid funding. It’s the single biggest expense gobbling up local budgets. We need to reinvent the system. The most effective way to do that is to make it the state’s responsibility. If it’s our responsibility, we’ll have no choice but to act on the cost containment and efficiency reforms to make it possible. This needs to be part of the Medicaid reform debate moving forward. I can’t do enough to urge Governor Cuomo to not just say no to the possibility of a Medicaid takeover.”