

February 26, 2010

The Honorable Herb Kohl  
United States Senate  
330 Hart Senate Office Building  
Washington, D.C. 20510

The Honorable Russ Feingold  
United States Senate  
506 Hart Senate Office Building  
Washington, D.C. 20510

The Honorable Paul Ryan  
U.S. House of Representatives  
1113 Longworth House Office Building  
Washington, D.C. 20515

The Honorable Tammy Baldwin  
U.S. House of Representatives  
2446 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Ron Kind  
U.S. House of Representatives  
1406 Longworth House Office Building  
Washington, D.C. 20515

The Honorable Gwen Moore  
U.S. House of Representatives  
1239 Longworth House Office Building  
Washington, D.C. 20515

The Honorable F. James Sensenbrenner, Jr.  
U.S. House of Representatives  
2449 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Tom Petri  
U.S. House of Representatives  
2462 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Dave Obey  
U.S. House of Representatives  
2314 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Steve Kagen  
U.S. House of Representatives  
1232 Longworth House Office Building  
Washington, D.C. 20515

To the Honorable Members of the Wisconsin Congressional Delegation:

As leading representatives of the 30,000 providers of Medicaid services in Wisconsin and advocates for the more than one million Wisconsin citizens who depend on those services, we write today to urge you to provide states with a six month extension of the American Recovery and Reinvestment Act (ARRA) enhanced Federal Medical Assistance Percentage (FMAP). The ARRA additional federal funds approved last year assisted our state with growing Medicaid enrollment at a time when state revenues were declining.

ARRA provided \$87 billion in fiscal relief to states through an increase in FMAP. Of this, Wisconsin received \$1.2 billion in additional federal Medicaid funding. Currently, this enhanced federal funding is scheduled to end on December 31, 2010. As is the case in nearly every state in the nation, the recovery from this recession is proceeding slowly. We are gravely concerned that the sudden end of this enhanced FMAP will have serious, negative consequences for Wisconsin's Medicaid program.

BadgerCare Plus and other components of the Medicaid program serve as the health care safety net for Wisconsin's most vulnerable citizens. As a result of the innovative expansion of BadgerCare Plus and our strong commitment to employer sponsored health insurance, Wisconsin now has the second lowest uninsured rate in the nation. Medicaid currently provides essential health and long term care services for more than one million individuals, or more than 20% of the state's population. In an average month, the Medicaid program processes over two million claims to approximately 30,000 providers.

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Wisconsin has embraced the goals of health care reform, ensuring that 98% of its citizens have access to affordable health care coverage and evolving its Medicaid program from a passive payer of claims to an active purchaser of quality and value in health care services.

The pressures on Wisconsin's Medicaid program, as a result of the national economic downturn are no different from the pressures facing numerous other states. Many states have already resorted to across the board provider rate reductions and benefit reductions to address their fiscal problems. Wisconsin has made every effort not to implement these approaches because it is in difficult economic times when Medicaid services are needed most. An extension of the ARRA FMAP is vital to assisting the state in maintaining its Medicaid program until the economic recovery gains strength.

We should note that an extension of the enhanced ARRA federal funding maintains broad bipartisan support, including the support of 47 Governors. At this time, many states are in the process of finalizing budgets for FY2011. Other states, including Wisconsin, are beginning development of their upcoming biennial budgets. Timely passage of an extension to ARRA's enhanced FMAP is extremely important as states are being forced to budget large spending cuts in the form of rate reductions to safety net providers and scaled back Medicaid coverage if the ARRA FMAP is not extended.

For these reasons, we urge you to support efforts to provide, at a minimum, a six month extension of the enhanced ARRA FMAP, through June 30, 2011. A six month extension will provide Wisconsin with \$200 to \$300 million in additional federal funds. This additional federal funding is of great importance in order to maintain Wisconsin's Medicaid program, including coverage for children and families under BadgerCare Plus, and to ensure that Wisconsin's most vulnerable citizens are able to continue to access necessary services in times of economic stress.

Thank you for your consideration of this important issue. We look forward to working with you on additional issues related to state Medicaid programs and other health care related issues.

Sincerely,



Karen E. Timberlake  
Secretary  
Department of Health Services



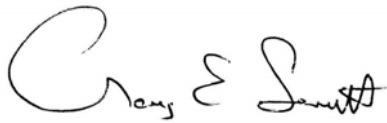
Steve Brenton  
President  
Wisconsin Hospital Association



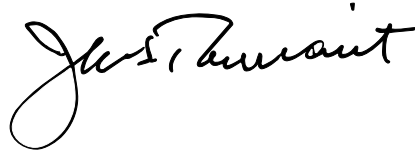
Susan L. Turney, MD  
Wisconsin Medical Society  
Chief Executive Officer and  
Executive Vice President



Donna Katen-Bahensky  
President and CEO  
University of Wisconsin Hospital  
and Clinics



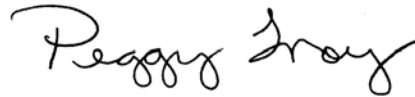
Craig E. Samitt, M.D.  
President and CEO  
Dean Health System



John S. Toussaint, MD  
President and CEO  
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Value



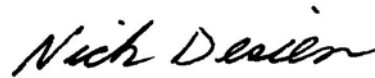
Kent Vandehaar, D.D.S.  
President  
Wisconsin Dental Association



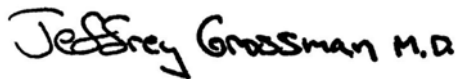
Peggy Troy  
President and CEO  
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T. Michael Bolger, J.D.  
President and CEO  
Medical College of Wisconsin



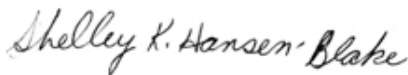
Nicholas F. Desien  
President and CEO  
Ministry Health Care



Jeffrey E. Grossman, M.D.  
President and CEO  
University of Wisconsin Medical  
Foundation



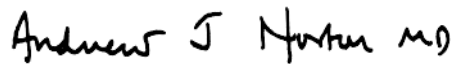
Mary Starmann-Harrison  
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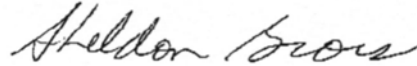
Lynn Breedlove  
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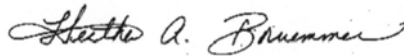
Robert A. Peterson Jr.  
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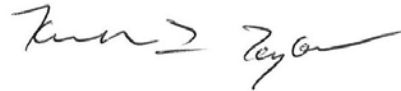
John Sauer  
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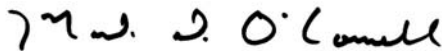
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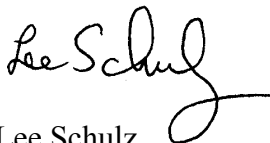
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President  
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