January 25, 2008

Speaker Nancy Pelosi
U.S. House of Representatives
Washington, DC 20515

Majority Leader Harry Reid
United States Senate
Washington, DC 20510

Minority Leader John Boehner
U.S. House of Representatives
Washington, DC 20515

Minority Leader Mitch McConnell
United States Senate
Washington, DC 20510

Dear Speaker Pelosi, Majority Leader Reid, Minority Leader John Boehner and Minority Leader Mitch McConnell:

On behalf of school districts, hospitals, community health organizations, state agencies and other organizations concerned with the provision of health care services to low-income and individuals with disabilities, we urge you to consider the impact of the Medicaid administrative cuts proposed by the Centers for Medicare and Medicaid Services over the past year as you consider options that address the current economic crisis facing our nation.

These cuts have been proposed by CMS in the form of seven different regulations, all of which would have a devastating impact on state and local budgets and service delivery. Medicaid is designed to provide medical services to those most in need. At a time when the Administration is proposing $12 billion in cuts over five years to this critical program, we believe Congress should recognize the greater impact the cuts will have on communities and state budgets across the country.

We realize there are efforts to include an increase in the Medicaid federal medical assistance percentage (FMAP) in a stimulus package. While we strongly support such an effort, an FMAP increase will not reverse the Medicaid regulations proposed by CMS. In order to prevent these cuts from going into effect, we are urging Congress to also block the regulations being proposed by CMS.

We appreciate various steps taken by Congress over the past year to put in place certain moratoria for some of the regulations. However, these moratoria will expire at various times during the next several months, while other regulations have no moratoria at all. These moratoria must be extended. As states and localities, including schools, prepare their budgets for the next fiscal year, we ask that you consider the impact of these Medicaid reimbursement cuts and the financial burden they will place on these communities that are already struggling. We ask that, during your efforts to address the economic issues facing our country, you block the CMS regulations and give states and communities the certainty they need.

As a combined community, we look forward to continuing to work with you and your offices on this critical issue and to pass the needed moratoria as quickly as possible.

Sincerely,
American Association of School Administrators
American Counseling Association
American Federation of State, State, County and Municipal Employees
American Hospital Association
American Occupational Therapy Association
Association for Career and Technical Education
Association of Educational Service Agencies
Association of School Business Officials International
American Federation of Teachers
Center for Healthcare Financing, University of Massachusetts Medical School
Children and Adults with Attention-Deficit/Hyperactivity Disorder
Colorado School Medicaid Consortium
Council of Administrators of Special Education, Inc
Council of Chief State School Officers
Council of Great City Schools
Council of State Administrators of Vocational Rehabilitation
Council for Children with Behavioral Disorders
Council for Exceptional Students
Disability Rights Education and Defense Fund
Division for Early Childhood of the Council for Exceptional Children
First Focus
IDEA Infant Toddler Coordinators Association
Indiana Department of Education
Learning Disabilities Association of America
National Alliance of Medicaid in Education
National Assembly on School-Based Health Care
National Association for the Education of Young Children
National Association of Black School Educators
National Association of Elementary School Principals
National Association of Federally Impacted Schools
National Association of Public Hospitals and Health Systems
National Association of School Psychologists
National Association of Secondary School Principals
National Association of State Directors of Special Education
National Education Association
National Rural Education Advocacy Coalition
National School Boards Association
NYC Health and Hospitals Corporation
NYS School Boards Association
Pennsylvania Department of Education
Pennsylvania Department of Public Welfare
School Social Work Association of America

**School Districts and Education Service Agencies**
Arapahoe #2 Sheridan School District, CO
Baltimore City Public School System, MD
Broward County School District, FL
Chicago Public Schools, IL
Citrus County Schools, FL
Coventry Public Schools, RI
Fairfax County Public Schools, VA
Los Angeles Unified School District, CA
Macomb Independent School District, MI
Marion County School District, FL
Monroe County School District, FL
Orange County School District, FL
Osceola County School District, FL
Pennsylvania Public Schools (More than 550 school districts)
Providence Public School District, RI
Santa Rosa County School District, FL
Seminole County Public Schools, FL
Sonoma County Office of Education, CA
St. Johns County School District, FL
Wayne County Regional Educational Service Agency, MI