

PROTECT COLORADO'S HEALTH CARE

Budget Cuts Hurt Today And Tomorrow

Background

Colorado is facing an unprecedented fiscal deficit that will force the state to make hard choices regarding funding key priorities like health care. This deficit has forced the Ritter Administration to target \$632 million in budget reductions to be implemented prior to June 30, 2009, along with an additional \$1 billion in proposed reductions for FY 2009-10. Part of this recommended budget reduction package includes several cuts to public health programs such as Medicaid and the Child Health Plan (CHP+), as well as the providers that care for patients in those programs.

Collectively, the recommended cuts for FY08-09 total \$42M to Colorado's public health care delivery system. The FY09-10 recommended reductions are an additional \$260M in health care cuts.

Minimize Budget Cuts to Colorado's Public Health Care System

As providers of and advocates for Colorado's safety net health care system, we are sensitive to the budgetary challenges faced by the state. As policymakers move into the hard work of making decisions to balance the state budget, we respectfully request that the state's health care system be preserved to the greatest extent possible. Please consider the following:

- Each dollar cut means more dollars lost. For every state dollar cut from Medicaid and CHP+, the state loses between \$2 and \$3 dollars in total funding and potentially more with the increase in anticipated federal Medicaid stimulus dollars.
- State health care services are needed most during a recession. As more Coloradans lose their jobs, they also lose health care coverage. In fact, recent data suggests that Colorado's Medicaid enrollment is the second fastest growth in the nation. Drastic cuts to health care services could drive more families into poverty, increase health care costs for all, and deepen our recession.
- State health care programs serve the most vulnerable, such as children, the elderly, and people with disabilities. Cuts in these programs have a direct and immediate impact on their health and welfare.
- Our current fiscal constraints will extend our recession needlessly. The 6% budget provision means when the economy recovers the general fund dollars cut from the budget can never be restored.
- Since the presentation of the budget cut recommendations in early February, the federal stimulus package has been approved by Congress and signed into law. Colorado anticipates receiving \$880 million of federal Medicaid funds over the next 2 years to help shore up public health programs during the economic downturn. This is roughly \$84-95 million more than originally expected. We ask that the Legislature use the enhanced federal Medicaid funds to avoid further cuts to Colorado's public health care system.

Supporting Organizations

2010 All Kids Covered Coalition
AARP
American Academy of Pediatrics, Colorado Chapter
Colorado Academy of Family Physicians
Colorado Association of Homes and Services for the Aging
Colorado Association of Medical Equipment Services
Colorado Center for Hospice and Palliative Care
Colorado Center on Law & Policy
Colorado Children's Campaign
Colorado Children's Immunization Coalition
Colorado Coalition for the Medically Underserved
Colorado Community Health Network
Colorado Consumer Health Initiative
Colorado Covering Kids and Families
Colorado Medical Society
Colorado Progressive Coalition
Colorado Society of Osteopathic Medicine
Colorado Voices for Coverage
Family Voice Colorado
Health Care for All Colorado
Home Care Association of Colorado
Metro Organizations for People
Oral Health Awareness Colorado!
Planned Parenthood of the Rocky Mountains
Public Health Directors of Colorado
Public Health Nurses Association of Colorado
Rx Plus Pharmacies
The Bell Policy Center
The Children's Hospital