



CHARLIE CRIST
GOVERNOR

September 17, 2009

The Honorable Bill Nelson
United States Senate
716 Hart Senate Office Building
Washington, District of Columbia 20510

Dear Senator Nelson:

Thank you for your valuable work on behalf of Floridians in the United States Congress. I am pleased with our ability to work together on issues important to our state, including the health and well being of our residents.

We can all agree that we need to work together to make quality health care more affordable and accessible, especially to those who currently do not have health insurance. I stand united with my fellow governors; however, with our concerns about how Congressional proposals may affect our ability to manage scarce state resources.

In the last year, enrollment in Florida's Medicaid program has increased from 2.2 million in July 1, 2008 to 2.63 million in July 2009, causing a strain on our state budget. Congressional proposals would increase those numbers by expanding Medicaid eligibility. Under the U.S. Senate Health, Education, Labor and Pensions (HELP) Committee proposal for example, more than 1.46 million people would be added to our current Medicaid caseload in Florida at a cost of \$4.93 billion for the next fiscal year. Although providing more access to health care for individuals and families in our struggling economy is an affable goal, our preliminary Florida estimates show that in the following year (State Fiscal Year 2010-2011), once the American Recovery and Reinvestment Act Federal Medical Assistance Percentage funds have been exhausted, the impact increases as more than 1.72 million people are expected to be added to our caseload at a cost of \$5.875 billion.

Some Members of Congress have indicated that states should shoulder some of the burden to fund the expansion of Medicaid at a time when our economy and residents are struggling. To pay for this expansion, states fear the need to cut critical services like education or public safety to add more money to Medicaid. This would have a crippling effect on Florida's state economy and the national economy.

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In addition, state Medicaid programs currently take on the burden of financing long term care services for our aging and disabled residents. Due to our large elderly population, Florida is estimating expenditures of \$4.3 billion for state fiscal year 2009-2010 (this includes coverage of institutional care, home and community based waiver and our nursing home diversion waiver services). Medicaid is the primary payor for nearly two-thirds of all nursing home residents in the state. While the U.S. Senate HELP proposal and the House bill call for the creation of a new voluntary federal insurance program for community-based long-term care services, the Congressional Budget Office has questioned the long term viability of this provision. Any federal health care reform discussion must include a combined federal and state approach to the financing and provision of Medicaid and long term care services.

Lack of health insurance is the greatest barrier to accessing health care. With nearly four million Floridians currently lacking health insurance, our state has launched initiatives designed to reduce that number and assist those who need prescription medication. Many of these programs can serve as examples to our nation. I have attached a brief summary outlining several of these successful programs Florida is using to address the health care needs of our residents, while targeting ways to reduce costs to our health care system.

The partnership between our state and our federal government is critical in enabling Florida to serve its residents, and I stand ready to work with you to address those issues which are most essential in health care reform: access and affordability. Our goal should remain clear: maintaining a high quality health care system which allows individuals to get treatment when they need it. I hope I can count on your support to work together on solutions to improve care at the same time as providing sustainability in essential programs like Medicaid through sound financing options at the state and federal levels.

Thank you for your consideration and support.

Sincerely



Charlie Crist