

FOR IMMEDIATE RELEASE
Wednesday, June 16, 2004

Contact: David Maluchnik
517-372-9310

State's Poor and Needy Deserve More Than Budget Politics

Executive Office and Lawmakers Must Keep Most Vulnerable in Perspective

LANSING – Following an ultimatum from the executive office that the state's Medicaid reimbursement rates would diminish if a cigarette tax increase is not approved by July 1, the Michigan Catholic Conference (MCC) today announced that necessary health care for our state's most vulnerable citizens must not be a game played between political parties.

“Given that the focal point of budget dialogue has shifted back to programs that provide necessary health care for the poor and needy, it is inherent for lawmakers, Democrat and Republican, to work in a serious collective fashion to prevent harmful cuts,” said MCC Vice President for Public Policy Paul A. Long. “Ensuring the proper care for our state's most vulnerable population must be a human issue rather than one of budget politics.”

Due to recent legislative action that shifted \$50 million from the state's general fund to balance the current school aid budget, the state presently finds itself approximately \$107 million in debt for the 2003-2004 fiscal year. The administration has since made an announcement that payments to Medicaid providers would be reduced by 22 percent should the Legislature fail to approve a 75-cent increase in the state's cigarette tax to balance the deficit. While the decision hinges on Senate approval of such measures, the upper chamber has maintained a position that any cigarette tax increase must be tied to legislation that helps create jobs and business production in Michigan.

“Compromise between the executive and legislative branches to eliminate the budget deficit without cutting vital health programs is critical for the humane care of those least among us,” said Long. “A clear indicator of the moral strength of a society is the assistance it provides its most needy citizens.”

The Department of Community Health and organizations representing hospitals have stated that a reduction in payments would in all probability push some health care providers away from accepting Medicaid patients, a move that would inevitably cut services and diminish access to necessary health care for the state's most vulnerable population.

The Michigan Catholic Conference is the public policy voice for the Catholic Church in this state.

###