MEMORANDUM

June 13, 2003

TO: Governor

FROM: John

RE: NGA letter regarding Medicaid and dual eligibles

Scott Phillips from PRM called this morning. He has a copy of the letter from NGA, signed by Governor Patton and Governor Kempthorne, to the Senate Finance Committee outlining NGA's opposition to the failure of the committee to place the costs of dual eligibles under Medicare (see attached copy). Scott plans to be at the 1:30 press conference and wants to ask you about the issue and why NGA is opposed to it.

I would suggest that you give him the simplest explanation, which is that you have been working with other governors to reform Medicaid in Washington. By placing dual eligibles (those receiving care through both Medicaid and Medicare) under Medicaid, it compounds the heavy burden already being carried by the states.

Accessible, affordable, quality health care is a key component in your work to build good schools, good jobs and good communities. During a national recession and with rising Medicaid costs, the federal government should not abdicate its responsibilities and push the burden onto the states.