

AN OPEN LETTER TO GOVERNOR PAUL E. PATTON

Governor Patton, this week you have a golden opportunity to play an important national role in guaranteeing continued health services for over 600,000 vulnerable Kentuckians.

You and nine other governors assigned to a National Governors' Association task force will respond to a Bush administration proposal which we believe significantly weakens the Medicaid health program. We urge you to do what is right for Kentucky and reject the proposal.

The Bush Proposal Doesn't Make People Sense

During your tenure as Governor, you shepherded initiatives to provide more health services to more people with more flexibility than ever before in the history of the state. By capping the federal funding of Medicaid, the Bush proposal threatens to undo much of what you have accomplished.

The Kentucky Children's Health Insurance Program (KCHIP) came into being during your administration and monthly enrolls over 50,000 previously uninsured Kentucky children. By the end of this budget cycle, the Supports for Community Living (SCL) waiver will serve 1,000 individuals with mental retardation who were previously on waiting lists or in institutions. The Bush proposal could leave these programs vulnerable.

Perhaps most at risk under the Bush proposal are those services and populations that are considered "optional" under the existing program. These include mental health treatment, home and community-based services for the elderly, prescription drugs, and the personal care attendant program. Ask any of these consumers if it is an "option" to be served!

The Bush Proposal Doesn't Make Dollar Sense

The Bush proposal is a bad financial deal for Kentucky. Currently, each dollar Kentucky allocates for Medicaid health services for needy individuals is matched with just over two dollars by the federal government. That's a better deal than any 401K plan! And the match continues as long as Kentucky invests its own funds. The Bush proposal would cap the amount of matching dollars, essentially preventing any expansion of health services no matter how much the state is willing to invest.

Kentucky, like almost all states, is having a hard budget time. You have had to make \$250 million dollars in cuts to the Medicaid health program and are looking to cut another \$130 million. Yes, the Bush proposal provides the lure of extra funding in the next few years. But like a bait and switch artist, the federal government will deduct that funding from future years' allocations. We don't believe leaving a due bill for the next governor of Kentucky is responsible.

The Bush proposal would also undermine the stability of our community hospitals. To offset the cost of care for the uninsured, the Medicaid health program makes Disproportionate Share (DSH) payments to hospitals all over Kentucky. Many of these hospitals are stretched thin already and any cuts may bring them to the breaking point.

Governor Patton, p. 2

The Kentucky Medicaid Consortium, representing consumers, advocates and providers, urges you to reject the Bush proposal. It does not serve Kentucky well. Your national leadership in advocating against this harmful proposal will enhance your legacy of increasing health services for the poor and those with disabilities.

Submitted by Debra Miller, Executive Director, Kentucky Youth Advocates and Sheila A. Schuster, Ph.D., Executive Director, Kentucky Mental Health Coalition and Acting Chair of the Kentucky Medicaid Consortium.