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## No plan to account for wage hike

*Lawmakers say Cuomo's health budget fails to address Medicaid cost concerns*

By Rick Karlin

Albany

Gov. Andrew Cuomo's proposed health care budget makes no provisions for a \$15 minimum wage even though it will lead to higher Medicaid costs, according to health industry officials and lawmakers who attended a daylong hearing Monday on the governor's proposed health care budget.

"How will this be addressed in the context of the budget?" western New York GOP Sen. Cathy Young asked state Health

Commissioner Howard Zucker and Medicaid Director Jason Helgerson.

"All of us expected that at some point in this budget document we would see funding," added Staten Island Sen. Diane Savino, an Independent Democratic Caucus member. "There is no allocation for them to be able to pay that minimum wage."

Cuomo has made the push for a \$15-an-hour minimum wage a centerpiece of his agenda for this year.

While many hail the move, others such as the operators of

not-for-profit human service agencies and businesses like nursing homes and home care agencies say it will impose higher costs.

Many of those institutions get substantial funding from Medicaid, the federal/state health insurance program for the poor. At more than \$50 billion, Medicaid is among the largest of state budget items, along with education.

But with no clear budget item it remains unclear how the Medicaid-related raises will be funded.

Health care providers laid out the potential costs of a raise. The state's Home Care Association, in a report prepared for

the hearing, estimated that the minimum wage increase will cost their industry \$1.7 billion.

And Dennis Whalen, president of the state Healthcare Association, which represents hospitals, nursing homes and other organizations, said the increase would cost hospitals \$570 million when fully phased in. Cost to the overall health care system was estimated at \$2.9 billion.

Zucker noted that Cuomo isn't proposing an immediate increase in the minimum wage, which is now \$9 an hour. (He wants to phase it in by 2018 and 2021 for New York City and upstate respectively.)

Zucker added the Medicaid

funding for that increase will be part of budget negotiations with the Legislature.

"I recognize some of those concerns," he said.

Lawmakers had other questions for Zucker and Helgerson during a four-hour session.

Long Island Sen. Kemp Hannon asked about why an organ transplant system hasn't moved faster, nor a plan to make Naloxone, a counter to opioid overdoses, more readily available to people who need it.

"What struck me was ... what we haven't done," Hannon said, referring to the budget plan.

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