

HATCH SPEAKS WITH GROUP OF GOVERNORS ON HOW TO REFORM MEDICAID

Utah Senator Says Governors Must Be Partners in Reform Process; Will Use Welfare Reform As Model for Medicaid Program

WASHINGTON – U.S. Senator Orrin Hatch (R-Utah), the top Republican on the Senate Finance Committee and House Energy and Commerce Chairman Fred Upton (R-Mich.) today sent a letter to all 50 governors requesting feedback and ideas to improve Medicaid. Hatch spoke to a group of Governors, including Utah Governor Gary Herbert and Mississippi Governor Haley Barbour, this morning to discuss how to modernize the 1960s era program in a way that ensures that states are equal partners.

“If Medicaid is to continue serving the most vulnerable in our society, we absolutely must modernize this program relying on the expertise of Governors across America. This is the model that we used to reform our nation’s broken welfare system and I believe it is the best way to develop solutions to fix this unsustainable entitlement program,” **said Hatch, whose Committee has jurisdiction over the Medicaid program.** “Medicaid is bankrupting both federal budget and state budgets. Over the next ten years, Washington – alone – will spend \$4.6 trillion on Medicaid—a substantial contributor to the growing \$14 trillion in publicly-held debt. It’s time for action.”

Fewer than five million individuals used Medicaid services in the program’s first year, but today nearly one in four Americans is on Medicaid and half those newly covered by the new, \$2.6 trillion health law will be on Medicaid. Medicaid spending now consumes nearly a quarter of state government budgets routinely crowding out other state priorities such as education and law enforcement. For example, Utah’s public colleges and universities lost millions of dollars in state investments due in large part to Medicaid costs.

“I am concerned that Medicaid is failing patients and is a target for waste, fraud, and abuse. That’s not because states are doing a bad job – it’s because Washington’s bureaucracy had tied states’ hands from making meaningful changes and reforms,” **Hatch told the Governors.** “It is time to fix the program – we owe it to taxpayers and to beneficiaries. And we owe it to our grandchildren to reform our entitlement programs that will saddle them with enormous government debt, if we don’t have the courage to act now. Together, we can – and we must – develop comprehensive and sustainable Medicaid reform.”

Click here [[LINK TO HERBERT LETTER](#)] to read a full copy of the letter to Governor Herbert.