

MEDICAID Improvement and State Empowerment Act

By the Numbers

1 in 4 – Approximate total number of Americans enrolled in the Medicaid program last year.¹

\$14.29 trillion – Dangerously high level of our country's current national debt.²

\$1.6 trillion – Our nation's unprecedented federal budget deficit.³

\$7 trillion – Level the Congressional Budget Office projects that federal budget deficits will reach over the next decade if current laws remain unchanged.⁴

\$175 billion – Collective budget shortfall states are facing through 2013.⁵ Our nation's Governors have called on the federal government to work cooperatively with States to reduce deficits, restore fiscal discipline and promote economic growth and long-term prosperity.

41 cents – Amount we have to borrow for every dollar our nation spends.⁶

\$4 trillion – Over the next ten years, the Congressional Budget Office projects the federal government will spend more than \$4 trillion on Medicaid.

\$22.5 billion – Estimated cost of improper payments in Medicaid for fiscal year 2010.⁷ Improper Medicaid payment rates result in substantial financial losses to states, the federal government, taxpayers, and patients.

1 Congressional Budget Office, "Spending and Enrollment Detail for CBO's August 2010 Baseline: Medicaid,"

<http://www.cbo.gov/budget/factsheets/2010d/MedicaidAugust2010FactSheet.pdf>

2 Letter from U.S. Treasury Secretary Timothy F. Geithner to Sen. Harry Reid, May 16, 2011. <http://www.treasury.gov/connect/blog/Pages/Geithner-Implements-Additional-Extraordinary-Measures-to-Allow-Continued-Funding-of-Government-Obligations.aspx>

3 Congressional Budget Office, "Budget and Economic Outlook: Fiscal Years 2011 to 202," January 2011, <http://www.cbo.gov/doc.cfm?index=12039>

4 Congressional Budget Office, "Reducing the Deficit: Spending and Revenue Options," page 1, March 2011.

<http://www.cbo.gov/ftpdocs/120xx/doc12085/03-10-ReducingTheDeficit.pdf>

5 Letter from National Governors' Association Chair, Gov. Christine O. Gregoire, and Vice Chair, Gov. Dave Heineman, January 24, 2011,

<http://tinyurl.com/6ftoak8>

6 Calculation from White House Summary Tables, S-1, page 171. <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2012/assets/tables.pdf>

7 Government Accountability Office, "Opportunities to Reduce Potential Duplication in Government Programs, Save Tax Dollars, and Enhance Revenue," March 2011, <http://tinyurl.com/6cxtx8f>

40 percent – Number of physicians who restrict access to Medicaid patients because of low reimbursement rates through the Medicaid program. In other words, Medicaid coverage does not equal access.⁸

25 million – Updated estimate of the actual number of individuals that may be enrolled in the Medicaid program under the new health care law, according the Chief Actuary of the Medicare program. This is a 50% increase above the original 16 million new enrollees originally estimated by the Congressional Budget Office.⁹

At least \$118 billion – Estimated cost of the unfunded Medicaid expansion mandate for state taxpayers through 2023 under Congress' controversial new health care law.¹⁰

40 percent – Amount lower that Medicaid reimburses physicians compared to private health insurance.¹¹

33 – The number of Governors that wrote Secretary Sebelius in January 2011 seeking immediate relief from the maintenance of effort requirements under current law in order to have the flexibility to make the difficult budget decisions in ways that reflect the needs of their residents.¹²

10 and counting – Number of studies showing that Medicaid patients suffer from poor health outcomes, experience high rates of complications after major surgeries, utilize emergency rooms at rates higher than the uninsured, and in some cases, compare worse than Americans without any health insurance.¹³

\$18,344 vs. \$4,568 – Amount New York's Medicaid program spends per person in poverty—almost \$10,000 more than the national average – compared to the amount Nevada's Medicaid program spends per person in poverty.¹⁴

⁸ Dennis Smith, "Expanding the Medicaid Status Quo Is Not Health Reform," National Review Online, October 19, 2009.

<http://www.nationalreview.com/critical-condition/48048/expanding-medicaid-status-quo-not-health-reform/tom-coburn>

⁹ Estimate by the CMS Actuary, Rick Foster, in testimony before the U.S. House Energy and Commerce Committee, March 30, 2011,

<http://republicans.energycommerce.house.gov/Media/file/Hearings/Health/033011/Foster.pdf>; Congressional Budget Office letter to Speaker Nancy Pelosi, March 20, 2010, Table 4, <http://www.cbo.gov/ftpdocs/113xx/doc11379/AmendReconProp.pdf>

¹⁰ Joint Congressional Report By Senate Finance Committee, Orrin Hatch (R-Utah), Ranking Member and House Energy & Commerce Committee, Fred Upton (R-Michigan), Chairman. "Medicaid Expansion in the New Health Law: Costs To The States," 2011.

<http://energycommerce.house.gov/media/file/PDFs/030111MedicaidReport.pdf>

¹¹ Congressional Budget Office, "Key Issues in Analyzing Major Health Insurance Proposals," December 2008, page xix.

<http://www.cbo.gov/ftpdocs/99xx/doc9924/12-18-KeyIssues.pdf>

¹² Letter from 33 Governors to Congress and the President, January 7, 2011. http://www.governor.virginia.gov/news/docs/Healthcare_Letter-010711.pdf

¹³ Gottlieb, Scott, "Medicaid Is Worse Than No Coverage at All," The Wall Street Journal. March 10, 2011,

<http://online.wsj.com/article/SB10001424052748704758904576188280858303612.html>; Gottlieb, Scott, "What Medicaid Tells Us About Government Health Care," The Wall Street Journal. January 9, 2009, <http://online.wsj.com/article/SB123137487987962873.html>. Senators Barrasso and Coburn, "Bad Medicine: A Check-Up On the New Federal Health Care Law," Summer 2010, http://coburn.senate.gov/public/index.cfm?a=Files.Serve&File_id=722faf8b-a5be-40fd-a52b-9a98826c1592

¹⁴ Brian Blase, "Further Medicaid Bailout: Unfair and Irresponsible," The Heritage Foundation, WebMemo, No. 2955, June 13, 2010

www.heritage.org/Research/Reports/2010/07/Further-Medicaid-Bailout-Unfair-and-Irresponsible