

## NEWS RELEASE

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### **PHYSICIANS ANGERED BY PAWLENTY BUDGET BALANCING PLAN**

MINNEAPOLIS—The Minnesota Medical Association, which represents about 11,000 physicians, today announced its strong opposition to Gov. Tim Pawlenty's proposal to misappropriate nearly \$400 million from the Health Care Access Fund to balance the budget.

Gov. Tim Pawlenty's proposal to take hundreds of millions of dollars from the uninsured in the state to help cover the state's projected \$935 million deficit has left many physicians feeling betrayed and angry.

Pawlenty's budget plan's primary budget balancing strategy is to cut health and human services and deplete money set aside to cover the uninsured. Although these services comprise about one-third of state spending, they account for about 56 percent of the cuts and funds transfers Pawlenty has proposed.

Pawlenty expressed regret last year about raiding the Health Care Access Fund (HCAF), but now he has chosen to do it again. Pawlenty would make a one-time withdrawal of \$250 million from the HCAF and shift about \$48 million of annual spending that now

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comes from the general fund to the HCAF for the next three years.

During his time in office, Pawlenty and lawmakers have drained nearly half-a-billion dollars from the fund to balance the budget. Pawlenty also wants to pass an \$88 million tax break, at the same time that he has proposed shifting money away from the uninsured.

“Physicians have written hundreds of letters to lawmakers expressing their anger about the way lawmakers keep breaking promises and repeatedly taking this money to balance the budget instead of using it to provide insurance to the 374,000 Minnesotans who lack coverage,” said MMA President James J. Dehen Jr., M.D.

Physicians can’t believe the government wants to balance the budget with the special 2 percent tax on the sick, which finances the Health Care Access Fund.

“If the state needs revenue for the general fund, this should be a general tax, not a tax on health care providers and patients only,” Dehen said.

MMA President-elect George Schoephoerster, M.D., told a legislative committee on Thursday that taking money from the health care access fund breaks a promise made to providers in the early 1990s and undermines the state’s ability to increase health care access and enact health care reform.

“Not surprisingly, the physicians of Minnesota are outraged,” he said. “This proposal is an affront to all the hard working professionals in the state and their patients on whose backs the costs are ultimately borne.”