

The Honorable Nancy Pelosi

U.S. House of Representatives

The Honorable John Boehner

U.S. House of Representatives

Speaker of the House

Minority Leader

Washington, D.C. 20515

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James H. Douglas Governor of Vermont Chair

February 21, 2010

Joe Manchin III Governor of West Virginia Vice Chair Raymond C. Scheppach Executive Director

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The Honorable Harry Reid Majority Leader United States Senate Washington, D.C. 20510

The Honorable Mitch McConnell Minority Leader United States Senate Washington, D.C. 20510

Dear Madam Speaker, Mr. Boehner, Senator Reid and Senator McConnell:

On behalf of the nation's governors we write to request your assistance in protecting jobs and speeding economic recovery by extending the American Recovery and Reinvestment Act's (ARRA) enhanced federal match for Medicaid (FMAP) for two additional quarters.

Unfortunately, the length and depth of the recession means states and territories will continue to face significant budget shortfalls long after the enhanced FMAP provisions expire at the end of this calendar year.

States and territories are in the process of finalizing budgets for FY 2011 that our legislatures will be considering over the next several months. Timely passage of an extension of ARRA's enhanced FMAP would greatly assist us in maintaining services and further stabilizing the economy.

To maximize the positive impact of FMAP enhancements on the economy, Congress should also modify ARRA's existing maintenance of effort (MOE) provisions. Restoring flexibility to manage our Medicaid programs and enact common sense reforms is critical to ensuring the program's ongoing and future stability.

Governors appreciated the inclusion of enhanced FMAP provisions in ARRA. We are committed to encouraging job creation and speeding recovery and urge you to work with us by extending FMAP enhancements and restoring state flexibility over Medicaid as soon as possible.

Sincerely,

overnor Joe Manchin III overnor James н. West Virg Inia ermon rnor Martin O'Ma Governor Dave Freudenthal Wyoming Maryland

Governor Bill Ritter, Colorado

Governor Bev Perdue North Carolina

Governor Sonny Perdue

Georgia

Governor Donald L. Carcieri Rhode Island

Governor Mike Beebe

Governor Lunch Joh New Mampshi

Governor Brian Schweltzer Montanz

Governor Jim Gibbons

Riley n. Govern Alabama

Governor Sean Parnell Alaska

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Governor Jáck Markell Delaware

Governor Jennifer M. Granholm Michigan

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Governor Chris Christie New Jersyy

overnor Luis Fortuno

Puerto Rico

Governor Steven L. Beshear Kentucky

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Governor John E. Baldacci

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Governor Christine O. Gregoire Washington

Governor Phil Bredesen Tennessee

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