## United States Senate

WASHINGTON, DC 20510

March 27, 2003

The Honorable Don Nickles Chairman Committee on the Budget United States Senate Washington, DC 20510 The Honorable Kent Conrad Ranking Member Committee on the Budget United States Senate Washington, DC 20510

Dear Senator Nickles and Senator Conrad:

Medicaid provides essential health coverage to 47 million low-income children, working families, seniors, and people with disabilities. This critical safety net program also contributes significantly to state economies by stimulating employment and business activity.

As you know, the House-passed budget resolution includes a reconciliation instruction requiring an estimated \$92 billion in cuts to Medicaid funding over ten years. Neither the Senate budget resolution nor the Administration budget includes any such cuts to Medicaid.

States are currently facing the most severe budget crisis since World War II and nearly every state has proposed or enacted cuts to its Medicaid program. Any reduction in federal Medicaid funding would place millions of vulnerable Americans now receiving Medicaid in jeopardy of losing their health coverage. Federal funding reductions would force states to implement even deeper cuts by restricting eligibility, eliminating or reducing critical health benefits, and severely cutting or freezing provider reimbursement rates. As a result, Medicaid funding cuts would add millions more to the ranks of the uninsured.

We, the undersigned Senators, write to express our strong opposition to the inclusion of any Medicaid cuts in the final budget resolution. Cutting federal Medicaid funding would add millions more to the growing ranks of 41 million uninsured Americans, even as Medicaid is most needed during an economic downturn.

The Senate has recently voted overwhelmingly to support state fiscal relief efforts to keep states from having to cut eligibility or further reduce provider payments under their Medicaid programs. The size and scope of any relief efforts will be considered by the Senate Finance Committee and the Senate as a whole.

We are calling on you, as Chairman and Ranking Member of the Senate Budget Committee, to reject the inclusion of any Medicaid cuts as part of the final budget resolution.

Sincerely,

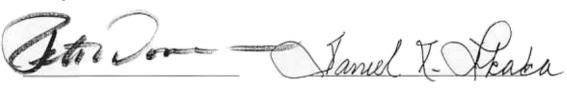
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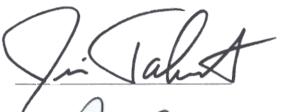
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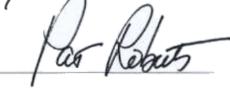
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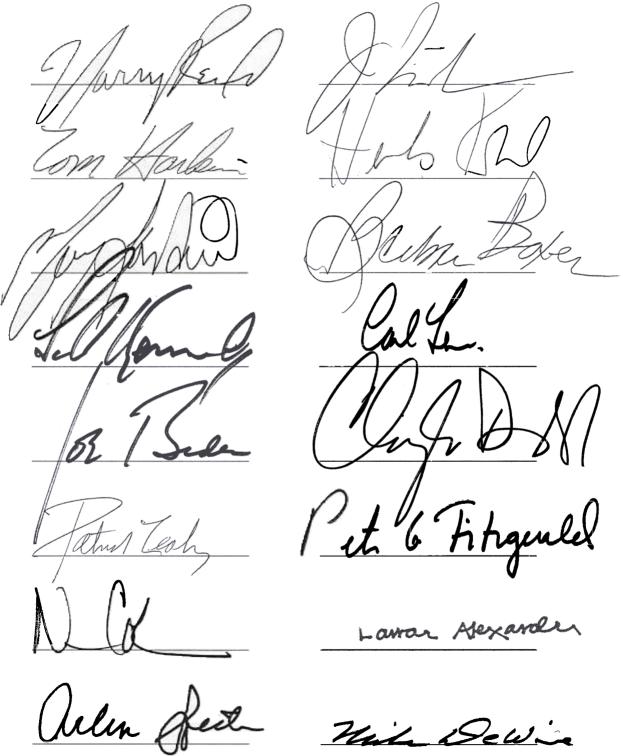
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