

LABOR, HOUSING & CONSUMER PROTECTION COMMITTEE
OF THE
SUFFOLK COUNTY LEGISLATURE
VERBATIM MINUTES

A regular meeting of the Labor, Housing & Consumer Protection Committee of the Suffolk County Legislature was held in the Rose Y. Caracappa Legislative Auditorium of the William H. Rogers Legislature Building, 725 Veterans Memorial Highway, Smithtown, New York on March 3, 2011.

MEMBERS PRESENT:

Leg. Jon Cooper, Chairman
Leg. Kate M. Browning, Vice Chair
Leg. Thomas Cilmi
Leg. Jack Eddington
Leg. DuWayne Gregory

ALSO IN ATTENDANCE:

George Nolan, Counsel to the Legislature
Sarah Simpson, Assistant Counsel
Barbara LoMoriello, Deputy Clerk
Paul Perillie, Aide to Majority Leader
Eric A. Kopp, County Executive's Office
Elizabeth A. Geary, Community Programs Center of LI, Director
Lori Maldavir, Community Programs Center of LI, Development
Denice Karotseris, Community Programs Center of LI, Director
Lawrence Gray
Dot Kerrigan, AME
Brenda Rosenberg, Living Wage, Department of Labor
Liz Pearsall, Deputy Commissioner, Department of Labor
And all other interested parties

MINUTES TAKEN BY:

Diana Flesher, Court Stenographer

MINUTES TRANSCRIBED BY:

Denise Weaver, Legislative Aide

THE MEETING WAS CALLED TO ORDER AT 1:15 PM

CHAIRMAN COOPER:

Good afternoon. I would like to welcome everyone to the March 3rd meeting of the Labor, Housing and Consumer Protection Committee. Legislator Cilmi, if you could lead us in the Pledge, please.

SALUTATION

Thank you very much.

PUBLIC PORTION

We have one speaker who's proactive; he's already standing at the podium. Lawrence Gray. Mr. Gray.

MR. GRAY:

Thank you, Mr. Chairman. My name is Lawrence Gray. In brief, my background is 25, 30 years as a criminal prosecutor, trial and appellate. I spent 25 years in the Medicaid Fraud Section of the Attorney General's Office. Now, I can tell you this: That our Governor recently said that your Medicaid in the State is a billion dollars a week. The County of Suffolk's function of that is probably millions, mega-millions per week.

I'd like to first get to the point of how you might make some money or save some money. We had a fellow in Nassau County years ago, very typical, certainly not atypical, his name was Finklestein. He stole millions and millions as a Medicaid provider. When we arrested him and indicted him, we also attached his house. We brought proceedings under CPLR Article 13A to freeze his assets, which were millions; boats, yachts, everything you could imagine.

We happen to trip over Mrs. Finklestein, his wife. Believe it or not she was on Medicaid as a recipient. She had \$960,000 in personal assets. That is not atypical. It has recently been exposed by the New York Post, over my 25 years in the Medicaid Fraud Bureau, we had noticed it many, many, many times. And, by the way, I'm not against poor people. I'm just against thieves.

What I would offer to you this morning would be something that is simple, efficient, does not embarrass you, doesn't embarrass anybody potentially, but a thief. And that would be to have your computer programmers formulate a program, probably would take them about a day-and-a-half, 12 hours, whereby they would interface and run your Medicaid, Welfare recipient list. That's right, even the children because sometimes they put the money in the kid's name. Run that list with a computer program, interface it with the County Clerk's grantor/grantee computer files and then sit back and watch how many pop out that certainly by any stretch of the imagination are not qualified. In fact, they're Medicaid thieves. They're welfare thieves.

Another point I would like to make to you is that there's a reason -- there are two reasons why this has never been done. One is benign inertia among Legislators like yourselves who are very busy. And there is a certain inertia that comes from your bureaucracy in your Health and Social Services Department at the County level and also at the State level. In sum and substance, Mr. Chairman, people do not like to be embarrassed. Your Health Department and your Social Services Department do not like to be embarrassed. They require your Medicaid and your Welfare applicants to fill out something on the order of a phone book to get on Medicaid and Welfare. The fact of the matter is nobody bothers to check it out. Spot check it. You have to spot check it.

Now what kind of money am I potentially talking? I don't know. I would wager a guess that this is

a very modest approach and probably could result in millions of dollars to the County. And I know if I read the papers correctly, that everybody around here is running around looking for money. And you seem to have run out.

Now I have another point, I'd like to note it for you. The Governor -- I don't think it was Governor Cuomo, but somebody up there in Albany had this idea that he's going to also improve the current Medicaid system by removing the requirement that applicants must submit original documents to enroll. That's crazy. That's absolutely crazy. I don't know who has contacts in Albany, but I think you might want to verify whether they're going to do such a lunatic thing in your life. Whoever heard of not submitting original bona fide documents to verify birth, citizenship or whatever makes you happy? A copy is the prime way to forge and phony-up documents. That's crazy.

It's also said in here that the State also would use technology to recruit, their word, *recruit*, more Medicaid recipients and add in, *are you interested in Medicaid* line on tax return forms. That's lunacy. I don't think I have to beat you over the head to say that's crazy. And, as matter of fact, if it happens, as a Legislative body, you will drown. You will be Legislators over nothing.

I would like to also --

CHAIRMAN COOPER:

Mr. Gray, if you could wrap up, please.

MS. GRAY:

Yup, I'm going to wrap up right now.

Sometimes you are told that the Attorney General is the one who has jurisdiction over Medicaid recipient fraud. That is a lie. That's false. The Medicaid -- the Attorney General has jurisdiction over Medicaid provider fraud. The provider fraud -- the recipient fraud is solely vested in your local district attorneys.

And I would like to hand up to you, Mr. Chairman, in conclusion, Article 158 of the Penal Law passed in 1995. It makes Welfare, Medicaid, any sort of Welfare fraud range from an A misdemeanor, that's a year in jail, Legislator Gregory, right up to 25 years in prison as a B felony. And ask yourselves, when's the last Medicaid recipient prosecution that any of you could recall in this County? There have been none. And I'm not picking on Mr. Spota. The fact of the matter is all 62 haven't done a doggone thing about it. Thank you very much.

CHAIRMAN COOPER:

Thank you, Mr. Gray.

Is there anyone else who'd like to address the Committee during the public portion? There being none, let's move to the agenda.

TABLED RESOLUTIONS

First tabled resolutions, **IR 2218 -- Adopting a Local Law No. --2011, A Local Law requiring the posting of "Cash Only" signs at restaurants. (Co. Exec. Levy)** I'd like to make a motion to table.

LEG. BROWNING:

I'll second.

CHAIRMAN COOPER:

We have a second. All those in favor? Opposed? **IR 2218 is tabled. (VOTE: 5-0)**

Next up, **IR 2219 - Adopting Local Law No. --2011, A Local Law requiring store closure**

on Thanksgiving Day. (Co. Exec. Levy) I'll make a motion to table that.

LEG. CILMI:
Second.

CHAIRMAN COOPER:
All those in favor? Opposed? **IR 2219 is tabled. (VOTE: 5-0)**

INTRODUCTORY RESOLUTIONS

Moving onto introductory resolutions, **IR 1094 - Approving the appointment of Kenneth Blomberg to Detective Sergeant in the Suffolk County Police Department (Co. Exec. Levy)**
I'll make a motion to approve.

LEG. GREGORY:
Second.

LEG. BROWNING:
Second.

CHAIRMAN COOPER:
We have a second, Legislator Browning, I believe. Oh, Legislator Gregory, I'm sorry. All those in favor? Opposed? **IR 1094 is approved. (VOTE: 5-0)**

Next, **IR 1103 - Adopting Local law No. -2001, A Local Law to amend Chapter 152 of the Administrative Local Laws exempting the health Commissioner and the Chief Medical Examiner from certain salary caps. (Co. Exec. Levy)** We have to table that for a public hearing. I'll make a motion to table. Do we have a second?

LEG. EDDINGTON:
Second.

CHAIRMAN COOPER:
Second. All those in favor? Opposed? **IR 1103 is tabled. (VOTE: 5-0)**

IR 1114 - Adopting Local law No. -2001, A Local Law to reconstitute and reauthorize Living Wage Advisory Committee. (Lindsay) Once again we have to table for a public hearing. I'll make that motion.

LEG. BROWNING:
Second.

CHAIRMAN COOPER:
And a second. All those in favor? Opposed? **IR 1114 is tabled. (VOTE: 5-0)**

And lastly, **IR 1115 - Augmenting County cash-flow through health benefit cost controls and payroll savings. (Co. Exec. Levy)** I'll make a motion to table.

LEG. GREGORY:
Mr. Chair, if I may?

CHAIRMAN COOPER:
Yes.

LEG. GREGORY:
I'd like to make a motion to table subject to call.

CHAIRMAN COOPER:

That would be fine. I will -- unless Legislator -- would anyone like to table that -- second that motion to table subject to call?

LEG. CILMI:

I'll second your tabling motion, not the subject to call motion.

CHAIRMAN COOPER:

Do we have a second on the tabling subject to call?

LEG. BROWNING:

I'll second that.

CHAIRMAN COOPER:

Okay. So we have -- which takes precedent?

MR. NOLAN:

Subject to call.

LEG. GREGORY:

And on the motion; the reason why I say that, I have a copy of some of the terms under the tentative agreement with the AME. And there's no provision in there to eliminate the steps. And the exempt and the union employees have always kind of mirrored their, you know, mirrored raises or step increases. And to eliminate steps for our exempt employees while not eliminating them for our union employees, I think is, you know, we'll be changing that practice. And not that I support --

CHAIRMAN COOPER:

And you're saying that the rationale for the -- or the County Exec's rationale for this was to set a precedent?

LEG. GREGORY:

Exactly, right. To set a precedent. You know, the tail wagging the dog, so to speak. So I don't think that there's, you know, I don't think there's any need for this resolution.

CHAIRMAN COOPER:

But, you know what, I'll withdraw my tabling resolution. And unless someone else would like to make a motion to table, we just have the resolution to table subject to call. All those in favor? Opposed?

LEG. CILMI:

Opposed.

CHAIRMAN COOPER:

We have one opposed. **IR 1115 is tabled subject to call. (VOTE: 4-1-0-0) Opposed: Legislator Cilmi)**

And does anyone else have business before this Committee? There being none, I make a motion to adjourn. Please, someone second.

LEG. BROWNING:

Second.

CHAIRMAN COOPER:

Thank you. We were adjourned.

THE MEETING CONCLUDED AT 1:26 PM

{ } DENOTES SPELLED PHONETICALLY