



NEW YORK STATE SENATOR

Thomas F. O'Mara

Key Senate committee approves legislation to begin state takeover of local Medicaid costs

THOMAS F. O'MARA January 26, 2012

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Elmira, N.Y., January 26—A key state Senate committee this week unanimously approved legislation co-sponsored by Senator Tom O'Mara (R-C, Big Flats) to begin a full state takeover of local Medicaid costs.

“The Senate is committed to long-term fiscal responsibility, tax relief and economic growth. Many of us believe that beginning a state takeover of local Medicaid costs would mark a true turnaround in the state-local partnership and a true victory for local property taxpayers. It at least deserves to be a key part of this year’s legislative discussions,” said O'Mara. “A state takeover would keep building a new system of Medicaid that’s going to be more cost effective for taxpayers, less abused and wasteful, and more efficient for patients. It took decades for this system to spiral out of control and it’s going to take some time to fix

it, but we're going to fix it."

The legislation (S.5889/A.8644) is sponsored by a bipartisan group of 83 legislators, including O'Mara, in both houses of the Legislature. It was unanimously approved by the Senate Social Services Committee on Tuesday and moved to the Senate Finance Committee for consideration. It's currently in the Assembly Health Committee. It must be approved by the Senate and Assembly, and then signed by Governor Andrew Cuomo before becoming law.

In his recently released \$132.5-billion proposed state budget, however, Cuomo only called for a three-year state takeover of future local Medicaid growth increases.

The governor's proposal moves in the right direction, O'Mara said, but **doesn't go far enough, fast enough**.

"The governor's proposal moves in the right direction and keeps us on the right track on Medicaid, but I think we can be a little bolder and do even more this year," said O'Mara.

The legislation would begin an eight-year phase-in of a complete state takeover of all local Medicaid costs, a move that would save county taxpayers approximately \$180 million this year. O'Mara and other state legislators have argued that it's unrealistic for the state to keep requiring local governments to find a way to handle Medicaid growth -- and other unfunded state mandates -- in the face of the 2-percent property tax cap the state imposed as part of last year's state budget.