

Congress of the United States
Washington, DC 20515

November 4, 2011

The Honorable Pat Quinn
State of Illinois
Office of the Governor
207 State House
Springfield, Illinois 62706

Dear Governor Quinn:

For the third time in less than 2 years, we write to you on the projected cost and impact of the Medicaid expansion to the State of Illinois. We are disappointed in your administration's failure to respond to our previous letters, dated Nov. 7, 2009 and March 14, 2011.

The Patient Protection and Affordable Care Act (PPACA) expands Medicaid eligibility level to those earning 133% of the federal poverty level. While the federal government will pay 100% of the costs for "newly eligible" Illinoisans, beneficiaries defined as those who are eligible for Medicaid under the law's new guidelines, the 100% rate will only last from 2014-2016. Starting in 2017, the State of Illinois is required to provide a 5% match for the "newly eligible" Medicaid beneficiaries, a number that eventually increases to 10% in 2020 and later years. Additionally, the State of Illinois is expected to pay 100% of the costs of the "previous eligibles," beneficiaries who were formerly eligible for the Medicaid program but did not enroll.

Our previous letters cited reports estimating the cost of Medicaid expansion in Illinois could be around \$2.5 billion from years 2014-2019 alone. A study done just this month projects the expansion costs to be even more severe at \$1.4 billion in the first year alone. In total it projects Illinois taxpayers will spend \$10 billion more on Medicaid than the state would have had the health law not been implemented.

If true, these increased costs will further delay payments to providers who routinely experience unacceptably long payment delays. According to the Illinois Comptroller, "payment delays once again persisted throughout fiscal year 2011" and "most vendors will continue to face significant payment delays. In particular Medicaid service providers...will face longer delays." The Medicaid payment cycle is expected to increase to 162 days- more than 5 times longer than the 2010 cycle. If the state cannot meet its current financial obligations, how will it cope with greater expenses from a program that is already the state's largest single expense, accounting for over 40% of general revenue funds?

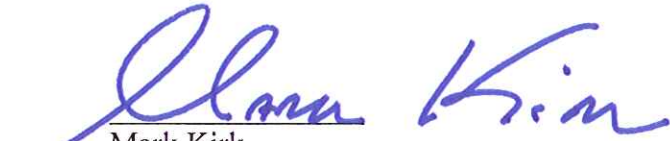
Furthermore, with nearly 40% of U.S physicians not accepting Medicaid at all, we are extremely concerned about what these additional financial burdens on our fiscally unsound state budget will mean for patient access and quality of care.


For these reasons, it is imperative that your office provide us with a projected estimate of the effect of PPACA's obligations will have on the State of Illinois. The people of Illinois must hear from the Illinois Department of Healthcare and Family Services or the Governor's Office of

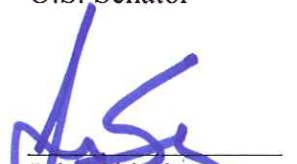
Management and Budget as to the true costs Medicaid's expansion will have on the state's bottom line. Conversely, if the state has failed to do such an analysis, they deserve to know why the state has ignored what may have devastating impacts on our already struggling state budget.

We look forward to a response from your office and appreciate your timely attention to this important issue.

Sincerely,



Mark Kirk
U.S. Senator

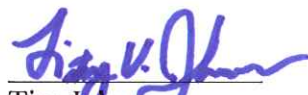

Aaron Schock
Member of Congress

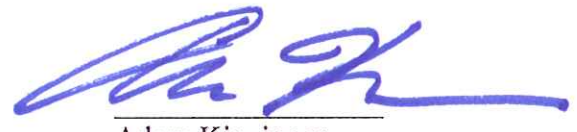

John Shimkus
Member of Congress



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Peter Roskam
Member of Congress


Bobby Schilling
Member of Congress


Joe Walsh
Member of Congress

CC: Julie Hamos, Director, Illinois Department of Healthcare and Family Services
David Vaught, Director, Office of Management and Budget, Office of the Governor