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As 2019 nears its end, Consumer Directed Personal Assistance Association of New York State (CDPAANYS) and our allies are preparing for another difficult budget fight to #SaveCDPA. The Department of Health (DOH) has appealed the decision that declared the new reimbursement scheme null & void, and legislative leaders are expecting major cuts to Medicaid that will disproportionately hit long term care and the people who rely on it.

## The Global Cap

You have likely heard a lot recently about how New York has a “Medicaid deficit.” The Governor has been telling anyone who will listen about this “deficit.” Numerous editorial boards have written that New York has as much as a \$6 billion Medicaid “shortfall.” Thing is, this shortfall is not real.

The “Medicaid Global Cap” was put in place by Gov. Cuomo and it basically lays out what he is willing to spend on Medicaid. Importantly, and we’ll get back to this in a minute, it does not say how much there is to spend.

So, when you hear that we have a “Medicaid deficit” or “shortfall,” what they are saying is we have spent \$6 billion more on Medicaid than the Governor wanted to spend. It is like my giving my child an allowance of \$20 and them wanting me to raise it to \$30. If I say no, it’s not because I don’t have the extra \$10 - it’s because I do not wish to give more to my child’s allowance in my household budget.

In reality, there is plenty of money. If you look at the state’s financial plan, the money is there without cuts to Medicaid. Further, there is always the possibility of taking action to get more money - namely, raising new money through increased taxes on millionaires, billionaires, stock traders from out of state, and more.

While CDPAANYS does not have a position on new taxes or revenues, we note that it is just as reasonable an idea, if not more so, than cutting services that let seniors and disabled folks live in the community.

Regardless of how we proceed, we must combat the misinformation the state is giving about CDPA. It is not the under regulated “wild west” program critics claim it is. Fiscal intermediaries, the agencies who run the program and contract with Medicaid to provide services, provide a critical service with the same oversight as most others in health.

This year in particular, fiscal intermediaries have been subject to numerous audits and surprise visits from state and federal agencies. The Department of Health has also mandated extensive cost reporting and is rolling out a new system this year to increase accountability and detect waste.

CDPAANYS supports efficient delivery of services and eliminating fraud and waste in Medicaid. But CDPA cannot be squeezed any more tightly. Under program cuts, consumers are losing hours and workers.

Let’s call the global cap what it is - an arbitrary spending target that only has as much weight as those in power give it. As Senate Majority Leader Andrea Stewart-Cousins notes, the formula that determines the cap can be amended. And, since in 2011 managed long term care did not exist, the minimum wage was almost half of what it is today and numerous other policy changes have occurred. We agree.

The major reason for increased spending in Medicaid can be traced back to higher enrollment, especially in long-term-care services such as CDPA and home care. There is a simple reason for this - people are getting older. Baby boomers (people born between 1946 and 1964) are aging.

Over the past ten years, half of this generation entered the “65 or older” demographic. We know that as people age, if they are likely to need Medicaid and health services that go with it, they stay in New York.

If they are “healthy and wealthy,” they leave. Programs like CDPA grow based on need, a need that is determined by two different independent groups. Historically, New York’s values have mandated that we ensure that need is met. CDPAANYS is committed to upholding those values.

We hope you will join us in the fight to #SaveCDPA. CDPAA-NYS and the New York Association on Independent Living will hold our Lobby Day in the Well of the Legislative Office Building in Albany on February 10, 2020. Hope to see you there.