

WHEN: Thursday, November 8, 12:15 p.m. - 2 p.m. (Lunch available at noon)

WHERE: Columbus Club, Union Station, 50 Massachusetts Ave., NE

RSVP: By 5 p.m. on Tuesday, November 6. Reply to this email with your contact information, phone 202/466-5626 or register on-line at [www.allhealth.org](http://www.allhealth.org). Seating is limited.

**State Budgets and Health Coverage:  
What Happens If the Money Runs Short?  
A Briefing on How States are Coping with Tighter State Budgets  
In the Face of Increasing Demand for Public Health Programs**

States legislatures and government agencies are working under increasingly tight budgets. And things are likely to get worse before they get better. In fiscal year 2001, 17 states experienced mid-year budget shortfalls; nine of these states had to enact budget cuts as a result. At the same time, state Medicaid budgets are expected to grow in FY 2002 at a rate two to three times higher than other major categories of state spending. Because of the way Medicaid is funded, however, 29 states face a decrease in their federal Medicaid matching rates. Finally, the recent economic slowdown has many states concerned about their ability to maintain current services. They are bracing for a potential increase in demand in the coming months as tens of thousands lose their job-based health coverage.

What are states doing to plan for the expected rise in the number of uninsured while facing significant decreases in expected state revenues? Why are many states experiencing budget shortfalls? Why are some states scheduled to receive a lower federal matching rate for Medicaid? What are state and federal options for dealing with the increased demand for Medicaid coverage even as some matching rates are reduced?

To address these questions and others, the Alliance for Health Reform and the Kaiser Commission on Medicaid and the Uninsured are sponsoring a November 8 luncheon briefing. Panelists include: **Vern Smith** from Health Management Associates, **Barbara Edwards** of the Ohio Medicaid program, and an additional state official. **Ed Howard** of the Alliance and **Diane Rowland** of the Commission will co-moderate the discussion.