

Committee on Finance
United States Senate
U.S. Senator Chuck Grassley of Iowa, Chairman

MEMORANDUM

TO: Reporters and Editors
FR: Jill Kozeny, 202/224-1308
RE: Senate votes on the Deficit Reduction Act of 2005
DA: Wednesday, December 21, 2005

U.S. Sen. Chuck Grassley commented on this morning's Senate votes on the conference report to the Deficit Reduction Act of 2005. As Chairman of the Committee on Finance, Sen. Grassley sponsored the Senate's Medicaid, Medicare and social services portions of the comprehensive legislative package.

"The Senate approved a relatively modest deficit reduction bill that represents just one-fourth of one percent of what Congress would otherwise spend during the next five years. It's been eight years since Congress last passed legislation to reduce mandatory spending. The kinds of Medicaid changes made in the conference report are a fraction of what Governors across the country – Republican and Democrat – asked Congress for in order to help state governments keep their Medicaid programs afloat for the millions of people who rely on Medicaid. Beneficiaries and taxpayers both deserve to get the highest value for every dollar that's spent on Medicaid, Medicare and other safety net programs.

"It's especially rewarding to have included in this overall package a bill I first authored in 1999. The Family Opportunity Act, which I've pushed for year after year with Sen. Kennedy, was inspired by an Iowa family struggling to access health care services for a disabled child. Melissa Arnold, the mother, didn't give up, and today's legislative victory is a tribute to her kind of determination. The measure will let states create options for families who have children with multiple medical needs to buy into Medicaid while continuing to work. It's a pro-work initiative because it lets parents work without losing their children's health coverage. It's pro-family because it encourages parents to work and build a better life for their children, rather than being forced to impoverish themselves to access health care. And it's pro-taxpayer because it means more parents continue to earn money, pay taxes and pay their own way for Medicaid coverage for their children.

"In addition to this expansion of the Medicaid program, the comprehensive legislation includes \$400 million in child support payments that will go directly to welfare families, along with grants to promote healthy marriage and responsible fatherhood, \$100 million to improve the handling of court cases involving foster care, a \$200 million increase for a Safe and Stable Families program to help keep troubled

families together and support adoption, and \$1 billion to help parents pay for child care when they leave welfare and join the workforce.

“The procedural delay imposed this morning by Democrat leaders in the Senate indicates that next year’s elections are more important to them than meeting their responsibilities to govern. The partisan maneuver keeps Katrina victims from urgently needed medical assistance and potentially jeopardizes access to doctors for Medicare beneficiaries.”