

December 1, 2010

## **Governor Paterson Accepts Report on State Assumption of Medicaid Administration**

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Governor David A. Paterson today accepted the New York State Medicaid Administration November 2010 Report from the New York State Department of Health. The report is a first step required by June 2010 legislation enacted to transfer administrative responsibilities of New York Medicaid to State government, which will result in administrative, cost-saving efficiencies. It describes the current administration of New York Medicaid and makes short- and long-term recommendations for steps that must be taken over the next five years to develop and implement a final plan for State administration of Medicaid.

"New York has been a leader in providing Medicaid coverage for eligible persons, and this report includes thoughtful recommendations in planning for State administration of Medicaid," Governor Paterson said. "I thank Commissioner Daines and the staff of the Department of Health for undertaking the efforts to prepare this analysis, and I appreciate the guidance and input provided by local social services district commissioners and other stakeholders. This collaboration is essential to a successful transfer of responsibilities without any disruption to consumers."

The legislation requires the Commissioner of Health, in consultation with local social services districts, to develop a plan that:

- Defines the scope and expenditures of administration services performed by local districts;
- Requires local districts to provide any related information to determine such scope and expenditures;
- Reviews processes and makes determinations necessary for the State to assume responsibilities for such services; and
- Establishes a process for a five-year implementation for State assumption of administration services to begin April 1, 2011, with full implementation by April 1, 2016.

The report included stakeholder input, as required by the statute. Input was obtained in collaboration with the Medicaid Institute of the United Hospital Fund, which surveyed local social services district commissioners with the assistance and advice of the New York Public Welfare Association. The Department of Health also met with associations representing hospital, long-term care providers, consumer representatives and health plans. Results of the local social services district survey were presented to the New York State Association of Counties.

Several principles identified to guide planning for the implementation of State administration of Medicaid include the continued reduction of uninsured New Yorkers and increased preparation for the State's implementation of Federal Health Care Reform. The report also recommended that the State promote uniformity and consistency in process and decision making; facilitate greater

involvement for stakeholders and improve accountability, transparency and efficiency.

Additional details about these recommendations are outlined in the full report available at:  
[http://www.health.ny.gov/health\\_care/docs/2010-11\\_medicare\\_admin\\_report.pdf](http://www.health.ny.gov/health_care/docs/2010-11_medicare_admin_report.pdf).