



SCOTT WALKER
OFFICE OF THE GOVERNOR
STATE OF WISCONSIN

P.O. Box 7863
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January 9, 2017

The Honorable Kevin McCarthy
Majority Leader
U.S. House of Representatives
H-107, The Capitol
Washington, D.C. 20515

Dear Majority Leader McCarthy,

Congratulations on having a solid majority in the U.S. House of Representatives, the U.S. Senate, and a new President in the White House. What an exciting time.

As I mentioned to the House Republican Conference last year, we were able to achieve great things for our state starting in 2011 when we first held majorities in both chambers and the executive branch. The same is true in many other states where Republican reforms are improving the lives of people all across America.

Now, you and your colleagues have a unique opportunity to achieve great things for the country. Health care, in particular, is an area ripe for real reform and I appreciate your request to hear from the Governors.

The simple message is this: vote to repeal and replace Obamacare immediately and send Medicaid funding to the states in the form of a block grant. Of course, there are more details to each request.

First, I suggest that members of both the House and the Senate take votes as quickly as possible to repeal and replace the so-called Affordable Care Act (remember, my neighboring Governor - a Democrat - said that the Affordable Care Act is no longer affordable). Ideally, you will vote on the legislation yet this month and get it to the desk of the new President to sign shortly after the Inauguration.

While it is important to take quick action on a vote to repeal Obamacare, please also allow a proper amount of time to transition people from the current program to a market-driven system. Time is needed to ensure the credits are in place and ready to work so no one falls through the cracks as we move from a government-driven system to a patient-centered system. Personally, I prefer tax credits similar to those promoted by Secretary of Health and Human Services designee, Dr. Tom Price.

Ensuring that a market-driven system is in place will also preserve important innovations like those we



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have here in Wisconsin. Our unique plan covers everyone living in poverty for the first time in history while simultaneously protecting our taxpayers from the potential future costs incurred by a state exchange or from the Medicaid expansion.

According to the Kaiser Family Foundation, Wisconsin is the only state to not take the expansion that has NO insurance gap. In fact, we have a better health insurance coverage rate than three-quarters of the states that took the expansion and every one of the states that did not. An effective tax credit plan will allow us to maintain our positive numbers.

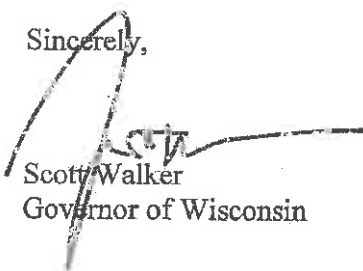
On Medicaid, we respectfully request maximum flexibility through full block grants to each state. President Ronald Reagan reminded us 36 years ago that the federal government did not create the states, the states created the federal government. Sending funding for Medicaid back to the states will ensure that the program is more effective, more efficient, and more accountable to the people.

We want to ensure every working-age adult who is able to work has a job. Wisconsin has invested in employment training because we believe public assistance should be a trampoline, not a hammock.

A Medicaid block grant will allow us to cover those who are truly in need while helping those who are able to transition from government dependence to true independence through hard work. Help us move from a one-size-fits-all approach in Washington to reforms that allow the states to design innovations that work best for our citizens.

Thank you for your thoughtful consideration of our ideas on the Affordable Care Act and Medicaid. Now is the time to act on true reform. I appreciate your leadership!

Sincerely,



Scott Walker
Governor of Wisconsin

cc: Donald J. Trump, President-Elect
The Honorable Mitch McConnell, U.S. Senate Majority Leader
The Honorable Paul D. Ryan, Speaker of the U.S. House of Representatives