Dave Heineman
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September 16, 2009

The Honorable E. Benjamin Nelson
United States Senator
720 Hart Senate Office Building
Washington, DC 20510

The Honorable Mike Johanns
United States Senator
404 Russell Senate Office Building
Washington, DC 20510

Dear Senator Nelson and Senator Johanns:

I am writing to alert you that the analysis provided by the staff to the members of the NGA Health Care Reform Task Force indicates that the Chairman's Mark released by Senator Baucus this morning contains a new unfunded Medicaid mandate. Earlier this year I wrote both of you expressing my concern that this might occur as a part of health care reform.

I greatly appreciate the fact that both of you have repeatedly expressed concerns about the negative impact that health care reform could have on the Federal deficit and the State budget. As former Governors you understand the impact that Medicaid has on state spending. This new unfunded federal Medicaid mandate could result in higher taxes on Nebraskans or in cutting state aid to Nebraska's school districts as well as state appropriations to our universities, state colleges and community colleges. This proposal is not in Nebraska's best interests.

As we develop more specific information, I will be providing you with our best estimates of the magnitude of the impact on Nebraska. Thank you for your attention to this matter.

Sincerely,

Dave Heineman

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Governor

cc: The Honorable Lee Terry, United States Congressman
The Honorable Jeff Fortenberry, United States Congressman
The Honorable Adrian Smith, United States Congressman

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