

## NEWS RELEASE

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### **DON'T SHRED SAFETY NET PROGRAMS WHEN THEY'RE NEEDED MOST, DOCTORS TELL GOVERNOR**

MINNEAPOLIS—The Minnesota Medical Association (MMA) today sharply criticized the Governor's budget for balancing the budget on the backs of the needy.

“In an economic crisis when people are losing their jobs the state should not cut the safety net out from under them,” said Noel Peterson, M.D., president of the MMA, which represents about 10,000 physicians. “Dropping approximately 90,000 people from public programs in the next two years won't keep them from getting sick and needing medical care.”

The MMA opposes cuts in eligibility for Medical Assistance (Medicaid) and eliminating the MinnesotaCare program for everyone except children. MinnesotaCare, which allows low-income people to buy affordable health insurance on a sliding-scale, is one reason why Minnesota has one of lowest rates of uninsured in the nation—7.2 percent.

“Minnesota has been a leader in making sure its citizens have coverage,” Peterson said.

“It would be short sighted and damaging to the health of Minnesotans to make cuts that

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would swell the ranks of the uninsured.”

People without insurance skip preventive services, delay going to the doctor until they are very sick and often end up in the hospital emergency department where care is most expensive. Cutting people from public programs is especially shortsighted for patients with chronic disease who can often avoid life-threatening and expensive crises if their care is well managed.

“Ignoring the immediate need for health care won't save money in the long run,” Peterson warned. “The costs of providing care to people without insurance are shifted onto private payers, which means higher premiums, especially for small employers.”

The MMA criticized the proposal to eliminate the Health Care Access Fund, which supports the MinnesotaCare program, while continuing the 2 percent tax on medical services that goes into that fund. “It's not right to tax medical services to fund roads, bridges and other general services,” Peterson said. “It puts an extra, unfair burden on the sick.” The MMA supports the MinnesotaCare program, but has long argued that there should be a broad-based funding source.

The MMA also opposes the proposal to cut payments for basic medical services for people in public programs. The safety net is already frayed because payments for medical services in public programs have been increased across-the-board only once in the last 16 years, a 3 percent raise in 2000 while the cost of running a medical practice has gone up nearly 30 percent just in the last 10 years. “Payments don't cover the overall cost of providing care such as paying nurses and staff salary, supplies, equipment rent,” Peterson

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said. "Clinics with a high percentage of patients in public programs are already struggling to survive."

The MMA is calling on lawmakers to take a balanced approach and consider all sectors of the budget as well as the possibility of raising revenue. "The budget should not be balanced on the back of the sick and needy," said Peterson.