

HONORABLE MEMBERS

WESTCHESTER COUNTY BOARD OF LEGISLATORS
WESTCHESTER, NEW YORK

COUNTY OF

These Committees have reviewed the following items for the 2014
Westchester County Joint State Legislative Package.

After considerable deliberation, it is recommended that this Honorable Board
approve these legislative initiatives and request they be presented to and
considered by the New York State Legislature and Governor during the
current state legislative session.

Date: Feb. 24, 2014
White Plains, New York



John B. King
Fred Wall

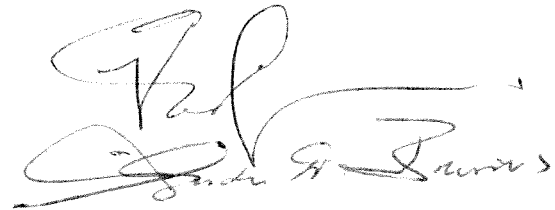
Benjamin Boylston
Catherine King

Jonny Messing
Stella Hancock

20 B/11



COMMITTEE ON LEGISLATION



20 B/11

Committee on Federal and
State Affairs

Provide Medicaid Mandate Relief for Counties

PROPOSAL

New York State needs to provide meaningful fiscal relief to counties and local property taxpayers. The way to achieve that is through the elimination of unfunded State mandates, the largest being Medicaid. Westchester County agrees with the New York State Association of Counties (NYSAC) that the State must fully accomplish a state takeover of the "local share" of Medicaid program costs and that takeover occur over a multi-year period as in A.4196/S.00153

We would also look favorably on other options to control the local share of the cost of Medicaid include: freezing the municipal share of local Medicaid costs at the 2011 tend factor of 18.75% of the 2005 base rate – A04776A/ S04296; a five year elimination of the local share for Medicaid – A06147A/S01588A

BACKGROUND

At the enactment of the Medicaid program in 1965, it was a rather basic healthcare safety net program utilizing counties as providers of health and welfare services for the poor and disabled local social service districts. Counties have been required to share in both the cost and administrative operation of the program.

Today, the Medicaid program in New York has grown into the largest, most expensive state public health insurance system in the country. Counties are the administrative arm of the state for service delivery and they have considerable financial responsibility as well. Of the \$4.4 billion in county property taxes levied in the 57 counties outside the City of New York, \$2 billion is consumed by the Medicaid local share. Westchester County's local share of Medicaid for 2014 is budgeted at \$222 million.

While responsibility for program design and administration has been gradually shifted to the state, county governments continue to be required to contribute a significant share of the total program cost. By the state taking over the future growth increases, this will provide significant and needed mandate relief to county governments.

Reform Early Intervention

PROPOSAL

Westchester County supports efforts to relieve the unfunded mandated costs for Early Intervention Programs. We support A.6517/S.06001 which would provide for state grant funding to municipalities for early intervention; streamline the process by which municipalities recover costs of early intervention by requiring private insurers to pay into a pool of funds.

We would also like to see passage of A.02401/S.04991 which would amend the insurance law to ensure recoupment from commercial insurers for the cost of the early intervention program. Current law does not include the necessary language to insure that payments are made, nor does the language preclude the majority of reasons given for denials.

Westchester County also supports amending Public Health Law 2547 to require insurance networks to include Early Intervention providers as part of the insurance network and require insurance companies to ensure an adequate network of qualified providers.

BACKGROUND

Under Article 25, Title IIA of Public Health Law, local health departments are required to administer the Early Intervention (EI) program according to New York State regulations, policies and procedures. This program involves extensive Medicaid expenditures, administrative oversight and fiscal responsibility. Reimbursement received from insurance companies to date remains low as claims are denied because the EI provider does not participate in the network.

Although public and private commercial insurance is required by law to be maximized in financing early intervention (EI) services, reimbursement from third party payers, other than Medicaid, have been minimal leaving the cost of this entitlement to be paid by state and municipal tax dollars.

Oppose the MTA Payroll Tax

PROPOSAL

The Westchester County Board of Legislators and the County Executive support passage of bill # A.04097/S.1986 which would provide a full repeal of the MTA Payroll Tax on county and municipal governments.

BACKGROUND

Since this payroll tax was established in 2009, Governor Cuomo and the State Legislature have recognized that the payroll tax was ill conceived and rescinded the tax for school districts and small businesses in the Metropolitan Commuter Transportation District (MCTD), however local governments are still subject to the tax.

Taxing existing jobs has proven to have had a crippling effect on the economy and new job creation within the MCTD. This tax is having a severe negative impact on economic recovery, and is discouraging growth of new business and job creation at a time when the government should be promoting these objectives.

To address the negative effect of this tax on jobs and economic growth as well as the effect on property taxes, the tax should be repealed for local government entities in the MCTD, and take the burden of this onerous tax off of the property taxpayers.

Provide County Building Maintenance Relief for Courts

PROPOSAL

Request an increase in funding for the maintenance of buildings utilized locally by the courts under the State Office of Court Administration.

BACKGROUND

Currently Westchester County receives 100% on all cleaning functions and 25% reimbursement on all other maintenance costs for use of the buildings from the State.

The reimbursements over the past several years are as follows:

4/1/10 – 3/31/11 \$1,989,171

4/1/11 – 3/31/12 \$1,850,854

4/1/12 – 3/31/13 \$1,785,788

The amount of reimbursement has declined because our costs have been reduced. However, we still need an increase in the funding for maintenance.

Increase Highway Improvement Funding

PROPOSAL

In the 2013-2014 fiscal year, the State increased funding to its most significant recurring source of funding for local roads, CHIPS (Consolidated Local Street and Highway Improvement Program), by 17% (to \$363.1 million), which recouped inflation losses from the previous five years. This year, there is no increase, while the need to fix our infrastructure is increasingly dire. Therefore, Westchester County is asking its State delegation to make two adjustments to CHIPS: increase CHIPS by another 17% this year, to help local governments clear their backlogs of road repairs; and index future CHIPS appropriations to inflation.

JUSTIFICATION

Without good networks of roads and bridges, modern life itself would be impossible. Yet throughout the State, our County governments are faced with crumbling roads and bridges while the tax cap and anti-tax movements have prevented those governments themselves from raising the revenues needed to fix them. As we all know from the crumbling roads and bridges in our own communities, Westchester County is no different from the rest of the State.

More repairs mean better roads, and better roads will reduce the whopping \$403 per year average in extra operating and repair costs to New York motorists from substandard road infrastructure; create thousands of new jobs; establish sources of funding that will at least double the economic benefit from the dollars appropriated; make our communities more attractive to private investment; and make our roads safer for all who travel on them.

The Transportation and Public Works Committee of the New York State Association of Counties (NYSAC) is currently finalizing a similar resolution. Asking our State delegation to push for this increase in CHIPS funding and for indexing will dovetail nicely with NYSAC's efforts, and will enhance its likelihood of success.

Support "Credits" for Shared Services

PROPOSAL

Many municipalities in Westchester County have existing shared services programs which have been successfully operating for many years. We request that the Governor and the Legislature include in any State program, credits for existing shared services and consolidations.

BACKGROUND

We support the concept of creating more efficient government through sharing of services and consolidation where such consolidation will provide cost savings without loss of quality. If municipalities will be required to show progress on cost cutting through shared services or consolidation in any State program, we ask that municipalities that have already achieved savings using such methods be credited for the ongoing savings.

Allow Non-Profits to Make Purchases Through Use of County Contracts

PROPOSAL

Westchester County supports A.03762/S.00691 to allow certain not-for-profits to make purchases through use of county contracts.

BACKGROUND

During these difficult economic times, local governments are struggling to provide essential services while minimizing the impact to taxpayers. It has, and continues to be increasingly difficult given the rising costs for both commodities and services. One way in which local governments are successfully minimizing costs to taxpayers is through the collaborative procurement of goods and services with other local governments.

Since not-for-profit corporations that provide services to counties are also under financial pressure during these economic times, this legislation will allow not-for-profit corporations to also procure goods and services collaboratively with local governments, to minimize the cost of providing services.

Extend Earned Income Incentives to Childless People Without Losing Benefits

PROPOSAL

Westchester County supports extending earned income incentives to childless Safety Net couples and individuals so that they are encouraged to seek employment without losing SNAP/Medicaid benefits if they obtain low wage jobs.

BACKGROUND

Section 131-a(8)(a)(iii) and its implementing regulation at 18 NYCRR 352.20 permits an earned income incentive for TANF and SNF households with children that is equivalent to a flat \$90 a month plus approximately 48% of the earned income. This is a powerful incentive for heads of households to seek even part-time work because it improves their financial position without the loss of SNAP or Medicaid benefits and often some cash assistance. Unfortunately, childless couples and individuals on the Safety Net program (71% county funded and 29% state funded) only receive the flat \$90 monthly disregard for earned income-which doesn't even buy a monthly bus pass. Westchester County recommends extending the same earned-income disregards that households with children enjoy to childless Safety Net couples and individuals so that they too may be encouraged to seek employment.

Repeal Requirement of Revenue Offset Deduction When Calculating Reimbursable Expense Amount for Health Programs

PROPOSAL

Repeal the requirement that 100% of the revenue offset be deducted when calculating reimbursable expense amount for state reimbursement of Article VI Health programs. New state policy costs Westchester County \$700,000. The County will need to cut expenses by over \$1 million to absorb this loss of funding which would result in staff layoff and the further reduction of services.

BACKGROUND

The state is adjusting the formula for what we will receive in state reimbursement for Article VI Health programs. The state does not allow reimbursement for fringe costs related to Article VI Health programs and as an accommodation for this the state currently does not require the Counties to deduct the full amount of revenues when computing our net reimbursable expenses.

Effective for January 1, 2014 the state will require that 100% of the revenue offset be deducted when calculating the reimbursable expense amount. This results in a loss of approximately \$700,000 in state aid (\$200,000 for Labs and \$500,000 for Health) for the 2014 County fiscal year. The Department of Health was just officially notified of this in January 2014.

Provide Mandate Relief

PROPOSAL

Westchester County would like to see the passage of A.4861/S.1294A which would require programs that originate from the state to be paid for by the state and not have the burden to find funding fall upon local municipalities. These bills seek to protect local municipalities and school districts from unfunded mandates. We would also look favorably upon mandate relief for: Medicaid; TANF/Public Assistance Safety Net; Child Welfare Protective and Preventive Care; Special Education Pre-School; Early Intervention; Probation; Indigent Defense, Youth Detention and Prisons.

BACKGROUND

New York State mandates (requires the delivery of State programs using local resources, causing some counties to dedicate more than 80 percent of their entire budget toward the funding of State mandated programs and fixed costs.

In 2010, the New York State Association of Counties identified the 9 largest state mandated that consumed 90 percent of all county property taxes levied in the 57 counties outside of New York City. These mandates include: Medicaid, TANF/Public Assistance Safety Net, Child Welfare Protective and Preventive Care, Special Education Pre-School, Early Intervention, Probation, Indigent Defense, Youth Detention, and Pensions.

State imposed mandates continue to contribute to New York's highest in the nation local tax burden for residents and businesses, severely damaging New York's ability to attract, create and maintain good paying jobs, as well contributing to population losses to other states.

The State enacted a property tax cap in 2011 and a Mandate Relief Council was established to review specific mandates and advance legislative proposals to reduce the statutory and regulatory burden on municipalities. The FY2012-2013 budget began to address these unfunded mandates by phasing out the 3% increase in county Medicaid costs each year, but much more needs to be done to deliver meaningful property tax relief to counties and county taxpayers.

Restore the 2% Cut in Local Assistance and Restore State Share of Public Assistance

PROPOSAL

Westchester County supports restoring the 2% across-the-board cut in Local Assistance and Restoring the State share of Public Assistance. When TANF was federalized, the safety net cost share went from 50/50 state/county to 29/71 state/county. NYSAC proposed restoring the 50/50 split. (Westchester County pays approximately \$44 million per year.

BACKGROUND

The 2011-12 final State Budget dramatically lowered the State's fiscal responsibility in the Safety Net Program by shifting the cost to 71 percent County/29 percent State, severing the historic 50 percent State/50 percent County partnership. The State division of the Budget stated that this funding shift, in conjunction with fully federalizing New York's TANF (Family Assistance) costs, would generate up to \$50 million annually in net cost reductions for counties and New York City, but actual spending through the end of calendar year 2012 indicates that these aggregate savings have not materialized. With the recent economic downturn and slow recovery, Safety Net Assistance enrollment has increased across the state in record numbers, which will shift even more costs from the state budget to local taxpayers to support this state mandated program.

The state funding shift in Safety Net left Westchester County paying a larger share of a much faster growing public assistance program, as verified in the most recent caseload date. Across NYS, the Safety Net caseload is growing at an average annual rate of nearly 4.5 percent the last five years compared to the TANF caseload that is virtually unchanged from where it was in 2008.

The steady pullback in state funding support for a variety of human services programs including child welfare, adoption subsidies, food stamp administration, Family Assistance, Safety Net, Child Support Enforcement, juvenile justice and programs designed to help recently released state incarcerated offenders return to the community creates an environment in which the State is directly moving away from its constitutional requirement to care for the needy, forcing this state constitutional responsibility to county government and local property taxpayers.

Allow More Discretion with Medically Incapacitated Inmates

PROPOSAL

Westchester County supports allowing more discretion with medically incapacitated inmates. At present, New York State laws and regulations governing the confinement of individuals in local correctional facilities (ie county jails) provide little opportunity for such facilities to place medically incapacitated individuals requiring long-term care in appropriate settings.

BACKGROUND

Nationwide, a recent study determined that the aging and elderly inmate population has increased by 1300% since the 1980's. In recent years, DOC has seen an increase in the number of individuals entering its custody suffering from chronic medical issues or subsequently experience serious medical events (ie strokes, Alzheimer's disease, terminal cancer, end-stage AIDS) and because they require 24 hour armed watch, treatment providers such as nursing homes, assisted living or other long term care settings, are unwilling to accept these patients.

DOC has encountered serious operational challenges and incurred significant cost in providing appropriate care to these individuals confined to its custody. Particularly problematic is the fact the NYS Commission of Correction regulations require DOC to maintain constant supervision of these inmates, without the aid of surveillance devices.

Inmates with serious mental illnesses are transferred to psychiatric facilities, but there are no such opportunities for medically incapacitated inmates. While some NYS prisoners may be granted parole in certain cases, there are no alternatives to incarceration afforded to local inmates.

By limiting its scope to individuals that are mentally incapacitated and providing no means to consider serious medical illness as a basis for removal from local custody and placement under local probation supervision, the law results in medically incapacitated individuals potentially languishing in inappropriate care settings (jails), with their cases being delayed or never adjudicated.

Restore Funding for Hudson Valley 211 Helpline

PROPOSAL

Hudson Valley 211 is a great savings for taxpayers and is a wonderful service for Westchester residents in need of services . The State budget has left out the \$750,000 needed to continue this worthwhile project. We ask that the money be put back into the 2014 State budget.

BACKGROUND

2-1-1 Helpline is a free, confidential, multilingual service to assist the public to find the answers to a variety of Health and Human Services related questions. Available 24 hours a day, seven days a week, people can call about everything from basic needs like food, clothing and shelter, to volunteer opportunities, legal services, drug treatment, employment support, childcare, eldercare and more.

Whether answering to a natural disaster, a personal emergency or to furnish tools to foster independent lives, United Way's 2-1-1 seeks to help those in need wherever they live. 2-1-1 can give callers up-to-date information on emergency shelters, road conditions, etc. Along with financial support from each United Way, Hudson Valley 2-1-1 is funded by local municipalities, private foundations, local corporations and individual donors.