



State of New York

JAN 05 2011

Department of State
Secretary of State

State of New York

Executive Chamber

No. 5

EXECUTIVE ORDER

ESTABLISHING THE MEDICAID REDESIGN TEAM

WHEREAS, New York State spends more than twice the national average on Medicaid on a per capita basis and spending per enrollee is the second highest in the nation;

WHEREAS, New York ranks 21st out of all states for overall health system quality and 50th for avoidable hospital use and costs;

WHEREAS, New York's Medicaid program struggles within a disjointed, sprawling administrative structure;

WHEREAS, New York's Medicaid payment system often creates financial disincentives for the delivery of high-value, cost-effective, quality health care;

WHEREAS, New York State faces serious financial challenges in achieving a balanced budget in the 2011-12 State Fiscal Year;

WHEREAS, New York State's current fiscal constraints necessitate specific budget reductions for Medicaid spending; and

WHEREAS, it is of compelling public importance that the State conduct a fundamental restructuring of its Medicaid program that achieves measurable improvement in health outcomes, sustainable cost control and a more efficient administrative structure;

NOW, THEREFORE, I, Andrew M. Cuomo, Governor of the State of New York, by virtue of the authority vested in me by the Constitution and laws of the State of New York, do hereby order as follows:

A. Definitions

As used herein, the following terms shall have the following meanings:

1. "State agency" or "agency" shall mean any state agency, department, office, board, bureau, division, committee, council or office.

2. "Public authority" or "authority" shall mean a public authority or public benefit corporation created by or existing under any New York State law, with one or more of its members appointed by the Governor or who serve as members by virtue of holding a civil office of New York State, other than an interstate or international authority or public benefit corporation, including any subsidiaries of such public authority or public benefit corporation.

3. "State officer or employee" shall have the meaning given in Section 73 of the Public Officers Law.

B. Medicaid Redesign Team

1. There is hereby established the Medicaid Redesign Team ("Team") that shall exist to provide guidance for, and advice to, the Governor.

2. The Governor shall appoint up to 25 voting members of the Team. The members of the Team shall include: state officers or employees with relevant expertise; two members of the New York State Assembly, one recommended by the Speaker of the Assembly and one recommended by the Minority Leader of the Assembly; two members of the New York State Senate, one recommended by the Temporary President of the Senate and one recommended by the Minority Leader of the Senate; and stakeholders with expertise in areas such as:

- a. health care delivery;
- b. health care insurance;
- c. health care workforce;
- d. economics;
- e. business;
- f. consumer rights; and
- g. other relevant areas.

3. Vacancies shall be filled by the Governor, and the Governor may appoint additional voting and non-voting members to the Team as necessary. Members of the Team shall serve at the pleasure of the Governor.

4. The Governor shall designate a Chair or Co-Chairs from among the members of the Team.

5. The Governor shall appoint the New York State Medicaid Director as Executive Director of the Team.

6. The Director of the Budget shall serve as an *ex officio*, non-voting member of the Team.

7. A majority of the total members of the Team who have been appointed shall constitute a quorum, and all recommendations of the Team shall require approval of a majority of its total members.

8. The Team shall attempt to engage and solicit the input of a broad and diverse range of groups, organizations and individuals.

C. Cooperation with the Team

1. Every agency or authority of New York State shall provide to the Team every assistance and cooperation, including use of New York State facilities, which may be necessary or desirable to fulfill the purposes of this Executive Order.

2. Staff support necessary for the conduct of the Team's work may be furnished by agencies and authorities (subject to the approval of the boards of directors of such authorities).

D. Duties and Purpose

1. The Team shall engage Medicaid program stakeholders for the purpose of conducting a comprehensive review of and making recommendations regarding the Medicaid program, which shall include specific cost saving and quality improvement measures for redesigning the Medicaid program to meet specific budget reductions for Medicaid spending. The Team's review and recommendations shall address matters including but not limited to:

- a. existing programs in New York State and across the country that have resulted in Medicaid savings and improved quality;

- b. existing programs in New York State that consume a disproportionate share of Medicaid dollars;
- c. opportunities in the federal Patient Protection and Affordable Care Act that can help strengthen both the fiscal and care delivery models of New York State's Medicaid program;
- d. the utilization of Medicaid services by overall volume, site of service, and beneficiary group;
- e. new models of health care delivery to improve care management for beneficiaries with complex health conditions;
- f. existing regulations that are outdated, redundant, or hinder the modernization of the Medicaid program;
- g. potential cooperative efforts with the federal government to improve coverage, cost, and quality within the Medicaid program; and
- h. the possible restructuring of Medicaid to achieve short-term solutions and long term systemic changes.

2. At the direction of the Team, the Executive Director shall notify stakeholders of the purposes of the Team, the opportunities for stakeholder participation and the means and schedule for such participation. Meetings with stakeholders shall be held in various regions of New York State. Participating stakeholders may be assigned to specific working groups, consistent with their areas of expertise and interest.

3. The Executive Director shall provide parameters for the submission of proposals and recommendations by stakeholders and other interested parties. After consultation with the Division of the Budget, the Executive Director shall evaluate whether such proposals can be feasibly implemented and if so, the savings that may be realized therefrom.

4. The Team shall commence its work no later than January 7, 2011. On or before March 1, 2011, the Team shall submit its first report to the Governor of its findings and recommendations for consideration in the budget process for New York State Fiscal Year 2011-12. The Team shall submit quarterly reports on its continuing review thereafter. The Team shall make its final recommendations to the Governor not later than the end of the State Fiscal Year 2011-12, at which time it shall terminate its work and be relieved of all responsibilities and duties hereunder.



GIVEN under my hand and the Privy Seal of the

State in the City of Albany this fifth day
of January in the year two thousand
eleven.

BY THE GOVERNOR

A handwritten signature in black ink, appearing to be "Andrew M. Cuomo".

A handwritten signature in black ink, appearing to be "M. Anne Kelly".

Secretary to the Governor