



STATE OF NEW YORK
EXECUTIVE CHAMBER
ALBANY 12224

ANDREW M. CUOMO
GOVERNOR

April 7, 2020

Dear Member of the New York Delegation:

As you know, on March 18, 2020, H.R. 6021, the Families First Coronavirus Response Act (FFCRA) [\[1\]](#) became law providing a temporary 6.2 percentage point increase to the Federal Medical Assistance Percentage (FMAP) rate to each qualifying state and territory.

We have been discussing the restrictions included in the act that require the State of New York to either delay critical Medicaid reforms commenced six months ago, and included in the State Budget enacted last week, or implement them and not receive the benefit of the enhanced reimbursement rate. As I have said, the Federal Legislation unnecessarily made a bad situation worse for our state government.

In addition to the above stated issue, once we reviewed the legislation, we discovered it was even worse for New York. Press reports have claimed that this enhanced benefit would provide New York State with \$6 billion over a year. That is simply not accurate. First, the enhanced funding only runs for the period that the President's Emergency Declaration is in place, and there is every possibility that the Emergency Declaration does not continue for one year.

Even worse, the reimbursement does not cover all New York Medicaid recipients.

On March 25, the State received guidance from CMS on how to apply the enhanced FMAP reimbursement rate. We were shocked to learn that it would not be applied to the 1.7 million New Yorkers – about one-third of Medicaid recipients – who joined Medicaid under the expansion created by the Affordable Care Act. The law was clearly biased against the states that expanded the program under the ACA.

Based on this Federal guidance, our analysis has determined that the State of New York will receive about \$1.3 billion over six months and localities within the state about \$320 million. This is a far cry from the estimates touted after the passage of the FFCRA and a small fraction of what was contained in the House Bill H.R. 6379 before it was sent to the Senate.

Meanwhile, New York State is broke. We are facing a loss of \$10 billion to \$15 billion in revenue solely as a result of the pandemic, and there has been absolutely no help to offset it. In the absence of significant federal assistance the State has no option but to make reductions to critically needed state spending.

We need an enhanced FMAP rate that applies to every one of the more than six million New Yorkers who rely upon Medicaid and at least a 12% rate with an unemployment escalator. You absolutely must find a path forward for the 1.7 million New Yorkers you voted to exclude from the legislation. Lastly, it remains paramount that you also find a path forward that enables the State to receive the enhanced FMAP while the state implements efficiencies for the Medicaid program that were publicly underway and advanced before you even considered the bill and were included in the enacted state budget. In addition, any successor to the CARES Act must include unrestricted fiscal support specifically to offset revenue losses.

I urge you to keep fighting for New York State to ensure we have the resources we need to continue to lead the fight against COVID-19 and provide the services New Yorkers rely upon.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew M. Cuomo". The signature is fluid and cursive, with a large initial "A" and "C".

ANDREW M. CUOMO