



NEW YORK STATE SENATOR

George M. Borrello

Senate George Borrello and Republican Colleagues Urge Governor Hochul to End Medicaid Transportation Fraud by Returning Oversight to Counties

GEORGE M. BORRELLO July 22, 2025

| ISSUE: **NON-EMERGENCY MEDICAL TRANSPORTATION, MEDICAID, FRAUD**



ALBANY, NY – Citing explosive cost increases and widespread fraud in the program, Senator George Borrello and several members of the Senate Republican Conference today called on Governor Kathy Hochul to dismantle the state's centralized Medicaid transportation broker model and return operational control and funding to county governments.

In a letter sent to the governor, the Senators point to the Non-Emergency Medical Transportation (NEMT) program as a glaring example of the dysfunction in New York's Medicaid system. They cite that since the state takeover of the program in 2011 and outsourcing to private brokers, costs have surged and tens of millions of dollars have been stolen through fraudulent transportation claims.

“Medicaid transportation used to be a local responsibility, run cost-effectively by counties that understood their communities. Now it’s a billion-dollar boondoggle run by unaccountable brokers who answer to no one, while fraud is exploding and taxpayers are getting ripped off,” said Senator George Borrello, who led the letter. “This isn’t about politics -- it’s about protecting taxpayer dollars and ensuring services are there for those who truly need them.”

Senator Borrello noted that former Governor Cuomo charged the Medicaid Redesign Team II in 2020 with finding savings in Medicaid to rein in spiraling costs. The team’s research found that a major driver of cost increases was the NEMT program. Among their findings was that after the state takeover, taxi use skyrocketed by 800 percent, driving program spending up by 131 percent statewide.

The lack of accountability in the program has been cited in the past by [Comptroller Tom DiNapoli](#), and has been a recent focus of the New York Attorney General’s office. The letter to the governor outlines several high-profile fraud cases tied to the broker-run system just in the last year, with more than \$20 million in theft identified through guilty pleas, settlements, and ongoing investigations.

With a \$750 million Medicaid shortfall already expected this quarter and further federal funding reductions looming, the Senators say the state can no longer afford to ignore the problem.

“We’re urging Governor Hochul to stop passing blame to Washington and take responsibility for fixing a broken system in her own backyard,” Borrello added. “Let’s end this fraud-riddled program and return oversight to the counties, where there’s accountability and transparency.”

A full copy of the letter is attached.