



**George E. Pataki**  
*Governor*

**NEW YORK STATE**  
**OFFICE OF TEMPORARY AND DISABILITY ASSISTANCE**  
40 NORTH PEARL STREET  
ALBANY, NY 12243-0001

**Brian J. Wing**  
*Commissioner*

## **Local Commissioners Memorandum**

### **Section 1**

<b>Transmittal:</b>	03 LCM 6	
<b>To:</b>	Local District Commissioners	
<b>Issuing Division/Office:</b>	Office of Finance	
<b>Date:</b>	June 25, 2003	
<b>Subject:</b>	Administrative Cap State Fiscal Year 2003-04	
<b>Contact Person(s):</b>	Roland Levie Regions I-IV 518-474-7549 Michael Borenstein Region V 631-854-9704 Marian Borenstein Region VI 212-383-1735	
<b>Attachments:</b>	Administrative Cap 2003-04	
<b>Attachment Available On – Line:</b>	yes	

### **Section 2**

#### **I. Purpose**

The purpose of this LCM is to advise local social services districts that the enacted State Budget for 2003-04 enacts a \$15 million cut to the State share administrative cap for SFY 2003-04.

#### **II. Background**

Since State Fiscal Year 1989-90, local districts have been capped at the level of State share reimbursement for administrative costs for Temporary Assistance, Food Stamps, and Medicaid. Once a local social services district reaches its cap, reimbursement of State share ceases.

The enacted 2003-2004 State Budget requires a reduction in the State share cap of seven and a half percent (7.5%), but in calculating the amount of the 7.5% reduction, the amount appropriated for Medical Assistance is excluded. This means that the Medical Assistance portion of the cap was not included in the calculation of the reduction, as displayed in the attachment. However the State share of administrative costs for Medical Assistance are still subject to the cap.

There are certain costs that can be exempted from the cap through the submission of an exempt area plan. Instructions for completing and filing exempt area plan requests are found in Volume 1, Chapter 5 of the Fiscal Reference Manual.

Statewide (total) reimbursement of approved waiver plan items is limited to the total (Statewide) amount paid for all waivers in State Fiscal Year 2002-03. Any approved waiver items not reimbursed in SFY2002-03 can be reimbursed with available funds in subsequent SFY's.

#### **III. Program Implications**

Each local district was assigned its proportionate share of the reduction, by each district's share of the administrative cap. For example, if a County's share of the administrative cap was 5% of the Statewide

amount, it received a 5% share of the \$15 million. Each district's cap and the amount of the reduction are reflected in the chart attached to this LCM.

The cap is applied to claims timely received for calendar year 2003 or any supplemental claims received during the State Fiscal Year. Once a local social services district's cap level is reached, State reimbursement, for the balance of the State Fiscal year, for capped areas ceases. Ordinarily, the State advances (before the end of the State Fiscal year) an amount against a district's exempt area plan for the prior calendar year (e.g. the State advances in March 2004 an amount for a local district's 2002 exempt area plan).

Federal reimbursement of administrative costs continues to be paid for allowable costs even after a district exceeds its State share cap.

**Issued By**

**Name: Phil Maher**

**Title: Assistant Commissioner**

**Division/Office: Finance**

County	ADMIN CAP 4/02-3/03	2003 CAP REDUCTION \$15 M.	ADMIN CAP 2003-2004
ALBANY	\$3,565,978	\$180,910	\$3,385,068
ALLEGANY	\$705,372	\$35,785	\$669,587
BROOME	\$1,563,467	\$79,318	\$1,484,149
CATTARAUGUS	\$906,763	\$46,002	\$860,761
CAYUGA	\$904,508	\$45,888	\$858,620
CHAUTAUQUA	\$1,453,036	\$73,716	\$1,379,320
CHEMUNG	\$912,706	\$46,304	\$866,402
CHENANGO	\$408,265	\$20,712	\$387,553
CLINTON	\$760,957	\$38,605	\$722,352
COLUMBIA	\$483,254	\$24,517	\$458,737
CORTLAND	\$530,665	\$26,922	\$503,743
DELAWARE	\$363,411	\$18,437	\$344,974
DUTCHESS	\$1,727,546	\$87,642	\$1,639,904
ERIE	\$10,286,671	\$521,866	\$9,764,805
ESSEX	\$466,677	\$23,676	\$443,001
FRANKLIN	\$547,644	\$27,783	\$519,861
FULTON	\$627,824	\$31,851	\$595,973
GENESEE	\$489,238	\$24,820	\$464,418
GREENE	\$550,246	\$27,915	\$522,331
HAMILTON	\$47,571	\$2,413	\$45,158
HERKIMER	\$499,454	\$25,338	\$474,116
JEFFERSON	\$956,883	\$48,545	\$908,338
LEWIS	\$340,868	\$17,293	\$323,575
LIVINGSTON	\$651,830	\$33,069	\$618,761
MADISON	\$387,668	\$19,667	\$368,001
MONROE	\$5,313,199	\$269,550	\$5,043,649
MONTGOMERY	\$398,052	\$20,194	\$377,858
NASSAU	\$6,105,637	\$309,752	\$5,795,885
NIAGARA	\$2,387,227	\$121,109	\$2,266,118
ONEIDA	\$2,346,603	\$119,048	\$2,227,555
ONONDAGA	\$4,757,209	\$241,344	\$4,515,865
ONTARIO	\$705,170	\$35,775	\$669,395
ORANGE	\$2,680,695	\$135,998	\$2,544,697
ORLEANS	\$348,771	\$17,694	\$331,077
OSWEGO	\$1,073,383	\$54,455	\$1,018,928
OTSEGO	\$463,720	\$23,526	\$440,194
PUTNAM	\$416,233	\$21,116	\$395,117
RENSSELAER	\$1,067,101	\$54,136	\$1,012,965
ROCKLAND	\$2,853,249	\$144,752	\$2,708,497
ST.LAWRENCE	\$1,263,400	\$64,095	\$1,199,305
SARATOGA	\$612,957	\$31,097	\$581,860
SCHENECTADY	\$1,211,934	\$61,484	\$1,150,450
SCHOHARIE	\$342,409	\$17,371	\$325,038
SCHUYLER	\$137,940	\$6,998	\$130,942
SENECA	\$281,328	\$14,272	\$267,056
STEUBEN	\$812,098	\$41,200	\$770,898
SUFFOLK	\$12,157,914	\$616,798	\$11,541,116
SULLIVAN	\$864,489	\$43,857	\$820,632
TIOGA	\$547,599	\$27,781	\$519,818
TOMPKINS	\$648,591	\$32,904	\$615,687
ULSTER	\$1,328,105	\$67,378	\$1,260,727
WARREN	\$352,906	\$17,904	\$335,002
WASHINGTON	\$474,589	\$24,077	\$450,512
WAYNE	\$744,964	\$37,794	\$707,170
WESTCHESTER	\$11,108,934	\$563,581	\$10,545,353
WYOMING	\$380,436	\$19,300	\$361,136
YATES	\$107,294	\$5,443	\$101,851
<b>TOTAL UPSTATE</b>	<b>\$94,432,638</b>	<b>\$4,790,777</b>	<b>\$89,641,861</b>
NEW YORK CITY	\$201,237,485	\$10,209,223	\$191,028,262
<b>STATEWIDE</b>	<b>\$295,670,123</b>	<b>\$15,000,000</b>	<b>\$280,670,123</b>