Honorable Mike Moore Attorney General State of Mississippi Post Office Box 220 Jackson, MS 39205-0220

Dear General Moore:

I am writing in response to your letter dated January 23, 2002. There are several points I would like to make regarding the current Medicaid situation and the issues raised in your letter.

State law specifically says the Governor and the Joint Legislative Budget Committee shall agree on a revenue estimate for shaping the budget. That was not the case when we met in November 2001, and I believe the budget of the Joint Legislative Budget Committee is not valid until a revenue estimate has been agreed upon.

On Friday, January 11, I stated that I would unveil my budget recommendations for Fiscal Year 2003 on January 25th. Those recommendations provide funding for the necessary services of the people of our state, and at no point do those recommendations call for using the principal of the Health Care Trust Fund.

I have been working for weeks with the legislative leadership and Rica Lewis-Payton to reach a solution for the current Medicaid shortfall. To say that "the time for action has long since passed" is an irresponsible statement. Just yesterday, you attended a meeting in my office with Lieutenant Governor Tuck, Speaker Ford and Ms. Lewis-Payton. Why, when you had the opportunity, did you not raise the concerns mentioned in your letter?

You also ask why no action was taken to deal with the Medicaid problems that were "reasonably anticipated over a year ago." We have taken action. You may recall that Section 43-13-107 of the Mississippi Code established a Medical Care Advisory Committee, with five members appointed by me, three members appointed by the Lieutenant Governor and three members appointed by the Speaker.

Further, the chairmen of the House Public Health and Welfare Committee, the House Appropriations Committee, the Senate Public Health and Welfare Committee and the Senate Appropriations Committee serve on this Advisory Committee as ex officio non-voting members. The leadership of the Advisory Committee will alternate between the House Public Health and Welfare Committee chairman and the Senate Public Health and Welfare Committee chairman.

Ms. Lewis-Payton has worked diligently to keep the members of this Advisory Committee informed as to the fiscal condition of the Division of Medicaid. To imply that the current situation is the result of inaction demeans the work that has been done by Ms. Lewis-Payton, the members of the Advisory Committee and myself. I have said, time and again, that I do not advocate using the principal of the Health Care Trust Fund to make up for budget shortfalls. And, as I mentioned earlier, the budget recommendations to be made public do not call for any use of the principal of the fund.

Finally, I am not going to shut down any "optional services" under Medicaid. I will not ask our hospitals and health care professionals to do their work without our support. I will not allow our children and senior citizens to go without the basic health care they so desperately need. Thousands of our people depend on Medicaid, and I will not be the one to take those services away from them.

I appreciate your concern regarding the current shortfall at Medicaid, and look forward to any suggestions you may have toward reaching a solution. I would invite you to share them with the legislative leadership and me at our next meeting on this issue.