

**Congress of the United States**  
**Washington, DC 20515**

May 10, 2013

The Honorable Bob McDonnell  
Office of the Governor  
Patrick Henry Building, 3rd Floor  
1111 East Broad Street  
Richmond, Virginia 23219

Dear Governor McDonnell:

We write to express our strong support for expanding the Medicaid program in Virginia to include those up to 133% of the federal poverty level.

For too long, many have been forced to go without health insurance. With the passage of the Affordable Care Act, we have the opportunity and the responsibility to ensure that all Americans get access to affordable health insurance. It is both our moral imperative and a commonsense public health necessity to ensure that low-income individuals and families are not left behind.

Estimates from the Department of Medical Assistance Services (DMAS), show that Medicaid expansion of health care coverage for up to 400,000 Virginians will cost the Commonwealth \$137.5 million over 2014 – 2022. However, savings from the reforms currently underway at the state level would completely offset these initial costs and expansion of the Medicaid program would guarantee quality health care for all in the Commonwealth.

Further, a recent study conducted by Chmura Economics & Analytics outlined the numerous economic benefits to expanding Medicaid. This study found that the health care sector, businesses, and households in Virginia all stand to benefit more if the state opts in than if it opts out. Specifically, it was determined that the total economic impact – both direct and indirect – from opting in would generate an annual average of \$3.9 billion in economic activity and create over 30,000 jobs from 2014 to 2019, more than four times the economic impact that would be generated in the absence of expansion. Research conducted by the Commonwealth Institute of Fiscal Analysis similarly found that Medicaid expansion makes economic sense. Their research shows that Medicaid expansion would create state general fund savings and revenues that would more than offset the Commonwealth's share of expansion costs, netting the Commonwealth \$555 million over the next eight years. Additionally, Medicaid expansion would significantly reduce the need for indigent care subsidies. Over the past ten years, Virginia has spent over \$1.0 billion from the general fund subsidizing the cost of indigent care and Virginians now pay higher premiums in order to defray the cost of this uncompensated care.

The recent passage of the transportation bill in Virginia shows that Democrats and Republicans can work together to move the Commonwealth forward and it is our hope that we can continue this cooperation for the benefit of the Commonwealth and its citizens. The fact of the matter is that Virginians have already paid and will continue to pay for Medicaid expansion. It is only right that they reap the benefits and not pay into the system only to subsidize expanded benefits in other states. We therefore strongly urge you work closely with the members of the Medicaid

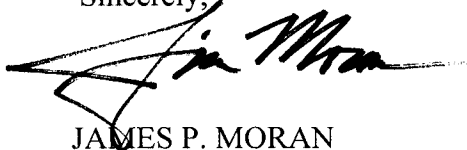
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Innovation and Reform Commission (MIRC) to take advantage of the increased federal funding that the Commonwealth is entitled to by expanding the Medicaid program.

Sincerely,



JAMES P. MORAN  
Member of Congress



ROBERT C. "BOBBY" SCOTT  
Member of Congress



GERALD E. CONNOLLY  
Member of Congress

cc: Secretary of Finance Ric Brown

Secretary of Health and Human Resources William Hazel

Senator Walter Stosch

Senator Emmett Hanger

Senator Janet Howell

Senator Louise Lucas

Senator John Watkins

Delegate Steve Landes

Delegate Jimmie Massie

Delegate Beverly Sherwood

Delegate John O'Bannon

Delegate Johnny Joannou