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January 27, 2010

Honorable David A. Paterson
Governor of the State of New York
State Capitol
Albany, New York 12224

Dear Governor Paterson:

My purpose for writing to you today is to discuss one of the funding reductions you propose in your SFY 2010-2011 Executive Budget and to offer some suggestions for how this funding reduction may be ameliorated.

Your Executive Budget proposes a reduction in funding for the Elderly Pharmaceutical Insurance Coverage program (EPIC) by \$92.7 million over the next two years. While I understand the fiscal constraints New York State is currently experiencing, I believe there must be another option to reducing prescription drug coverage for senior citizens. Prescription drug coverage keeps seniors healthy and is an important resource in assisting them to maintain their independence. Without this important support, many seniors might easily have to turn to institutional care, which is more expensive and by far a less preferable living option.

I have introduced legislation that would create the New York State Prescription Medication Cost Containment Program (S1645A/A7666, Reported and Committed to Senate Finance, January 25, 2010). This legislation is modeled on the successful prescription drug program currently operating in Schenectady County. In the first four years of the program, Schenectady County saved approximately \$6 million in prescription drug costs for their retirees. I have enclosed a copy of the testimony that Christopher Gardner, Schenectady County Attorney, presented at a hearing that I chaired on this topic in March, 2009. Should this prescription cost containment program be implemented, I am hopeful that similar savings would be realized in New York State as well.

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letter to Governor Paterson Re: EPIC Funding Reduction

The Executive Budget that you presented on January 19, 2010 contains many funding reductions as well as recommendations on how to increase revenue. My proposal is one more suggestion for how New York State can reduce its expenditures without reducing services.

Sincerely,

A handwritten signature in black ink, appearing to read "Ruben Diaz", with a large, stylized initial "R" and "D".

Senator Reverend Rubén Díaz
Chairman, New York State Senate Committee on Aging

cc: Senator John Sampson, Senate Democratic Conference Chair
New York State Senate
New York State Assembly
NYS Senate Aging Advisory Council
Press

RD:cbs

Encl.