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BAUCUS WARNS SPENDING BILL CONFEREES TO REJECT HARSH HOUSE PROVISIONS ON MEDICAID

Senator will move to instruct conference panel to avoid high co-payments, benefit cuts that would keep poor Americans from receiving medical care

Washington, DC – U.S. Senator Max Baucus (D-Mont.) is calling on the conference committee for the budget reconciliation spending bill to repudiate harsh Medicaid changes that would rob many low-income Americans of their health care. Today Baucus will offer a motion to instruct the conferees, who are expected to be named this week, not to produce a conference report that would raise co-payments, cut benefits and impair access to care for millions. Senate reconciliation legislation won support with provisions that split cuts between the Medicaid and Medicare programs, and targeted industry groups, not beneficiaries. House legislation, approved along party lines, only cut Medicaid and found three-quarters of its Medicaid savings by increasing out-of-pocket costs for poor beneficiaries and by changing rules on what Medicaid services beneficiaries may receive. A Senate vote on the Baucus motion is expected Wednesday.

"The House provisions on Medicaid will hit 17 million low-income Americans with higher co-payments for medical services over the next ten years. Half of those who will owe more for health care are children," said Baucus. "Rather than resulting in cost savings, here's what will happen: Medicaid recipients will have to delay care, even for their children, until health problems become truly serious. That will result in bigger burdens on our health care system and higher health costs for every American."

In estimating \$11 billion in Medicaid savings from the House provisions, the Congressional Budget Office says most savings will occur because Medicaid recipients will get fewer health services and some will be dropped from coverage. An effort that imposed Medicaid premiums in Oregon resulted in about half of Medicaid recipients dropping out of the program altogether.

Medicaid serves more than 50 million low-income Americans. About half of those patients are children, seniors and the disabled. The rest are pregnant women, low-income parents, and individuals with serious medical needs. Many low-income Americans do not even qualify for Medicaid; workers who make even less than the minimum wage can be ineligible for assistance.

Baucus has long opposed these Medicaid cuts. He has advocated for a Medicaid policy reform debate that is not driven by arbitrary budget targets and instead focuses on sustaining Medicaid for future generations. He remains concerned about Medicaid's future, and willing to find cost savings, but does not support targeting the neediest populations to bear the burden of budget cuts.