

VOR BUDGET UPDATE November 14, 2005

Today, in the very early morning hours, the House passed its budget bill, calling for \$50 billion in cuts to Medicaid, including \$800 million saved by dropping 300,000 working families from the food stamp program, \$12 billion from the new cost-sharing burdens on Medicaid beneficiaries and state controlled eligibility limits, and asset transfer limits (relating to Medicaid eligibility for nursing home placement).

The bill was very narrowly passed (217 - 215 votes) and came after a defeat of a similar bill on Thursday.

For more information, including how your Representative voted, please see the Families USA alert below.

The next step will be conference negotiations to work out the differences in the House and Senate bills. Congress will be in recess next week and the House still needs to pass its tax cut bill. The earliest, therefore, that Conferees are expected to meet is the week of December 5.

VOR will continue to keep you informed and will be issuing a call for action as logistics regarding the Conference process are forthcoming. In the meantime, consider the Families USA alert below for action that can be taken immediately.

As VOR counts its blessings this Thanksgiving season, all of you are included. Thank you so very much for your widespread response to VOR's Action Alerts. We are making a difference.

Sincerely, Tamie Hopp Executive Director

From Families USA:

After a long and heated debate, the House approved a budget reconciliation bill early this morning with deep cuts to Medicaid and other important social programs. The final vote was extremely close: 217-215. No Democrats voted for the bill, but 14 Republicans voted against it. Click here to see how your Representative voted: <http://clerk.house.gov/evs/2005/roll601.xml>

You can also thank your Representative (or scold them, depending on their vote) by sending an e-mail through our Web site: <http://ga3.org/ct/P1AHWJs1dm4F/>

While we are disappointed at the outcome, we are pleased that so many moderate Republicans felt compelled to vote against this budget. It was largely due to your calls and e-mails--along with thousands from activists across the

country--that made this such a difficult vote for the House leadership. We're deeply grateful for all your hard work.

Now the process moves to the Conference Committee, where negotiators from the House and Senate will try to find a compromise between the two versions of the budget and send it to both houses for up-or-down votes. Because of the close votes (the Senate passed its version by 52-47) and the significant differences between the bills on Medicaid and other issues, we believe we have an opportunity to prevail in this phase of the Medicaid fight. Our best chance lies once again in the Senate.

We need you to call your Senators and urge them to vote NO on any budget that hurts Medicaid recipients. Our toll free number is still up and running:

CALL YOUR SENATORS, TOLL-FREE: 1-800-828-0498

The fight to save Medicaid isn't over yet--it's just entered a new phase, and we can still prevail. With your help, we can do it!

All of us here at Families USA wish you a happy and restful Thanksgiving holiday.