

Congress of the United States

Washington, DC 20515

March 9, 2004

Honorable Jim Nussle
Chairman
House Budget Committee
309 CIOB
U.S. House of Representatives
Washington, DC 20515

Chairman Nussle:

As the Budget Committee prepares the House budget resolution we are troubled by proposals that could weaken coverage and access to services for millions of Americans, including our nation's seniors and disabled, by making reductions to the Medicaid program.

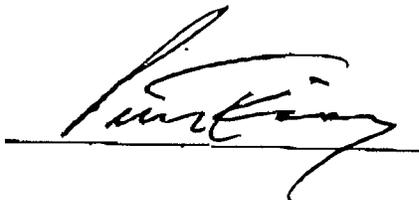
Last year this Congress and the Administration achieved a great victory in health care coverage – the addition of an outpatient prescription drug benefit to the Medicare program. As you know, the Medicare program covers over 40 million of our nation's elderly and disabled individuals as well as those with end-stage renal disease, now with the most comprehensive benefit package since the inception of the program. Six million of those Medicare beneficiaries are also covered by the Medicaid program and account for 40% of total Medicaid spending. These dual eligibles and the blind and disabled Medicaid recipients account for approximately 70% of total Medicaid program spending.

The state and federal governments have ensured that more than 50 million people have access to health care services through the Medicaid program. This includes 25 million children – more than one in four in the U.S. Many states have developed innovative methods of extending coverage to those who are clearly in need, including adopted and foster care kids, pregnant women, women at risk for breast cancer and disabled persons reentering the workforce.

While states continue efforts to provide the best possible services to eligible beneficiaries, the federal commitment to ensuring this goal must not be diminished. In fact, we should seek ways to make the program more efficient through innovations in health care delivery. Proposing reductions without ensuring the preservation of coverage for those in need simply transfers the burden to states.

We urge the Budget Committee to refrain from proposing cuts to Medicaid spending. Any cuts would add millions to the ranks of the uninsured at a time when Congress is working to reduce those ranks.

Sincerely,



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