



Committee On Finance

Max Baucus, Ranking Member

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BAUCUS CONDEMNS PASSAGE OF HARSH SPENDING CUTS BILL

*Applauds procedural ruling stripping out-of-order Medicaid change,
but final legislation still harms poor, puts America at trade disadvantage*

Washington, DC – U.S. Senator Max Baucus (D-Mont.), Ranking Member on the Senate Finance Committee, today expressed profound disappointment upon Senate passage of the conference report on budget reconciliation spending legislation. Before final passage, the report was modified to eliminate three provisions, including one that would have made it harder for patients to hold hospitals and doctors responsible for poor treatment decisions about whether they need emergency care. Under Senate rules, that major change to Medicaid policy was out of order in a reconciliation bill, along with two more requirements for Medicare reports containing no budget provisions. Unfortunately, the underlying conference report was subsequently approved; the Senate was equally divided on final passage, and Vice President Richard Cheney was forced to cast a tie-breaking vote to pass the bill.

“It was important to strip out whatever bad provisions could be stripped out of the spending reconciliation conference report, to make it at least marginally better. But this legislation still heaps hurt on poor Americans through Medicaid and welfare cuts,” said Baucus. **“The Senate’s approval, however close, is pretty cruel Christmas news for the neediest among us.”**

Baucus was a conferee on the spending bill but refused to sign his name to the conference report. Last week the Senate approved, 75-16, a Baucus motion instructing conferees on the bill not to harm Medicaid beneficiaries by raising co-payments and cutting benefits in the program. However, the final report contained a \$960 million increase in co-payments for Medicaid beneficiaries for medical services, and another \$960 million increase in co-payments for prescription drugs received through Medicaid. Additionally, it sharply raises requirements for Americans receiving Temporary Assistance to Needy Families and for states operating that welfare program, while gutting child care and child support enforcement efforts that truly help people move from welfare to work. The bill also repeals the Byrd amendment, a vital tool for lumber producers in Montana and nationwide in their long-running trade dispute with Canada on imports of Canadian softwood lumber.

The conference report as changed by the Senate today must now go back to the House of Representatives for consideration before it can be signed into law.

“In the strongest possible terms, I urge members of the House to reconsider their votes,” said Baucus. **“The House should take this second chance to shield Medicaid and welfare recipients, and all Americans, from the hits in this spending reconciliation bill.”**

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