

April 8, 2002

Honorable _____
House of Representatives
P.O. Box ____
Anywhere, MS _____

Dear _____:

Pursuant to Section 47-13-117 of the Mississippi Code, I have been notified by Rica Lewis-Payton, Executive Director of the Division of Medicaid, that if HB 1794, the Medicaid appropriation bill, becomes law as passed, that Medicaid expenditures will exceed Medicaid appropriations by some \$120 million. This \$120 million shortfall, combined with our Washington match, will force us to eliminate \$480 million in health care services for our Medicaid recipients.

I am vetoing HB 1794 because it fails to adequately fund the Division of Medicaid for FY 2003. I am also vetoing SB 2189, the Medicaid Technical Amendment Bill.

Under the law, we will have no other alternative than to cut "optional" services, including nursing home beds, prescription drugs and home health services. This will have devastating impacts on our local communities and citizens. The Division of Medicaid provides assistance to 16,858 nursing home recipients, and we will have to eliminate 13,771 of these beds effective July 1, 2002.

Working together, we reached common ground during this session on several issues that are important to our citizens, including creating jobs, educating children and protecting our citizens. We will have the opportunity to reach common ground on one of the most important issues facing our state - health care - this Friday, April 12. I am asking for your vote to sustain my vetoes of HB 1794 and SB 2189. I believe that by working together, we can once again reach common ground for the good of Mississippi.

Very truly yours,



RONNIE MUSGROVE