

STEBEN COUNTY HUMAN SERVICES, HEALTH & EDUCATION COMMITTEE

Wednesday, March 4, 2020

9:00 a.m.

*Legislative Committee Room
Steuben County Office Building
Bath, New York*

****MINUTES****

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| COMMITTEE: | Carol A. Ferratella, Chair | Steven P. Maio | Paul E. Van Caesele |
| STAFF: | Jack K. Wheeler Christine Towner Kathy Muller | Christopher Brewer Jennifer Prossick Lise Reynolds | Hank Chapman Craig Patrick |
| LEGISLATORS: | Scott J. Van Etten Robin K. Lattimer Frederick G. Potter | Kelly H. Fitzpatrick John V. Malter Thomas J. Ryan | Jeffrey P. Horton Aaron I. Mullen |
| ABSENT: | Hilda T. Lando, Vice Chair | K. Michael Hanna | |
| OTHERS: | Mary Perham | | |

I. CALL TO ORDER

Mrs. Ferratella called the meeting to order and asked Ms. Prossick to lead the Pledge of Allegiance.

II. APPROVAL OF MINUTES

MOTION: APPROVING THE MINUTES OF THE FEBRUARY 5, 2020, MEETING MADE BY MR. VAN CAESELE. SECONDED BY MR. MAIO. ALL BEING IN FAVOR. MOTION CARRIES 3-0.

III. DEPARTMENTAL REQUESTS

A. Office of Community Services

1. **Psychiatric Contract** – Dr. Chapman requested authorization to amend the contract with Dr. Neerukonda to provide additional hours to cover the Jail and for the PROS Program. The contract would be amended from \$111,000 annually to \$150,000 annually to cover these additional services.

MOTION: AUTHORIZING THE DIRECTOR OF THE OFFICE OF COMMUNITY SERVICES TO AMEND THE CONTRACT WITH DR. SAMPATH NEERUKONDA, DBA WESTERN NY PSYCH-MED, FOR INCREASED HOURS TO COVER THE JAIL AND THE PROS PROGRAM AND INCREASING THE CONSIDERATION FROM \$111,000 ANNUALLY TO \$150,000 ANNUALLY MADE BY MR. MAIO. SECONDED BY MR. VAN CAESELE. ALL BEING IN FAVOR. MOTION CARRIES 3-0.

2. **Budget Adjustment** – Dr. Chapman requested authorization to accept \$682,485 in one-time start-up funding from the New York State Office of Alcohol and Substance Abuse Services (NYS OASAS) and to appropriate these pass-thru dollars to CASA-Trinity. He announced CASA-Trinity will be moving into their new space in the plaza next to the new hospital within the next two weeks.

MOTION: AUTHORIZING THE DIRECTOR OF THE OFFICE OF COMMUNITY SERVICES TO ACCEPT \$682,485 IN ONE-TIME START-UP FUNDING FROM THE NEW YORK STATE OFFICE OF ALCOHOL AND SUBSTANCE ABUSE SERVICES (NYS OASAS) AND TO APPROPRIATE TO CASA-TRINITY MADE BY MR. VAN CAESELE. SECONDED BY MR. MAIO. ALL BEING IN FAVOR. MOTION CARRIES 3-0.

B. Department of Social Services

1. **Resolution Urging Preservation of Zero Percent Medicaid Growth Cap** – Ms. Muller informed the committee the Governor’s budget contains severe cuts to the local districts on the Medicaid Cap. If we are facing new growth above 3 percent savings based on our cap, we will have to pay back the difference. We will lose additional FMAP (Federal Medical Assistance Percentages) which average \$1.6 million per year.

Mr. Wheeler stated we will be doing a lot of press releases in the next couple of days. He stated FMAP is a big deal as that is the enhanced funding through the Affordable Care Act as New York State provided a higher level of services. The other piece is if you go over in any year, then that becomes your new global cap. The interpretation of NYSAC (New York State Association of Counties) was your last year is compounding every year. We are talking millions of dollars.

Mr. Malter asked how do you determine the savings? Ms. Muller replied it is based on the gross cost, the local share of that and the local share compared to the cap. Anything above a 3 percent savings would need to be paid back to the State. Mr. Wheeler stated it basically is the growth of the program. In addition, if we have to override the cap, the 3 percent does not matter at that point. If you exceed the cap, you are exceeding it because of the Medicaid cost.

Mr. Horton asked can you cut services? Mr. Wheeler replied no. Ms. Muller explained the other thing is the State is saying that counties are increasing costs because the counties are enrolling everyone that comes through. We are bound by the State’s requirements as to who gets on Medicaid. In 2012 the State took over the administration of Medicaid, but we are only processing 20 percent of the applications at this point in time. In addition, they are including the percentage of applications that include SSD and SSI which are not processed locally. The State is exaggerating the numbers.

Mr. Wheeler stated there is a good article regarding this that he will send out to the Legislature. This article shows that on average the counties are processing 40 percent of the applications and the State is processing 60 percent of the applications. To say we are responsible for the increased enrollment is a lie.

Mr. Malter asked when you do the applications, how do you verify eligibility? Ms. Muller replied applicants have to provide proof of their income and we also have a contract with Bonadio who does a Medicaid audit and verifies eligibility. We also make referrals to HMS to do fraud investigations. Mr. Wheeler commented long-term care is another huge issue. Maximus is a for-profit company that manages long-term care on behalf of the State, with no input from the counties.

Mr. Maio commented that he does not think we need to oversell how much is generated by fraud. Mr. Wheeler stated this is just another aspect that we do not control. The Governor made a point that counties are not doing that and that would be a bullet we would present in a press release. Mr. Maio commented Medicaid fraud is a national problem.

Mr. Malter stated between 2014 – 2019 there was a \$56 million increase in Medicaid. Ms. Muller stated approximately 25 percent of the population in the County is on Medicaid. Hospitals and behavioral health systems have been hit negatively. Mr. Maio asked has the eligibility been expanded? Ms. Muller replied yes and that was part of FMAP. The State signed on to get additional federal money to make more people eligible.

Mr. Malter stated they have cut reimbursement but the costs are increasing. We must have more people based on eligibility? Ms. Muller replied yes. Mr. Wheeler stated yes, and that was the State’s goal and now the State is saying it is the counties fault.

Ms. Fitzpatrick asked where is the money going? A lot of doctors do not have it because the amount they get for the services they provide is a pittance. Mr. Wheeler replied it is long-term care. Ms. Muller stated it also goes to transportation and prescription costs. Mr. Wheeler commented it is a shell game. For the past two years the State has kicked one Medicaid payment into the next year, a deferred cost of \$1.2 billion each time. Ms. Muller stated

long-term care has increased \$21 million since 2012 and skilled nursing has increased \$17.2 million since 2012. Mr. Potter stated New York State also offers more of the Medicaid benefits than the other states. Mr. Wheeler replied yes.

Ms. Muller commented we pay for the actual health care and New York State pays a portion of that cost. The other states only pay for the cost of administration. Mr. Wheeler stated it really is long-term care that is exploding the program. Ms. Muller stated that, along with transportation and prescription costs.

Mr. Malter asked what will be the total additional cost? Ms. Muller replied we anticipate \$2.6 to \$3 million. Mr. Wheeler stated that is the estimated additional cost in the first year and then it will compound every year after that.

Ms. Lattimer asked what is NYSAC's perspective? Mr. Wheeler replied both houses hate this. We are hand-in-glove with New York City on this issue. The Governor has proposed that the Medicaid Redesign Team work on this and we, NYSAC, are saying let them do their work to find the savings on the State level.

Mr. Malter asked what is the federal administration looking at? Mr. Wheeler replied it is very likely there would be a suit that we would probably look at. NYSAC has said from a legal perspective, the language is murky, but we could challenge it. Senator Schumer agrees and is very concerned if the State takes that FMAP funding from the counties.

MOTION: URGING THE GOVERNOR AND THE NEW YORK STATE LEGISLATURE TO PRESERVE THE ZERO PERCENT MEDICAID GROWTH CAP FOR ALL COUNTIES AND NEW YORK CITY MADE BY MR. MAIO. SECONDED BY MR. VAN CAESELE FOR DISCUSSION.

Mr. Malter asked if this legislation passes, when would it take effect? Mr. Wheeler replied April 1st is the start of the State budget. The 3 percent would start being calculated mid-year at a minimum, but we would see the impact in the next budget year.

VOTE ON PREVIOUS MOTION: ALL BEING IN FAVOR. MOTION CARRIES 3-0. Resolution Required.

2. **Foster Parent Mileage** – Ms. Muller requested an increase in mileage for foster parents from \$0.28 per mile to \$0.50 per mile.

MOTION: AUTHORIZING THE COMMISSIONER OF THE DEPARTMENT OF SOCIAL SERVICES TO INCREASE THE MILEAGE REIMBURSEMENT FOR FOSTER PARENTS FROM \$0.28 PER MILE TO \$0.50 PER MILE MADE BY MR. MAIO. SECONDED BY MR. VAN CAESELE. ALL BEING IN FAVOR. MOTION CARRIES 3-0.

3. **Statistical Information** – Ms. Muller stated she wanted to give the committee an update on their housing numbers. For the months of January and February 2020, our gross cost has been \$290,000. We spent \$140,000 during 2019. She stated Bath Police Department is doing our room checks. For Code Blue, we spent \$38,000 during 2019 and already for 2020 we have spent \$95,000. With the Code Blue, it is all 100 percent reimbursable, but it is very taxing on the system. The threshold for Code Blue is 32 degrees and

Mr. Van Etten stated going back to the Medicaid discussion, are the Baby Boomers part of the increase? Ms. Muller replied yes and the other part is the long-term care that is managed by Maximus. Mr. Wheeler commented the interesting part is that the last renewal of the Maximus contract was not subject to Comptroller approval. Mr. Horton commented as the Boomer population declines, we should have less long-term care costs. Mr. Wheeler stated that cost may stabilize at some point.

C. County Manager

1. **Coronavirus** – Mr. Wheeler stated the Governor has allocated \$40 million for the Coronavirus. Additionally, the Legislature has expanded the authority of the Governor to declare states of emergency at the local level as well as the ability to issue quarantines. This takes away all of the local authority. Ms. Lattimer commented if the virus does not explode the way the Governor expects, he will find a way to shift those funds into a slush fund and then they will be gone; we wonder why there is a \$6 billion deficit.

MOTION: TO ADJOURN MADE BY MR. MAIO. SECONDED BY MR. VAN CAESELE. ALL BEING IN FAVOR. MOTION CARRIES 3-0.

Respectfully Submitted by

Amanda L. Chapman
Deputy Clerk
Steuben County Legislature

****NEXT MEETING SCHEDULED FOR****

**Wednesday, April 1, 2020
Legislative Committee Room
9:00 a.m.**

**Please send agenda items to the Clerk of the Legislature's Office
NO LATER THAN NOON
Wednesday, March 25, 2020**