



STATE OF SOUTH DAKOTA
M. MICHAEL ROUNDS, GOVERNOR

August 4, 2009

The Honorable John Thune
United States Senator
Washington, DC 20510

VIA Facsimile: 202.228.5429

Dear Senator Thune,

A handwritten signature in black ink, appearing to read "M. Michael Rounds", written over the text "Dear Senator Thune,".

Our conversations at the recent National Governors Association meeting were dominated by healthcare reform. Given the national spotlight on this issue, it is not surprising that reforming health care is on the forefront of everyone's mind.

While I have many concerns about the current path of health care reform, my single biggest concern has to do with proposed expansions of Medicaid. While the House version contains a provision to pay for Medicaid, the Senate version shifts the expansion to states after 5 years. Without factoring provider increases into the equation, this expansion would cost South Dakota between \$38.2 and \$45.4 million in general funds every year.

South Dakota was able to balance its budget this last year as a result of the stimulus dollars. Without the stimulus dollars, South Dakota would have been required to make even more substantial cuts to programs in order to balance our budget. While our fiscal health is good compared to some states, please know, this unfunded mandate would negate the efforts we have made to remain fiscally responsible and either threaten our ongoing ability to balance our budget or require us to deficit spend.

It is my understanding, recovery from this current economic crisis will be long and slow. While there is no good time for an unfunded mandate, an unfunded mandate in this economy will have a significant and long-term impact on states.

I urge you to help me keep South Dakota strong by avoiding this unfunded mandate.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Michael Rounds", written above the printed name.

M. Michael Rounds



STATE OF SOUTH DAKOTA
M. MICHAEL ROUNDS, GOVERNOR

August 4, 2009

The Honorable Tim Johnson
United States Senate
Washington, D.C. 20510-4104

VIA Fax: 202.228.5765

Dear Senator Johnson,

A handwritten signature in black ink that reads "Tim", written over the name "Tim Johnson" in the address block.

Our conversations at the recent National Governors Association meeting were dominated by healthcare reform. Given the national spotlight on this issue, it is not surprising that reforming health care is on the forefront of everyone's mind.

While I have many concerns about the current path of health care reform, my single biggest concern has to do with proposed expansions of Medicaid. While the House version contains a provision to pay for Medicaid, the Senate version shifts the expansion to states after 5 years. Without factoring provider increases into the equation, this expansion would cost South Dakota between \$38.2 and \$45.4 million in general funds every year.

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I urge you to help me keep South Dakota strong by avoiding this unfunded mandate.

Sincerely,

A handwritten signature in black ink that reads "M. Michael Rounds", written over the printed name below it.

M. Michael Rounds



STATE OF SOUTH DAKOTA
M. MICHAEL ROUNDS, GOVERNOR

August 4, 2009

The Honorable Stephanie Herseth Sandlin
United States House of Representatives
Washington, DC 20515

VIA Fax: 202.225.5823

Dear Ms. Herseth Sandlin,

A handwritten signature in cursive script that reads "Stephanie".

Our conversations at the recent National Governors Association meeting were dominated by healthcare reform. Given the national spotlight on this issue, it is not surprising that reforming health care is on the forefront of everyone's mind.

While I have many concerns about the current path of health care reform, my single biggest concern has to do with proposed expansions of Medicaid. While the House version contains a provision to pay for Medicaid, the Senate version shifts the expansion to states after 5 years. Without factoring provider increases into the equation, this expansion would cost South Dakota between \$38.2 and \$45.4 million in general funds every year.

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I urge you to help me keep South Dakota strong by avoiding this unfunded mandate.

Sincerely,

A handwritten signature in cursive script that reads "M. Michael Rounds".
M. Michael Rounds