

# *Medicaid*

**Medicaid Matters New York**

# *Matters*

Testimony to the Assembly Ways & Means and Senate Finance Committees  
Joint Legislative Budget Hearing  
2020-2021 Executive Budget on Health/Medicaid  
January 29, 2020

Thank you for the opportunity to address you today. My name is Lara Kassel. I am the Coordinator of Medicaid Matters New York. Medicaid Matters is the statewide coalition representing the interests of the over six-and-half million New Yorkers who are served by New York's Medicaid program. Since 2003, over 100 coalition members – consumers, individual advocates, legal services attorneys, representatives of community-based organizations and community-based providers – have been working to advance the interests of people covered by Medicaid.

## **Medicaid Redesign Team II**

Members of the Medicaid Matters New York coalition are pleased there are no direct cuts to services or eligibility in the budget. However, the Governor is calling for a reconvening of a Medicaid Redesign Team and charging it with finding savings to the tune of \$2.5 billion. Medicaid Matters New York calls on the Governor to include the meaningful participation of consumers, advocates, community-based organizations and community-based providers on the Medicaid Redesign Team II.

History has shown a Medicaid Redesign Team process can be a way of pushing through changes and cuts under the guise of reform, with little meaningful consumer and community input. In 2011, I sat on the first MRT as the lone consumer representative (along with a consumer-oriented foundation executive). Similarly to this year's proposal, we were tasked with finding cuts that would fill a multi-billion dollar budget gap in a very short amount of time. Hearings were held across the state, and a series of public MRT meetings took place, but little connection was drawn between consumer and community input, the public MRT dialogue and what was presented as a package for approval in mid-February of that year, far earlier than what the projected timeline for the MRT process had prescribed. A second-round MRT met later that year, at which point two consumer representatives were added. Consumer representation was more robust during the ensuing workgroup process, though consumer and community representation was not adequate across all of the ten MRT workgroups.

The Governor has announced co-chairs of an MRT II, from within the hospital industry and labor, yet Medicaid Matters leaders and partners are not aware of any contact by the Cuomo administration to invite consumers or consumer representatives to serve. Tasking a group of stakeholders with finding ways to achieve a more fiscally-sustainable program without including consumer perspective would be irresponsible and inappropriate. An MRT II must include a variety of perspectives, including (but not necessarily limited to) those of people with disabilities, older adults, people in historically-underserved communities, and people of color.

The Governor's budget proposal turns its back on the state's historical commitment to the Medicaid program by leaving the fate of the program up to a process that could easily be rushed and with

little chance for meaningful public dialogue. It also bypasses a legislative process or, at the very least, forces the Legislature to act on MRT II recommendations at the eleventh hour. Without careful attention to the impact of recommended efficiencies, there is significant risk to the New Yorkers who rely on Medicaid to keep them well, financially stable, and independent.

## Medicaid Local Share

The Governor has attributed a significant portion of the increase in Medicaid state spending to the takeover of the local share from the counties. The Governor's budget proposes a penalty to local districts for growth in Medicaid spending. Medicaid Matters is continuing to analyze whether this proposal will harm consumers. However, tying the growth in long term care spending to Medicaid eligibility determination made by local districts is erroneous and misplaced. With the exception of an exceedingly small population, local districts do not determine eligibility for long term care services. In fact, this is the result of the first MRT's recommendation to eliminate the fee-for-service system and to mandate enrollment in Medicaid managed care plans that make those service determinations. Local districts now only determine financial eligibility for Medicaid for a subset of New Yorkers. The eligibility rules themselves are set by federal and state rules.

New York has attained one of the highest percentages of residents with health insurance in the country, thanks largely to the *Affordable Care Act* and the subsequent increase in Medicaid enrollment. New York should continue to celebrate this achievement and support efforts to provide eligible New Yorkers with Medicaid coverage.

## Conclusion

Let us be reminded of the intent of the Medicaid program: to provide coverage and access to low-income people and people with disabilities. New York State has a rich history of providing a high-quality, comprehensive Medicaid program that honors that intent. Medicaid Matters urges state policymakers to maintain its unwavering commitment to the Medicaid program and thoughtfully address the budget crisis by preserving its strengths. New York must show the nation that in times of financial challenge, we stand by our families, children, seniors and people with disabilities. To do that, our leaders must:

- Take a holistic approach and avoid taking from one area of the budget to bolster another;
- Look beyond one budget year to make smart, strategic investments;
- Enact revenue options to balance the budget, rather than expecting low-income people and people with disabilities to bear the brunt of the state's fiscal woes; and
- Establish an open process for meaningful public input and robust consumer representation to come up with policy and budget goals that honor the intent of the program.

Medicaid Matters looks forward to working with the Cuomo administration and the Legislature to reach a budget we can all be proud of.