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March 22, 2011

Dear Colleague:

At tomorrow's Stated Council meeting, I am introducing a resolution calling on the Governor and the New York Legislature to acknowledge the flaws of the Medicaid Redesign process that is currently underway and create a new one that would not compromise the health care of needy New Yorkers. Please see the full text of the resolution which is attached.

As you know, last month the Governor convened a task force of 27 members who were charged with recommending ways to cut \$2.85 billion from the State's FY 2012 Medicaid budget. The task force was disproportionally made up of hospital administrators and others with a huge financial interest in the final results. The task force's membership included only one community representative and two people of color.

On February 24th in an unexpected and hurried vote, the task force passed a series of recommendations that do not protect safety net health care providers in underserved communities. I fear that the recommendations could cause the Health and Hospitals Corporation to loose approximately \$150 million per year in funding. Just as disturbing is the provision of the Medicaid Redesign process which stipulates that the recommendations are not subject to modification by the NTS legislature, but must be either passed or rejected wholesale when considered as part of the FY 12 State budget.

I urge you to join me as a co-sponsor of this resolution and make the City Council's voice heard in opposition to a process that will further threaten the safety net that provides basic health services to low-income residents of New York.

Sincerely,

Rosie Mendez

City Councilwoman

Resolution calling upon New York State Governor Andrew M. Cuomo and the New York Legislature to halt the Medicaid Redesign process and create a process that is prudent and inclusive in order to reduce the Medicaid budget and raise additional revenue to pay for services without compromising health care for needy New Yorkers.

By Council Member Mendez

Whereas, New York State Governor Andrew M. Cuomo established the Medicaid Redesign Team, through Executive Order, to find ways to save money within the Medicaid program for Fiscal Year 2012; and

Whereas, The Governor named a 27-member Medicaid Redesign Team that is composed of a significant number of hospital administrators, with only one community representative and only four people of color as members; and

Whereas. The Governor charged the Medicaid Redesign Team with executing its goal without compromising care for New Yorkers; and

Whereas, The Medicaid Redesign Team was asked to come up with recommendations on how to cut the state's share of the Medicaid budget by \$2.85 billion for Fiscal Year 2012; and

Whereas, This proposed cut will result in the loss of matching federal dollars bringing the total loss of Medicaid program funding for New York to almost \$6 billion for Fiscal Year 2012; and

Whereas, Medically underserved communities exist in New York City; and

Whereas, Most recently there has been a notable loss of services in underserved, immigrant and communities of color, due to the closing of St. Mary's Hospital and its community-based health centers in Central Brooklyn, Mary Immaculate Hospital and St. John's Hospital in Queens, and North General Hospital in Harlem; and

Whereas. Many critically needed services such as primary care for all New Yorkers, especially the underserved, and mental health services, are reliant upon funding from Medicaid programs to continue; and

Whereas, There are hospitals and health centers in New York City that are financially vulnerable, such that the loss of Medicaid revenue could result in the closing of these providers; and

Whereas, The Medicaid Redesign Team was given proposals to consider that do not take into account many of the factors for providing need based health services; and

Whereas. The approved recommendations do not protect safety net health care providers that exist in underserved communities that serve the uninsured and Medicaid beneficiaries; and

Whereas, The Health and Hospitals Corporation could lose approximately \$150 million per year in funding based upon the recommendations that were adopted, and have already been implementing in services because of a financial deficit; and

Whereas, The Governor has incorporated the recommendations of the Medicaid Redesign Team, making them part of the State Executive Budget; and

Whereas. As currently proposed, the State Legislature will not be allowed to modify any of these proposals, but rather only vote them up or down; now, therefore, be it

Resolved. That the Council of the City of New York calls upon New York State

Governor Andrew M. Cuomo and the New York Legislature to halt the Medicaid Redesign

process and create a process that is prudent and inclusive in order to reduce the Medicaid budget

and raise additional revenue to pay for services without compromising health care for needy New

Yorkers.

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