



Committee On Finance

Max Baucus, Ranking Member

NEWS RELEASE

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Baucus Fights For Katrina Health Package

(WASHINGTON, D.C.) Today, U.S. Senator Max Baucus, ranking member of the Senate Finance Committee, once again asked for unanimous consent urging passage of S. 1716, the Emergency Health Care Relief Act. The health package would provide immediate health care coverage to the victims of Hurricane Katrina. Baucus drafted the legislation with Chairman Grassley of the Senate Finance Committee.

Senator Baucus' comments on the Senate floor follow:

Statement of U.S. Senator Max Baucus Katrina Health Relief October 19, 2005

Mr. President, it has been more than seven weeks since Hurricane Katrina hit the Gulf Coast. Nearly 1.5 million Americans have been displaced. And tens of thousands of these survivors have no health coverage and no money to pay for care. So today, I rise again to call for passage of the Grassley-Baucus Emergency Health Care Relief Act, S. 1716.

On Monday, the LA Times ran a story on a 52 year old school bus driver from New Orleans, Emanuel Wilson. Mr. Wilson survived Katrina, but his life is still at risk because he has intestinal cancer and no health insurance.

Mr. Wilson was getting monthly chemotherapy injections before the storm, but now he can't get health care. He lost his job and health coverage because of Katrina, and is ineligible for Medicaid.

According to the New Orleans Times-Picayune, more than half of all the hurricane evacuees still in Louisiana who have sought Medicaid coverage since Katrina have been turned away.

These are poor people. And they can't get coverage because they don't meet the rigid eligibility guidelines under federal Medicaid law.

We need to relax those guidelines on a temporary, emergency basis to help these survivors in need.

This morning, my staff met with Secretary Cerise of the Louisiana Department of Health and Hospitals. Dr. Cerise reports that Louisiana's Medicaid program has enrolled 60,000 new

individuals because of Katrina, which would cost the state about \$83 million if they were to pay for their care.

Louisiana has just lost about one-seventh of their total expected state revenue this year – they cannot bear these additional costs.

And they are likely to need to make dramatic cuts to their Medicaid program if they don't get help soon. Dr. Cerise reports that Louisiana will have to cut all of its optional services and beneficiaries if they don't get help.

That means ending their hospice programs, pharmacy benefits, institutional care for the mentally retarded, hemodialysis and other needed benefits. And cutting off care for their medically needy and breast and cervical cancer patients, as well as thousands of low-income children.

The Administration says their Medicaid waivers will take care of the job. But the waivers don't allow states to cover even the poorest childless adult survivors.

And states that expand Medicaid eligibility may be left on the hook to pay the bill for some of their new Medicaid costs. The Administration has promised they would make states whole – reimburse them for new costs arising from Katrina.

But Secretary Leavitt himself acknowledged in a letter to Senator Grassley and me that the Administration needs legislation to do this.

Mr. President, we can do better.

The Administration says it would like to “*work with Congress* to assist states with the added Medicaid burdens they face as a result of Hurricane Katrina.” But it is now more than seven weeks since Katrina made landfall, and we have no legislative proposal from the Administration.

If the Administration wants to “*work with Congress*,” its work is long overdue.

Senator Grassley and I did not delay. Our bill would ensure full federal funding and access to health care for poor Katrina survivors.

We have been calling on the Senate to pass this bill since the day it was introduced and continue to appeal to those blocking the bill today.

One concern has been that the bill could lead to an expansion of Medicaid and that those survivors added to Medicaid would stay on the rolls. Let me reassure my colleagues that there would be no ongoing right to Medicaid under this bill.

The bill creates a temporary, time-limited, emergency benefit of up to 5 months of coverage.

That's it. Once the period of coverage ends, there would be no mandated ongoing right to coverage.

Another concern is that the bill costs too much. But a pared-down version of the Katrina bill costs just over \$6 billion. That's about a tenth of what Congress appropriated for FEMA within about 7 days of the disaster.

Now 7 weeks after the Katrina, Congress has failed to act to meet the health needs of Katrina victims. And the FEMA money had no strings attached and has been given out for no-bid contracts.

By contrast, the funds in our bill would be carefully tracked and spent in a well-regulated program that already exists - Medicaid.

Mr. President, our bill is straightforward. If states have survivors who meet the income guidelines, they can enroll them in Medicaid, pure and simple. States can help to survivors without the uncertainty that they will bear the costs of treating Katrina evacuees.

Having this security is especially important for the handful of states who are hosting the greatest numbers of evacuees – states like Texas with 165,000 evacuees, Florida with 32,000 evacuees, Tennessee with 16,000 evacuees, and Arkansas with 11,500 evacuees.

Even states with smaller numbers of evacuees will be helped. South Carolina has 3,500 evacuees, nearly half of which have already enrolled in Medicaid. Oklahoma has 3,700 evacuees, nearly 80 percent have enrolled in Medicaid.

Nevada has only about 1,400 evacuees, but two-thirds have already enrolled in Medicaid. Should these states have to foot the bill for these new costs? Louisiana can't afford to pay for care being given out of state. We must act to help everyone deal with this crisis.

We have spent too long talking about this bill and asking for unanimous consent to get this bill passed. My colleagues Senator Grassley, Senator Landrieu, Senator Lincoln, and Senator Reid have all spoken passionately in support of moving this forward with due speed.

I hope we can get this bill passed and enacted into law without delay. We owe this much to our fellow Americans hurt by Katrina and its aftermath.

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