



February 12, 2010

The Honorable Harry Reid, Majority Leader
United States Senate
Washington, DC 20510

The Honorable John D. Rockefeller IV
United States Senate
Washington, DC 20510

Dear Majority Leader Reid and Senator Rockefeller:

I write today on behalf of the National Association of State Units on Aging, our members, and the seniors, family caregivers, and persons with disabilities they serve. We are urging Congress to act quickly to extend the American Recovery and Reinvestment Act (ARRA) provision that enhanced the Federal Medical Assistance Percentage (FMAP) to provide much needed state fiscal relief for Medicaid.

NASUA represents the 56 officially designated state and territorial agencies on aging. Many of our members serve as the operating agency in their states for Medicaid home and community based services (HCBS) waivers that serve older adults, and in some cases, individuals with disabilities.

It is clear to state aging agencies that failure to extend enhanced funding would hamper the economic recovery and force further cuts to services. States are facing an estimated \$180 billion budget gap for FY2011, which starts on July 1, 2010 in most states. The funding provided by ARRA has largely allowed states to avoid cutting programs and services to the population we serve by closing 30 to 40 percent of the states' FY2009 and FY2010 budget shortfalls. This has not only preserved the jobs supported by those state initiatives, but has maintained critical services to seniors and individuals with disabilities.

We applaud you for introducing in the Senate S. 3000 to extend the enhanced FMAP, and the House for passing an extension in both the Affordable Health Care for America Act and the Jobs for Main Street Act. We were also pleased that President Obama included enhanced Medicaid funding in his FY 2011 budget. But given immediate budget planning needs, states cannot afford to wait much longer for final Congressional action. At least eleven governors have included in their budgets the six-month extension of the enhanced FMAP that was passed in the House health reform bill. Even with this funding, those states had to cut funding to various education and health programs, including Medicaid. Without it, the states will have to make further cuts in order to balance their budgets.

We strongly support your efforts to extend assistance to the states in the form of an enhanced FMAP, and urge your colleagues on both sides of the aisle to work together to ensure that this enhanced funding is available as quickly as possible.

Sincerely,

Martha Roherty
Executive Director

Cc: United States Senators, Members of U.S. House of Representatives

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