SENATE JOINT MEMORIAL 8022

State of Washington 61st Legislature 2010 Regular Session

By Senators Pflug, Stevens, Carrell, Hewitt, Swecker, Delvin, Holmquist, Honeyford, Schoesler, Parlette, King, and Roach

Read first time 01/19/10. Referred to Committee on Health & Long-Term Care.

1 TO THE HONORABLE BARACK OBAMA, PRESIDENT OF THE UNITED STATES, AND 2 TO THE PRESIDENT OF THE SENATE AND THE SPEAKER OF THE HOUSE OF 3 REPRESENTATIVES, AND TO THE SENATE AND HOUSE OF REPRESENTATIVES OF THE 4 UNITED STATES, IN CONGRESS ASSEMBLED, AND TO THE SECRETARY OF THE 5 UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES, AND TO THE 6 GOVERNOR OF THE STATE OF WASHINGTON:

We, your Memorialists, the Senate and House of Representatives of the State of Washington, in legislative session assembled, respectfully prepresent and petition as follows:

10 WHEREAS, The current iteration of House Resolution 3590, the 11 Patient Protection and Affordable Care Act, affords special treatment 12 for the state of Nebraska under the federal Medicaid program henceforth 13 referred to as the "cornhusker kickback"; and

WHEREAS, The attorneys general of thirteen states are contemplating raising a legal challenge to the constitutionality of the cornhusker kickback and have petitioned the House Speaker and Senate Majority Leader to remove this unequal treatment from any final version of federal health care legislation; and

19 WHEREAS, It has been widely reported that Senator Ben Nelson's vote

1 was secured only after receiving the special treatment that guaranteed 2 the federal government would pick up the entire cost of any Medicaid 3 expansion in Nebraska; and

WHEREAS, The Seattle Times editorial board has called the cornhusker kickback the "preferential treatment of one state in order to buy a vote from that state's senator" and has called for a court to strike this provision down if passed into law; and

8 WHEREAS, The Walla Walla Union-Bulletin editorial board claims that 9 "Nelson essentially took a \$100 million bribe" and Nebraska's own 10 Lincoln Journal Star editorialized that the deal was "The embodiment of 11 what is wrong with Washington" and further called on Congress to push 12 the reset button on health care reform; and

WHEREAS, In *Helvering v. Davis*, 301 U.S. 619, 640 (1937), the United States Supreme Court warned that Congress does not possess the right under the Spending Power to demonstrate a "display of arbitrary power"; and

WHEREAS, In South Dakota v. Dole, 483 U.S. 203, 207 (1987) the Supreme Court stated "that conditions on federal grants might be illegitimate if they are unrelated to the federal interest in particular national projects or programs"; and

21 WHEREAS, It is obvious that the federal interest in House 22 Resolution 3590 is not simply requiring universal health care, but also ensuring that the states share with the federal government the cost of 23 24 providing such care to their citizens as evidenced by the fact that 25 this legislation would require every state, except Nebraska, to 26 shoulder its fair share of the increased Medicaid costs the bill will 27 generate; and

WHEREAS, The provision of the bill that relieves a single state from this new cost-sharing program appears to be not only unrelated, but also antithetical to the legitimate federal interests in the bill; and

32 WHEREAS, Practically speaking, the deal struck by the United States 33 Senate on the "cornhusker kickback" is a disadvantage to the citizens 34 of forty-nine states because every state's tax dollars, except 35 Nebraska's, will be devoted to cost sharing required by the bill, and 36 will be therefore unavailable for other essential state programs; and 37 WHEREAS, Only the citizens of Nebraska will be freed from this 38 reduction of state resources for critical state services and since the

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only basis for the Nebraska preference is arbitrary and unrelated to the substance of the legislation, it is unlikely that the difference would survive even minimal scrutiny; and

WHEREAS, Other provisions that afford special treatment are prevalent in House Resolution 3590 such as the \$300 million Louisiana Purchase which secured Senator Mary Landrieu's vote for health care legislation, in addition to the favorable treatment of Medicare Advantage plans in Florida, New York, and Pennsylvania;

9 NOW, THEREFORE, Your Memorialists respectfully pray that Congress 10 make haste in removing from health care legislation the cornhusker 11 kickback and other current kickback provisions that afford special 12 treatment to individual states while strictly prohibiting any further 13 provisions that would seek to purchase the votes of members of Congress 14 with disparate treatment of a particular state or congressional 15 district.

BE IT RESOLVED, That copies of this Memorial be immediately transmitted to the Honorable Barack Obama, President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and each member of Congress from the State of Washington, the Secretary of the United States Department of Health and Human Services, and the Governor of the State of Washington.

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