

Washington, DC - Vermont's Congressional Delegation -- Sen. Patrick Leahy, Sen. Bernie Sanders, and Rep. Peter Welch -- has asked the Centers for Medicare and Medicaid Services (CMS) to reconsider a decision that hampers Vermont's efforts to bring health care to the uninsured through the Catamount Health Care program passed last year by the Vermont Legislature.

As part of the health care program, Vermont was to use Medicaid funding to partially pay the insurance premiums for individuals without insurance and for those who have incomes at or less than 300 percent of the Federal Poverty Level (FPL). CMS recently informed the state that Medicaid funds could be used for premium assistance for individuals with incomes up to 200 percent FPL, but not between 200 and 300 percent FPL. The CMS decision is a major setback that will cost Vermont \$25 million in general revenue funding over the next three years. Implementation of the Catamount Health Care program as planned would have no cost for the federal government.

In a letter to CMS Acting Administrator Leslie Norwalk, Leahy (D), Sanders (I) and Welch (D) said that in the absence of national health care reform, the Bush Administration should not stand in the way of Vermont's innovative efforts, and they requested that CMS reexamine its decision and fully approve Vermont's request.

Below is the text of the letter. It is also available, on request, in PDF format.

August 27, 2007

Leslie Norwalk
Acting Administrator
Centers for Medicare and Medicaid Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Acting Administrator Norwalk:

We write to express our extreme disappointment about CMS' decision to partially approve the state of Vermont's Medicaid waiver amendment (11-W=00194/1).

In his State of the Union Address the President outlined his vision for health care reform through the tax code. He also proposed a companion initiative, Affordable Choices, which would encourage partnership between the Federal Government and states to utilize existing dollars to find innovative ways to extend health coverage to the uninsured. We agree that in the absence of national reform that would provide universal access to health care, the Federal Government should be a supportive player in helping initiate health care reform on the state level.

Through the Catamount Health Care program, Vermont has made a commitment to reducing the number of uninsured in our state. A significant portion of the state's plan involves utilizing existing Medicaid dollars to provide premium assistance to Vermonters to purchase insurance through their employers, a policy that is explicitly supported in the President's Affordable Choices Initiative.

By not fully approving the State of Vermont's Medicaid waiver amendment, CMS sends a message to states that rather than be a partner in health care reform, the President chooses to stand in the way of meaningful reform that will provide relief to Americans who lack health insurance. This action will have serious financial implications for Vermont and could jeopardize the state's ability to reduce health care costs over the long term.

We request that the Administration reexamine its decision regarding Vermont's waiver amendment and fully approves the State's request. We look forward to this action and the courtesy of a timely response to our letter.

Sincerely,

PATRICK LEAHY
United States Senator
Congressman

BERNARD SANDERS
United States Senator

PETER WELCH
United States