

1 **2023 NYSAC Legislative Conference**
2 **NYSAC Board of Directors**
3 **Resolution #1**

4
5 **Calling on the State of New York to Continue to Pass-Through Federal**
6 **Savings to Counties and New York City Provided by the Affordable Care Act**
7 **Enhanced Federal Medicaid Assistance Percentage**
8

9 **WHEREAS**, the Governor’s State Fiscal Year (SFY) 2024 Budget proposes to end the
10 practice of passing through federal savings provided by the Affordable Care Act (ACA)
11 enhanced Federal Medical Assistance Percentage (eFMAP) to counties and New York
12 City; and

13
14 **WHEREAS**, the elimination of this ACA eFMAP federal pass-thru will require the
15 counties outside of New York City to spend at least \$280 million more in SFY 2024, and
16 up to \$625 million when New York City is included according to the Governor’s Budget;
17 and

18
19 **WHEREAS**, the costs to local taxpayers are even greater when six years of
20 uncompleted ACA eFMAP reconciliations are considered, as the state Department of
21 Health has indicated counties are potentially owed hundreds of millions of dollars from
22 these uncompleted reconciliation payments; and

23
24 **WHEREAS**, the SFY 2024 costs to counties and New York City are scheduled to grow
25 by 30 percent by SFY 2027; and

26
27 **WHEREAS**, the minimum four-year cost to local taxpayers from this administrative
28 proposal is at least \$2.5 billion, according to the Governor’s budget; and

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30 **WHEREAS**, counties strongly disagree with the need to shift new costs to local
31 taxpayers when the Governor’s budget proposes to fully fund state reserves two years
32 ahead of schedule by depositing \$5.4 billion into these accounts before the end of SFY
33 2023, while also projecting a general fund surplus of \$35 billion by the end of SFY 2024;
34 and

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36 **WHEREAS**, this goes against 20 years of state precedent in sharing these federal
37 savings, as well against congress’s intent for the eFMAP; and

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39 **WHEREAS**, the State is proposing to permanently intercept all of these federal savings
40 and use them to cover overspending in the Medicaid program; and

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42 **WHEREAS**, while Medicaid spending is set to exceed allowable growth limits
43 established under the state’s Medicaid Global Cap, the budget proposes to further
44 expand Medicaid eligibility and benefits and to increase payments to health care
45 providers; and

1 **WHEREAS**, the proposed budget fails to offset these new Medicaid costs with common
2 sense program reforms and cost containment actions to ensure Medicaid spending stays
3 under state law limits and on a sustainable path; and
4

5 **WHEREAS**, due to the failure of the State to contain out of control Medicaid costs, it
6 has turned to shifting billions of dollars in new costs to local taxpayers; and
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8 **WHEREAS**, by SFY 2027, the state cost shift from this single initiative will be
9 equivalent to an average property tax increase of seven percent statewide and up to 14
10 percent in individual counties outside of New York City; and
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12 **WHEREAS**, it is the strong view of NYSAC that Congress intends for these federal
13 savings to be shared with counties proportional to the amount they contribute toward
14 the nonfederal Medicaid match; and
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16 **WHEREAS**, since 2003, the State has shared the funds proportionally based on our
17 analysis of savings counties have received during periods when an enhanced federal
18 Medicaid match was enacted by Congress and confirmed repeatedly by documents the
19 Department of Health has sent to counties regarding Medicaid weekly shares; and
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21 **WHEREAS**, starting in SFY 2014, New York State began sharing these federal ACA
22 savings directly with counties by lowering the weekly payments each county and New
23 York City made in support of the State-designed and -controlled Medicaid program; and
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25 **WHEREAS**, through February 1, 2023, the State continues to share the federal savings
26 from the ACA eFMAP with the 57 counties and New York City.
27

28 **NOW, THEREFORE, BE IT RESOLVED**, that the New York State Association of
29 Counties (NYSAC) calls on the Legislature to reject the Governor's proposed
30 administrative action and ensure that these federal funds continue to be shared with
31 counties as is Congress's intent and has been the State's precedent and interpretation of
32 the federal statute for over 20 years; and
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34 **BE IT FURTHER RESOLVED**, that copies of this resolution be sent to the counties
35 of New York State encouraging member counties to enact similar resolutions; and
36

37 **BE IT FURTHER RESOLVED**, that NYSAC shall forward copies of this resolution to
38 the Governor of the State of New York, the New York State Legislature, the New York
39 State Congressional Delegation, and all others deemed necessary and proper.