

Medicaid Waiver Proposal

Proposal for a Federal Waiver
Demonstration Program as an alternative
to the Medicaid Program for the health
care and fiscal crisis facing New York
State, its Counties and New York City

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Local Government Panel

Program Components

- ✚ Health Insurance coverage on County's plan with same benefits and prescription drug coverage
- ✚ Long-term Care coverage to pick up Nursing Home and Nursing-at-home coverage for welfare recipients and targeted people using Medicaid Trusts to circumvent Medicaid eligibility requirements
- ✚ Funded pool to insure co-payments and deductibles for welfare recipients now responsible for their health care administration
- ✚ Funded transition plan for uninsured recipients over to insured recipients
- ✚ Insurance for working poor currently uninsured for various reasons
- ✚ Integration of EPIC Plan
- ✚ Community Outreach program, 250 teams of two, working from Albany County Nursing Home and reporting back through a one-stop shopping model 24/7 operations center, Triage Report Center, staffed by Albany County Nurses. Out reach team would pair young welfare recipient with a retiree (Albany County, governmental or any retiree eligible) who would visit, communicate, focus resources and otherwise provide contact with the medically frail and elderly in the County in the effort to keep people in their home as long as medically possible.
- ✚ Provide transportation, childcare and eldercare services that are currently not fundable for 2nd and 3rd shift work opportunities
- ✚ Maintain eligibility, funding and oversight through the existing Medicaid staff, with appropriate additional staff for the nursing center and training of program enrollees and employees through Albany County Department of

Social Services, NYS agencies and the federal Health and Human Services Agency

✚ Savings would be split on the proportional share of the funding using the current Medicaid reimbursement schedules

✚ The waiver would be for five years or period allowed by the federal government.

Why should we change from traditional Medicaid Program that has been in existence since the late 1960s?

New York State and the counties who are co-responsible parties for delivering Medicaid in New York State are under siege from fiscal demands that are unbearable, rapidly increasing healthcare costs and a Medicaid program that is out of control. Several studies indicate that New York State's Medicaid Program is the most expensive in the nation with costs that are two and one half times higher than any other state.

New York's cost for Medicaid will exceed \$36 billion dollars of the 2002-2003 State Fiscal Year (SFY) budget. The City of New York City and 57 counties share of Medicaid is the fastest growing and most onerous portion of the budget. In 1991 when I first ran for the Albany County Legislature, our local share of Medicaid was \$18 million and represented approximately 45% of the county's property tax levy. Next year, Albany County's local share of Medicaid could reach \$60 million or almost 150% of our property tax levy.

The economic challenges the state, City of New York and the counties face are compounded by several factors, not the least of which are the resultant fallout from the terrorists attack of 9/11, the softening Wall Street economic engine, National soft recession and local government challenges from ongoing difficulties with the economy in each separate region of the state. While Albany County has been blessed with a better economic climate than many of our brethren communities at the county level, we are passing a budget that includes a 23.8% tax increase, elimination of 240 jobs and consumption of \$11 million of our surplus.

In the midst of this challenge, cities, towns, villages and school districts are raising their tax levies considerably. All of this puts enormous strain on the taxpayer and acts as a drag on the economy. When the NYS fiscal crisis is dealt

with it is easy to see why so many of us are using the Perfect Storm¹ metaphor to explain our fiscal conditions.

Against this financial backdrop you must ask yourself this question, “Are the poor of New York State being better served than the poor of other states or are they healthier than the poor in other states?” We all know the answer to that question is no.

Rather than be a local government leader railing against the Health Care Reform Act of 2002, HCRA 2000, I decided to approach the legislature and the governor’s office in December of 1999 with an alternative idea that would insure the poor and deal with the financing of HCRA. While not initially successful, I did receive the assistance of numerous people and groups in the refining and improving that proposal. The names and groups are too numerous to cite so I thank them as a group. Research during this year uncovered a public official who pushed for similar reform in the late 1960’s, Herman Geist, who worked for Governor Rockefeller and the New York State Association of Counties. He attempted to convince Rockefeller that insuring the poor on the state’s or counties health insurance was a better avenue to proceed forward with rather than the creation of the disaster we know as Medicaid.

The current program serves providers and large organizations but wastes enormous state and local government resources and puts the poor in a never-ending spiral of dependency.

We must do better, we can do better and my suggested waiver program is but one suggestion to improve the situation, obtain control of explosive costs and work to create a healthier more productive target group of the medically frail and poor.

¹ Sebastian Junger’s book about a fishing vessel sailing into the confluence of three enormous storms of the same title, movie based upon that book and quotations attributable to Abraham Lackman, Robert Gaffney and Michael F. Connors describing different budget disasters impending.