

DEMOCRATS ARE PUSHING THE COSTS OF THEIR HEALTH CARE EXPERIMENT ON THE STATES

Of The 31 Million Uninsured Americans Getting Coverage By Reid's Bill, 15 Million Would Be Added To Medicaid. (Table 3, Douglas W. Elmendorf, [Letter To Senator Harry Reid](#), 11/18/09)

But \$43 Billion Will Be Cut Specifically From Medicare And Medicaid Payments To Hospitals Which Target Low Income Populations. Reid's Bill Cuts Payments To "Reducing Medicaid and Medicare payments to hospitals that serve a large number of low-income patients, known as disproportionate share (DSH) hospitals, by about \$43 billion—composed of roughly \$22 billion from Medicaid and \$21 billion from Medicare DSH payments." (Douglas W. Elmendorf, [Letter To Senator Harry Reid](#), 11/18/09)

And State Officials Worry About Paying For New Patients On Medicaid. "What is known is that, nationwide, about 11 million uninsured Americans will be able to sign up for Medicaid under the proposed eligibility rules, the biggest expansion of Medicaid since its inception. Without an accompanying massive infusion of federal cash, state officials worry that the crush of new patients could cripple state budgets." (Kevin Diaz, "Minnesota Fears Hefty Hit From Aiding Poor," [The Minneapolis Star Tribune](#), 10/10/09)

59 Million Are Currently On Medicaid, And Expansions Will Cause State Budgets Would Explode. "About 59 million people are on Medicaid today—which means that a decade from now about a quarter of the total population would be on a program originally sold as help for low-income women, children and the disabled. State budgets would explode—by \$37 billion, according to the Congressional Budget Office—because they would no longer be allowed to set eligibility in line with their own decisions about taxes and spending. This is the mother—and father and crazy uncle—of unfunded mandates." (Editorial, "Max's Mad Mandate," [The Wall Street Journal](#), 9/27/09)

Democrat Bills Pay For Part Of The Huge Medicaid Expansion, But Only Temporarily. "Currently, the federal government pays about 57 cents out of every dollar the states spend on Medicaid, though the 'matching rate' ranges as high as 76% in some states. That would rise to 95%—but only for five years. After that, who knows? It all depends on which budget Congress ends up ruining. Either the states will be slammed, or Washington will extend these extra payments into perpetuity—despite the fact that CBO expects purely *federal* spending on Medicaid to consume 5% of GDP by 2035 under current law." (Editorial, "Max's Mad Mandate," [The Wall Street Journal](#), 9/27/09)

Reid Bill Burdens States With \$25 Billion In Unfunded Mandates From Medicaid That Would Force Them To Increase Taxes. (Page 7, Douglas W. Elmendorf, [Letter To Senator Harry Reid](#), 11/18/09)

EVEN DEMOCRAT GOVERNORS ARE ANGRY ABOUT BEING THE PIGGYBANKS FOR REFORM

Governors Expressing "Bipartisan Animosity" Over Government-Run Health Care. "The nation's governors, Democrats as well as Republicans, voiced deep concern Sunday about the shape of the health care plan emerging from Congress, fearing that Washington was about to hand them expensive new Medicaid obligations without money to pay for them. The role of the states in a restructured health care system dominated the summer meeting of the National Governors Association here this weekend — with bipartisan animosity voiced against the plan ..." (Kevin Sack And Robert Pear, "Governors Fear Medicaid Costs In Health Plan," [The New York Times](#), 7/20/09)

Gov. Phil Bredesen (D-TN) Says Baucus Bill Could Cost Tennessee \$600 To \$700 Million Per Year. “But Gov. Bredesen said he remains concerned about a U.S. Senate plan floated by Finance Committee Chairman Max Baucus, D-Mont., to carry out some of the expansion through Medicaid, a state and federally funded program. He said he’s concerned the plan being touted by Sen. Baucus may cost Tennessee \$600 million to \$700 million per year.” (Andy Sher, “Bredesen Has Reservations On Some Health Care Reform Aspects,” [Times Free Press](#), 9/11/09)

- **Calling It “The Mother Of All Unfunded Mandates.”** “[Bredesen] feared Congress was about to bestow ‘the mother of all unfunded mandates.’ ‘Medicaid is a poor vehicle for expanding coverage,’ added Mr. Bredesen, a former health care executive. ‘It’s a 45-year-old system originally designed for poor women and their children. It’s not health care reform to dump more money into Medicaid.’” (Kevin Sack and Robert Pear, “Governors Fear Medicaid Costs In Health Plan,” [The New York Times](#), 7/20/09)

Gov. Phil Bredesen (D-TN): “Nobody’s Going To Put Their State Into Bankruptcy Or Their Education System In The Tank For It.” “‘I can’t think of a worse time for this bill to be coming,’ said Tennessee Gov. Phil Bredesen (D), a member of the National Governors Association’s health-care task force. ‘I’d love to see it happen. But nobody’s going to put their state into bankruptcy or their education system in the tank for it.’” (Shailagh Murray, “States Resist Medicaid Growth,” [The Washington Post](#), 10/5/09)

Gov. Dave Freudenthal (D-WY): Medicaid Expansion Is “Far From... Cost-Effective Or Efficient.” “Freudenthal said expanding Medicaid may be a quick way to get coverage for the uninsured, but it’s far from the most cost-effective or efficient. He added that any health-reform plans must include steps to hold down costs. ‘That’s why I think you find governors interested in cost savings, reform and wellness activities,’ Freudenthal said. ... ‘You know, you only have so much money, and this is the basic math: If you have 47 million people who don’t have coverage in the country, and your goal is to get coverage for those people, you can’t come to us and say that it’s not going to cost society anything.’” (“Medicaid Expansion May Be Budget Buster,” [Wyoming Tribune Eagle](#), 7/27/09)

Gov. Christine Gregoire (D-WA): “As A Governor, My Concern Is That If We Try To Cost-Shift To The States We’re Not Going To Be In A Position To Pick Up The Tab...” (Kevin Sack And Robert Pear, “Governors Fear Medicaid Costs In Health Plan,” [The New York Times](#), 7/20/09)

Gov. Joe Manchin (D-WV): “[T]he Federal Government Thought The Best Way Is By Expanding Medicaid To Make That Happen. But We Have Said, ‘Under No Conditions Can We Take Unfunded Mandates.’ You can’t raise the eligibility of Medicaid 133% and put a \$100 billion back on the states to pick up.” (“Governor Manchin Joins Counterparts In Mississippi,” [West Virginia Metro News](#), 7/20/09)

Gov. Bev Perdue (D-NC): “[T]he Absolute Deal Breaker For Me As Governor Is A Federal Plan That Shifts Costs To The States.” (“Perdue: Don’t Give States The Bill,” [Raleigh, NC News & Observer](#), 7/21/09)

Gov. Bill Richardson (D-NM): “We Can’t Afford That, And That’s Not Acceptable.” (“Govs Resist Added Federal Expenses From Congress,” [The Associated Press](#), 7/19/09)

Gov. Bill Ritter (D-CO): “There’s A Concern About Whether They Have Fully Figured Out A Revenue Stream That Would Cover The Costs, And That If They Don’t Have All The Dollars Accounted For It Will Fall On The States...” (Kevin Sack And Robert Pear, “Governors Fear Medicaid Costs In Health Plan,” [The New York Times](#), 7/20/09)

Gov. Brian Schweitzer (D-MT): “The Governors Are Concerned About Unfunded Mandates, Another Situation Where The Federal Government Says You Must Do X And You Must Pay For It. Well if they

want to reform health care, they should figure out what the rules are and how they are going to pay for it.” (“Many Governors Against Health Care Bill, Label It Unfunded Mandate,” [Fox News](#), 7/19/09)

Gov. Ted Strickland (D-OH): “The States, With Our Financial Challenges Right Now, Are Not In A Position To Accept Additional Medicaid Responsibilities.” “Still, Strickland warned on a recent visit to Washington that ‘the states, with our financial challenges right now, are not in a position to accept additional Medicaid responsibilities.’ Strickland said that he wants ‘a health-care package that is inclusive and provides for all citizens,’ but he added that if Medicaid is expanded, he hopes to ‘see the federal government assume the greater portion of the costs, if not the total costs.’” (“Expansion Of Medicaid Could Impose Costs On Ohio,” [Columbus Dispatch](#), 10/7/09)