

July 22, 2010

Dear Senator:

The undersigned organizations representing millions of Americans who are concerned about the economy, job creation, health care, and public services urge you to pass a jobs bill that includes a six-month extension of the increased federal Medicaid match (FMAP) contained in the American Recovery and Reinvestment Act (ARRA). With state budgets in crisis, hundreds of thousands of public and private sector jobs threatened, and health care for millions of low-income Americans hanging in the balance, Congress must act now.

Every state except Vermont has a balanced budget requirement. Due to the national economic recession, states' revenues have fallen precipitously for several years and the need for public services has grown exponentially. As a result, states are expected to face a cumulative budget shortfall of at least \$140 billion for fiscal year 2011, on top of large shortfalls in FY 2009 and 2010. Medicaid is one of states' largest budget items, with low-income families, hospitals and providers depending on reliable federal support, especially during tough economic times. The Recovery Act's enhanced FMAP has provided a funding lifeline that minimized devastating cuts in Medicaid, education, public safety and other public services. But, it must not end prematurely.

State and local government spending is important to our national economy and jobs. Economists project that as many as 900,000 workers in both the public and private sectors could lose their jobs in the next year as states and localities continue to grapple with lower revenues, budget cuts and loss of federal funding. Hospitals and other health care providers are often the largest employer in communities. Moreover, state and local governments are key employers in rural areas, accounting for 18% of earnings compared to roughly 10% in urban areas.

We have already seen the negative economic impact of cuts in state and local government spending: The United States Department of Commerce reported that the real Gross Domestic Product (GDP) lost .5% in potential growth in the first quarter of 2010 due to cuts in state and local government spending, a loss of \$71.5 billion in growth and jobs. This trend is expected to worsen in the latter part of 2010. Allowing the enhanced FMAP to expire on December 31, 2010, in the middle of states' current fiscal years, would be devastating to the national economy and the large majority of states – particularly to the 27 states that included the six-month extension in their annual budgets.

All of the undersigned organizations urge you to pass a six-month extension of the enhanced FMAP. Our fragile economic recovery depends upon it.

Sincerely,

AFL-CIO  
AIDS Community Research Consortium (ACRC)  
Alliance for Children and Families  
Alliance for Retired Americans  
American Academy of HIV Medicine

American Association of Diabetes Educators  
American Association of People with Disabilities  
American College of Nurse-Midwives  
American Dental Association  
American Diabetes Association  
American Federation of State, County and Municipal Employees (AFSCME)  
American Federation of Teachers  
American Health Care Association  
American Hospital Administration  
American Medical Women's Association  
American Network of Community Options and Resources  
American Nurses Association (ANA)  
American Psychiatric Association  
American Physical Therapy Association (APTA)  
Americans for Democratic Action, Inc.  
Amerigroup  
APLA  
Asian & Pacific Islander American Health Forum  
Association of Clinicians for the Underserved  
Association for Community Affiliated Plans  
Bazelon Center for Mental Health Law  
BWICA Educational Fund, Inc.  
Campaign for America's Future  
Campaign for Community Change (CCC)  
Center for Civil Justice  
Center for Medicare Advocacy, Inc.  
Children Now  
CLASP, the Center for Law and Social Policy  
Coalition on Human Needs  
Commission on the Public's Health System  
Community Access National Network  
Community Action Partnership  
Community Catalyst  
Consumer Action  
Council for Exceptional Children  
Crisis Intervention Network  
CWLA  
Dental Health Foundation  
Department for Professional Employees, AFL-CIO  
Direct Care Alliance  
Disability Rights Education and Defense Fund  
Division for Early Childhood of the Council for Exceptional Children (DEC)  
Easter Seals  
Families USA  
Family Violence Prevention Fund  
Family Voices  
Family Residences & Essential Enterprises, Inc.  
First Focus Campaign for Children  
Generations United

Healthy Teen Network  
HIV Medicine Association  
IDEA Infant Toddler Coordinators Association (ITCA)  
International Association of Fire Fighters  
International Federation of Professional and Technical Engineers (IFPTE), AFL-CIO  
International Union, United Automobile, Aerospace & Agricultural Implement Workers of  
America, UAW  
Jewish Association for Services for the Aged (JASA)  
Jewish Council for Public Affairs  
LEAnet, Local Education Agencies Network  
Legal Action Center  
Maternal and Child Health Access  
Medicaid Health Plans of America  
Medicare Rights Center  
Mental Health America  
MomsRising  
National Advocacy Center of the Sisters of the Good Shepherd  
National Alliance to End Homelessness  
National Alliance on Mental Illness (NAMI)  
National Association for Children's Behavioral Health  
National Association of Children's Hospitals  
National Association of Community Health Centers  
National Association of Counties  
National Association of County and City Health Officials  
National Association of County Behavioral Health & Developmental Disability Directors  
National Association of County Human Services Administrators  
National Association of People with AIDS (NAPWA)  
National Association of Public Hospitals and Health Systems  
National Association of Social Workers  
National Association of State Directors of Developmental Disabilities Services  
National Association of State Directors of Special Education  
National Association of State Head Injury Administrators  
National Association of State Mental Health Program Directors  
National Center for Assisted Living  
National Coalition Against Domestic Violence  
National Council on Aging  
National Council for Community Behavioral Healthcare  
National Council of Nonprofits  
National Council of Jewish Women  
National Disability Rights Network  
National Domestic Violence Hotline  
National Down Syndrome Congress  
National Education Association  
National Family Planning & Reproductive Health Association  
National Gay and Lesbian Task Force Action Fund  
National Health Care for the Homeless Council  
National Health Law Program  
National Latina Institute for Reproductive Health  
National Multiple Sclerosis Society

National Network to End Domestic Violence  
National Network for Youth  
National Pediatric AIDS Network  
National Respite Coalition  
National WIC Association  
National Women's Law Center  
New York Association of Psychiatric Rehabilitation Services  
PHI – Quality Care through Quality Jobs  
Physicians for Reproductive Choice and Health  
Planned Parenthood Federation of America  
RESULTS  
Sargent Shriver National Center on Poverty Law  
Service Employees International Union  
Sisters of Mercy Institute Justice Team  
State Associations of Addiction Services  
The American Federation of School Administrators  
The Arc of the United States  
The Jewish Federations of North America  
The National Consumer Voice for Quality Long-Term Care (formerly NCCNHR)  
Treatment Access Expansion Project  
Treatment Action Group (TAG)  
United Cerebral Palsy  
United Church of Christ, Justice and Witness Ministries  
United for a Fair Economy  
United Neighborhood Centers of America  
United Steelworkers  
United Transportation Union  
Universal Health Care Action Network (UHCAN)  
Voices for America's Children  
VOR - Speaking out for People with Intellectual Disabilities  
Wider Opportunities for Women  
Women of Reform Judaism  
YWCA USA