

RAÚL M. GRIJALVA
7TH DISTRICT OF ARIZONA

COMMITTEE ON NATURAL RESOURCES
Subcommittee on Water and Power
Subcommittee on Parks, Forests and
Public Lands – *Ranking Member*

COMMITTEE ON EDUCATION AND THE WORKFORCE
Subcommittee on Early Childhood,
Elementary and Secondary Education
Subcommittee on Higher Education and
Workforce Training

CONGRESSIONAL PROGRESSIVE CAUCUS,
Co-Chair



Congress of the United States
House of Representatives
Washington, DC 20515-0307

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Ms. Cindy Mann, Director
Center for Medicaid and State Operations
Centers for Medicare and Medicaid Services
United States Department of Health and Human Services
Hubert H. Humphrey Building
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Ms. Mann:

Thank you for taking the time to meet with me to discuss the potential impact of the Department of Health and Human Services guidance issued regarding the Maintenance of Effort (MOE) requirement in PL. 111-148. We appreciate your sincere commitment to protecting the people of Arizona and the stability of the economy. To follow up on our meeting I would like to formalize the following discussion items and requests:

- 1.) **A 90 day public comment period on the guidance issued and any further guidance that may be issued regarding the MOE section in PL. 111-148.** This action is consistent with GAO recommendations that: “Congress may wish to consider requiring the Secretary of Health and Human Services to improve the public notification and input process at the federal level to ensure that beneficiaries and groups affected by Medicaid and SCHIP section 1115 demonstration waiver proposals receive opportunity to review and comment on proposals before they are approved.” Given the magnitude and potential impact of the guidance issued, we feel that a 90 day public comment period is appropriate. During this period we request that any implementation or state action on the MOE guidance be held to allow for proper evaluation by concerned entities.
- 2.) **A formal fiscal report of the potential impact of this guidance.** Given this guidance would likely result in a large increase of low income uninsured Americans we believe it is vital to have a proper fiscal analysis. Economic growth and job creation in our country is fragile. Many states, including Arizona, have considered using cuts to Medicaid eligibility to pay for tax cuts. The Congressional Budget Office found that Medicaid spending has a much greater impact on the stimulating the economy and job creation than tax cuts. To enable states to make fiscally responsible decisions, we feel a government analysis is needed. Prior to completion of such analysis, we request that any

implementation or state action on the MOE guidance issued be held to allow for the proper evaluation of economic impacts.

- 3.) **A hearing with regional CMS officials to be held in Arizona.** It is essential to create avenues for feedback from our health care community and constituents that may be impacted. We are grateful that you suggested holding a local meeting and would like to formalize an event promptly. Prior to completion of this event, we request that any implementation or state action on the MOE guidance issued be held to allow for the proper evaluation of concerned entities.

Again, we greatly appreciate your willingness to work with states on their individual fiscal issues regarding their Medicaid programs. The recession has taken a heavy toll on our society and has overwhelmed the very safety net programs Americans rely on. However, slashing the programs that have prevented further societal hardships would be a mistake. Input and consideration from the communities that may be impacted and a sound fiscal analysis must be completed before moving forward with this guidance.

Thank you for your time and consideration.

Respectfully,

A handwritten signature in blue ink that reads "Raúl M. Grijalva". The signature is fluid and cursive, with a large loop at the end of the last name.

Raúl M. Grijalva
Member of Congress

Copied: Kathleen Sebelius