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Congress of the United States
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TODD ROKITA
4TH DISTRICT, INDIANA

COMMITTEE ON THE BUDGET

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COMMITTEE ON EDUCATION AND THE WORKFORCE

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Rep. Rokita to Reintroduce the *State Health Flexibility* Act to Block Grant Medicaid and CHIP to the States

Dear Colleague:

It is no secret our country faces serious economic challenges. With more than $16 trillion in debt, and more than $100 trillion in unfunded mandates coming down the pike, Americans are looking for bold solutions to get federal spending under control. Congress needs to examine the real drivers of our debt – entitlement programs – and propose real reforms if we are to get our fiscal house in order.

The current Medicaid program imposes mandate on top of mandate, giving states very little flexibility to reform their programs and control costs. Budget cuts now have states spending more on Medicaid than on K-12 education programs. Individuals on Medicaid often have trouble finding doctors. Even if they can find a doctor, their health outcomes are often substandard. Despite Medicaid's grim forecast, the president's health care law will add millions of new enrollees to the program.

Medicaid must be reformed by empowering the 50 *laboratories of democracy* – the states. The *State Health Flexibility Act* makes Medicaid and the Children's Health Insurance Program (CHIP) more accountable and more affordable by converting the federal share of program spending into a block grant. States would have complete authority and flexibility to tailor their Medicaid and CHIP programs to their unique populations. It is estimated that a state block grant program – based on FY 2012 funding levels for the next ten years – would save the federal government nearly $2 trillion, while giving states the certainty they need from the federal government. In addition to devolving Medicaid and CHIP to the state level, the *State Health Flexibility Act* completely repeals ObamaCare and the Medicaid expansion it authorized.

Here is what some governors are saying about the importance of a Medicaid block grant:

"The president should block grant this Medicaid money to each state, let each state make its judgment. What works in New Jersey...is very different, I suspect, than what would work in Montana. And so let's stop pretending there could be a one-size-fits-all for this problem." – Governor Chris Christie, New Jersey

"... the federal government should give Medicaid block grants to states. This would allow states to maximize the efficient use of tax dollars and increase private-sector competition while still providing care for those in need." – Governor Scott Walker, Wisconsin

"The federal government should strongly consider a block grant program that would place more control into the hands of states, and at a minimum must begin to allow us more flexibility in how we run our individual Medicaid programs." – Governor Bill Haslam, Tennessee

I urge you to join me in supporting the *State Health Flexibility Act* to put federal spending for Medicaid and CHIP back on a sustainable path. For more information or to become an original cosponsor, please contact Tom Borck in Representative Rokita's office at tom.borck@mail.house.gov or 5-5037.

Sincerely,

Todd Rokita
Member of Congress