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Arizona House of Representatives
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DISTRICT 19

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March 8, 2011

U.S. Rep. Raul Grijalva
1511 Longworth HOB
Washington, D.C. 20515

Congressman Grijalva:

We have read your letter to the Centers for Medicare and Medicaid Services regarding the proposed reductions in Arizona to our Medicaid program as well as your comments in the *Arizona Daily Star*. At the least, your statements demonstrate limited comprehension of the magnitude of the economic crisis facing your home state. Either you do not understand the issues surrounding Arizona's Medicaid program – or you just chose to ignore the facts. Whatever the case, your efforts to delay and sideline our important progress of balancing the state's budget will continue to leave many Arizonans with the false impression that we can provide services for which, in reality, there is no revenue source. To date, you have failed to provide any solution to that mathematical problem.

You apparently are not aware that Arizona faces a \$543 million shortfall in the current year and a \$1.15 billion shortfall in fiscal year 2012. Already, we have cut \$2.2 billion from Arizona's budget since 2008 due to plummeting revenues. Over the same period of time, you and your colleagues have increased spending by more than 30 percent on the federal level. Unlike Congress, we do not have the ability to spend money we do not have – nor do we believe that is a responsible way of conducting business.

Meanwhile, over the past decade, our Medicaid program has expanded at a record and alarming rate. In 2002, membership was just under 800,000 people. Today, it has spiked to nearly 1.4 million. That's 1.4 million people on government subsidized health care in Arizona. Our general fund obligation over that time has increased from \$675 million to \$1.5 billion per year. That means that today, Arizona provides more generous Medicaid coverage than 44 other states in the country. More than 20 percent of Arizonans are covered by government subsidized care – a growing and unsustainable weight of responsibility given our current budget crisis.

Faced with this crisis, Governor Brewer had the courage and leadership to put forward a bold proposal in January that seeks to reduce our Medicaid rolls by approximately 250,000 people. Given the massive expansions in the system over the last decade, even with these significant cuts, more than 1 in every 6 Arizonans will still be covered by Medicaid. This remains a responsible and generous level of care.

In your letter to Medicaid and State Operations Director Cindy Mann, you allege that Arizona has "considered using cuts to Medicaid eligibility to pay for tax cuts." That is flat out false. We are considering reductions to our Medicaid program *in order to balance our budget* – an exercise you have demonstrated no experience with given the aforementioned information.

You also state in your letter to Ms. Mann that the "recession has taken a heavy toll on our society." That is very much true, especially here in Arizona. That's why we as legislators have taken steps in Arizona that Congress has been unwilling to take, including rightsizing state spending to align with revenues. We also passed an historic and significant Jobs Bill, which you appear to criticize in your letter even though you do not have your facts right. As far as we can tell, your only contributions to impacting Arizona's economy have been calling for a dangerous national boycott of our state and voting for Obamacare, which will further obligate our state to spend money we don't have on Medicaid requirements. We believe our pro-growth measures are more productive than your inflammatory and destructive approach.

Despite your grandstanding attempt to jump into this process at the 11th hour, this issue has received extensive vetting and debate and will continue to receive hearings and opportunities for public input and discussion in the appropriate venue. It's unfortunate that you did not participate in this discussion earlier. It's also unfortunate that you have decided to criticize our governor's proposed solution to our budget crisis, but failed to offer any alternative solutions. Arizonans deserve more from their elected officials.

Sincerely,

A handwritten signature in black ink, appearing to read "Kirk Adams", with a stylized flourish extending to the right.

Kirk D. Adams
Speaker of the House
District 19

~~John~~
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