

Medicaid Reform: Can We Afford One Billion Dollars A Week?

GEORGE WINNER June 9, 2010

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Until New York State gets serious about reining in the cost of a \$52-billion-a-year system of Medicaid, it won't be able to undertake any meaningful, long-term effort to get overall state spending under control in order to have any realistic chance of ever addressing an upstate property tax burden widely recognized as among the highest in the nation.

No single local leader anywhere has done more to advance the cause of accountability, efficiency, and innovation in Medicaid than Chemung County Tom Santulli. He's effectively

framed this program's outrageous cost by noting that Medicaid has become a billion-dollar-a-week state expenditure. Think about that, *a billion dollars a week*. It effectively underscores the point that until you get a handle on the state's single-largest expenditure, you will never be able to achieve meaningful state spending control.

County Executive Santulli has stated more than once, "The cost of this program is strangling all other local spending priorities."

Then, of course, there's the other side to the coin which is the alarming consensus that Medicaid is a system riddled by abuse, fraud, and overutilization.

Earlier this year the Senate Republican Task Force on Medicaid Fraud released a report and a series of recommendations for improving the state's Medicaid oversight efforts.

You can find the full report here.

But the quick summary is that the task force has identified immediate annual savings of up to \$500 million. In the long run, we believe that potentially billions of dollars in savings can and should be achieved.