



October 20, 2009

The Honorable Nancy Pelosi
Speaker
United States House of Representatives

The Honorable Steny H. Hoyer
Majority Leader
United States House of Representatives

The Honorable Henry A. Waxman
Chairman, Committee on Energy and Commerce
United States House of Representatives

The Honorable Charles B. Rangel
Chairman, Committee on Ways and Means
United States House of Representatives

The Honorable George Miller
Chairman, Committee on Education and Labor
United States House of Representatives

Dear Madam Speaker, Mr. Majority Leader and Distinguished Chairmen:

As you and your colleagues prepare health reform legislation for consideration by the House of Representatives, the National Association of Counties (NACo) urges you to ensure that the final legislation enables counties to deliver successful reform at the local level, in partnership with the states and the federal government.

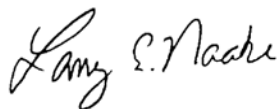
In particular we ask that you consider the following:

1. NACo supports **expanding Medicaid** to increase coverage for low income Americans without shifting financing costs to county property tax payers. However, we are concerned that states will not be able to increase mandatory Medicaid spending without shifting significant costs to counties and making deep cuts to county administered programs that serve other vulnerable populations. NACo believes that Medicaid reimbursement rates should be enhanced and the federal medical assistance percentage (FMAP) for newly eligible populations should be 100 percent. FMAP increases should be passed through to counties proportionally in states that require counties to contribute to the non-federal share.

2. NACo opposes mandatory “savings” from the **Medicaid disproportionate share hospital (DSH) program**. County hospitals will continue to depend on DSH to serve those who will remain uninsured and uninsurable even after reform and to compensate for Medicaid’s low reimbursement rates. Experience shows that local taxpayers will be called upon to make up public hospital budget shortfalls in order to preserve the essential community services which they provide.
3. NACo supports the **public health, prevention and wellness** provisions in Division C of H.R. 3200, the America’s Affordable Health Choices Act of 2009. We believe that the evidence based National Prevention and Wellness Strategy paired with the dedicated funding stream for state and local public health in the Prevention and Wellness Trust, will help to reorient our system from a “sick care” system to one built around wellness and health promotion.
4. NACo supports making conviction of a crime, and sentencing to secure detention the trigger for suspension/termination of federal health benefits. Coverage for persons in pre-trial custody and, therefore, presumed innocent should not be withdrawn without due process. The provisions of **H.R. 2209, the Restoring the Partnership for County Health Care Costs Act of 2009**, which repeals the inmate exception for those in custody pending disposition of charges, should be incorporated into the legislation.
5. NACo opposes **taxes or fees on public employee self insured health plans**. Imposing an excise tax on “Cadillac” plans without an exemption for state and local governments would represent a significant burden for public employers who are already struggling to afford rapidly rising healthcare costs. Increased costs on employer sponsored plans will likely force self insured plan sponsors to drop coverage; pass increased costs on to plan beneficiaries; lower wages; reduce benefits; and terminate workers to offset the imposed tax.

On behalf of America’s 3,068 counties, I thank you for your thoughtful consideration of our requests and offer our assistance in addressing these critical issues. Should you or your staff have any questions, please contact Associate Legislative Director, Paul Beddoe at (202) 942-4234 or pbeddoe@naco.org.

Sincerely,



Larry E. Naake
Executive Director