Opinion Editorial

Cuomo must start explaining how he’ll close New York’s $4B Medicaid gap

By Post Editorial Board

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A bombshell Post report on lax Medicaid oversight and massive fraud suggests one way to start plugging New York’s $4 billion budget hole. Yet Comptroller Tom DiNapoli’s right: Gov. Andrew Cuomo needs to spell out his own fixes ASAP.

Brian Biase in Sunday’s Post gave the lowdown from his recent Mercatus Center study with Aaron Yelowitz: up to 433,000 New York “residents with income above the allowed limit” are enrolled in Medicaid. And the number of New Yorkers getting benefits despite earning too much to qualify rose “by more than 80 percent” from 2012 to 2017.

Improper payments tripled nationwide from 2013 to 2018, hitting a whopping $75 billion a year. The federal Health and Human Services Department found that 15 percent of New York applicants were improperly enrolled, costing the state $500 million over just six months. In The Bronx, 40 percent of all adults with over-the-limit incomes nonetheless got a green light in 2017.

What’s fueling the fraud surge? Partly, ObamaCare’s Medicaid expansion and the feds’ willingness to pay more of its costs. That led states like New York to stop “assessing whether applicants are eligible.”
Blase says illegal enrollees are “one of the main reasons” for the state’s $4 billion Medicaid gap — which means that better screening can help close it.

Meanwhile, the Empire Center’s Bill Hammond notes that spending per recipient has spiked since 2016, yet Cuomo’s only notable response was to push costs to the next year. The gov even boosted provider repayments (after a hospitals group donated nicely to the state Democratic Party).

A state budget spokesman says Team Cuomo is now hammering out Medicaid cuts, with details due next month. Yet DiNapoli is on target in pushing for more info, faster.

Hospitals and other care providers certainly need to plan for smaller reimbursements. And if Cuomo can’t fully close the Medicaid gap, more cuts will have to come from the rest of the budget — which has a $2 billion shortfall on top of the Medicaid hole.

Cuomo’s failure to act sooner is part of why he now finds himself in such a jam. The more he delays, the worse it will get.

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