

**Congress of the United States**  
**House of Representatives**  
**Washington, D.C. 20515**

November 16, 2005

**COMPARE HOUSE AND SENATE MEDICAID CUTS FOR YOURSELF**  
**VOTE "NO" ON RECONCILIATION**

Dear Colleague:

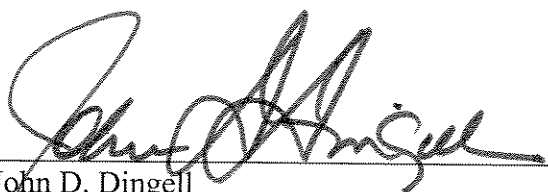
The House is expected to take up this week H.R. 4241, the Budget Reconciliation bill. Some in Congress are trying to justify painful cuts to healthcare services for children, pregnant women, people with disabilities, and the elderly contained in this bill by saying the growth of Medicaid spending is out of control. When compared to private sector spending, that claim cannot be supported.

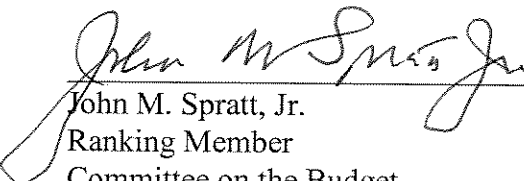
- ✓ Medicaid spending per enrollee grew at 6.9 percent from 2000 to 2003, almost half that of private insurance.
- ✓ Health insurance premiums grew at 12.6 percent from 2000 to 2003.
- ✓ Medicaid costs per person are substantially lower than private health insurance:
  - For adults, the average medical expenditures in Medicaid were 30 percent lower than their medical costs would be under private insurance,
  - For children, the average medical expenditures in Medicaid were 10 percent lower than their medical costs would be under private insurance.

Given these facts, the argument that Medicaid spending is out of control does not pass muster. The House Medicaid budget cuts are particularly harsh in comparison to the Senate proposed cuts. According to the Congressional Budget Office, the House bill has 75 percent of the \$12 billion in Medicaid cuts coming directly from changes that would hurt beneficiaries. Attached is a chart prepared by the Committee on Energy and Commerce Democratic staff that compares the Medicaid provisions of the House and Senate reconciliation bills.

We urge you to consider the facts, consider the choices the House Republican budget has made, and vote "NO" on H.R. 4241.

Sincerely,

  
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John D. Dingell  
Ranking Member  
Committee on Energy and Commerce

  
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John M. Spratt, Jr.  
Ranking Member  
Committee on the Budget