July 22, 2010

Dear Senator:

The undersigned organizations representing millions of Americans who are concerned about the economy, job creation, health care, and public services urge you to pass a jobs bill that includes a six-month extension of the increased federal Medicaid match (FMAP) contained in the American Recovery and Reinvestment Act (ARRA). With state budgets in crisis, hundreds of thousands of public and private sector jobs threatened, and health care for millions of low-income Americans hanging in the balance, Congress must act now.

Every state except Vermont has a balanced budget requirement. Due to the national economic recession, states’ revenues have fallen precipitously for several years and the need for public services has grown exponentially. As a result, states are expected to face a cumulative budget shortfall of at least $140 billion for fiscal year 2011, on top of large shortfalls in FY 2009 and 2010. Medicaid is one of states’ largest budget items, with low-income families, hospitals and providers depending on reliable federal support, especially during tough economic times. The Recovery Act’s enhanced FMAP has provided a funding lifeline that minimized devastating cuts in Medicaid, education, public safety and other public services. But, it must not end prematurely.

State and local government spending is important to our national economy and jobs. Economists project that as many as 900,000 workers in both the public and private sectors could lose their jobs in the next year as states and localities continue to grapple with lower revenues, budget cuts and loss of federal funding. Hospitals and other health care providers are often the largest employer in communities. Moreover, state and local governments are key employers in rural areas, accounting for 18% of earnings compared to roughly 10% in urban areas.

We have already seen the negative economic impact of cuts in state and local government spending: The United States Department of Commerce reported that the real Gross Domestic Product (GDP) lost .5% in potential growth in the first quarter of 2010 due to cuts in state and local government spending, a loss of $71.5 billion in growth and jobs. This trend is expected to worsen in the latter part of 2010. Allowing the enhanced FMAP to expire on December 31, 2010, in the middle of states’ current fiscal years, would be devastating to the national economy and the large majority of states – particularly to the 27 states that included the six-month extension in their annual budgets.

All of the undersigned organizations urge you to pass a six-month extension of the enhanced FMAP. Our fragile economic recovery depends upon it.

Sincerely,

AFL-CIO
AIDS Community Research Consortium (ACRC)
Alliance for Children and Families
Alliance for Retired Americans
American Academy of HIV Medicine
American Association of Diabetes Educators
American Association of People with Disabilities
American College of Nurse-Midwives
American Dental Association
American Diabetes Association
American Federation of State, County and Municipal Employees (AFSCME)
American Federation of Teachers
American Health Care Association
American Hospital Association
American Medical Women’s Association
American Network of Community Options and Resources
American Nurses Association (ANA)
American Psychiatric Association
American Physical Therapy Association (APTA)
Americans for Democratic Action, Inc.
Amerigroup
APLA
Asian & Pacific Islander American Health Forum
Association of Clinicians for the Underserved
Association for Community Affiliated Plans
Bazelon Center for Mental Health Law
BWICA Educational Fund, Inc.
Campaign for America’s Future
Campaign for Community Change (CCC)
Center for Civil Justice
Center for Medicare Advocacy, Inc.
Children Now
CLASP, the Center for Law and Social Policy
Coalition on Human Needs
Commission on the Public’s Health System
Community Access National Network
Community Action Partnership
Community Catalyst
Consumer Action
Council for Exceptional Children
Crisis Intervention Network
CWLA
Dental Health Foundation
Department for Professional Employees, AFL-CIO
Direct Care Alliance
Disability Rights Education and Defense Fund
Division for Early Childhood of the Council for Exceptional Children (DEC)
Easter Seals
Families USA
Family Violence Prevention Fund
Family Voices
Family Residences & Essential Enterprises, Inc.
First Focus Campaign for Children
Generations United
Healthy Teen Network
HIV Medicine Association
IDEA Infant Toddler Coordinators Association (ITCA)
International Association of Fire Fighters
International Brotherhood of Electrical Workers
International Federation of Professional and Technical Engineers (IFPTE), AFL-CIO
International Union, United Automobile, Aerospace & Agricultural Implement Workers of America, UAW
Jewish Association for Services for the Aged (JASA)
Jewish Council for Public Affairs
LEAnet, Local Education Agencies Network
Legal Action Center
Maternal and Child Health Access
Medicaid Health Plans of America
Medicare Rights Center
Mental Health America
MomsRising
National Advocacy Center of the Sisters of the Good Shepherd
National Alliance to End Homelessness
National Alliance on Mental Illness (NAMI)
National Association for Children’s Behavioral Health
National Association of Children’s Hospitals
National Association of Community Health Centers
National Association of Counties
National Association of County and City Health Officials
National Association of County Behavioral Health & Developmental Disability Directors
National Association of County Human Services Administrators
National Association of People with AIDS (NAPWA)
National Association of Public Hospitals and Health Systems
National Association of Social Workers
National Association of State Directors of Developmental Disabilities Services
National Association of State Directors of Special Education
National Association of State Head Injury Administrators
National Association of State Mental Health Program Directors
National Center for Assisted Living
National Coalition Against Domestic Violence
National Council on Aging
National Council for Community Behavioral Healthcare
National Council of Nonprofits
National Council of Jewish Women
National Disability Rights Network
National Domestic Violence Hotline
National Down Syndrome Congress
National Education Association
National Family Planning & Reproductive Health Association
National Gay and Lesbian Task Force Action Fund
National Health Care for the Homeless Council
National Health Law Program
National Latina Institute for Reproductive Health
National Multiple Sclerosis Society
National Network to End Domestic Violence
National Network for Youth
National Pediatric AIDS Network
National Respite Coalition
National WIC Association
National Women’s Law Center
New York Association of Psychiatric Rehabilitation Services
PHI – Quality Care through Quality Jobs
Physicians for Reproductive Choice and Health
Planned Parenthood Federation of America
RESULTS
Sargent Shriver National Center on Poverty Law
Service Employees International Union
Sisters of Mercy Institute Justice Team
State Associations of Addiction Services
The American Federation of School Administrators
The Arc of the United States
The Jewish Federations of North America
The National Consumer Voice for Quality Long-Term Care (formerly NCCNHR)
Treatment Access Expansion Project
Treatment Action Group (TAG)
United Cerebral Palsy
United Church of Christ, Justice and Witness Ministries
United for a Fair Economy
United Neighborhood Centers of America
United Steelworkers
United Transportation Union
Universal Health Care Action Network (UHCAN)
Voices for America’s Children
VOR - Speaking out for People with Intellectual Disabilities
Wider Opportunities for Women
Women of Reform Judaism
YWCA USA