

November 7, 2005

**THE TRUTH ABOUT MEDICAID REFORM**  
**Puts America's Most Vulnerable Families On Road to Self-Sufficiency**

Dear Colleague:

The ongoing congressional debate over Medicaid reform is an example of politicians trying to prove their compassion by advocating for maintenance of a defunct system. The current Medicaid structure does nothing to promote cost conscious behavior or provide a sense of personal responsibility for healthcare decision-making. Reform legislation the house will consider this week explores alternatives to create a Medicaid system that not only ensures America's vulnerable populations receive needed care, but also places them on the road to self-sufficiency.

Medicaid reform based upon legislation I sponsored, H.R.3757, the Medicaid Health Opportunity Account Act, gives states the option to create **Medicaid Health Opportunity Accounts (HOAs)**. These accounts are very much like the health savings accounts, which are helping many Americans provide their families with health care. This health care savings plan will benefit several Medicaid populations by empowering them to make their own health care decisions and giving them more flexibility in the health care services they can access.

Health Opportunity Accounts will save time and resources by allowing states to bypass bureaucratic red tape and provide Medicaid beneficiaries spending accounts to finance their healthcare through an HOA. This state option will result in long-term savings for Medicaid, encourage preventative care among individuals with low incomes, and to enhance doctor-patient relationships as patients become more involved in the decision- making process.

HOAs will introduce much needed market forces and ownership principles into the Medicaid Program and equip individuals with a mechanism to ensure their immediate health care needs are met.

Please contact Kelly Childress at 5.4872 or [kelly.childress@mail.house.gov](mailto:kelly.childress@mail.house.gov) for additional information.

Sincerely,

Mike Rogers  
Member of Congress