

March 14, 2016

Dear Member of Congress:

I urge you to support H.R. 4725, the “Common Sense Savings Act,” introduced by Energy and Commerce Health Subcommittee Chairman Joe Pitts (R-Pa.). **This legislation contains five important reforms that collectively will save close to \$30 billion over the next ten years.**

Most importantly, the Common Sense Savings Act repeals Obamacare’s Prevention and Public Health slush fund. Currently, \$2 billion is sent to the fund each year in perpetuity which the Department of Health and Human Services is free to spend as they see fit, without any oversight.

The complete lack of oversight over this money has led to concerns that the administration is using this money to push partisan, politicized policies. Repealing this slush fund will save more than \$14 billion over the next ten years.

Second, this legislation close a loopholes that excludes irregular, lump sum income, such as lottery or gambling winnings from income determining Medicaid eligibility. This is estimated to save \$475 million over ten years.

Third, the Common Sense Savings Act eliminates enhanced federal matching funds for the coverage of prisoners under Obamacare’s Medicaid expansion. Currently, the federal government is covering 100 percent of these expenses. Eliminating enhanced matching saves more than \$2 billion over ten years.

Fourth, the legislation reduces the Medicaid provider tax threshold from 6 percent of net patient service revenues to 5.5 percent, the rate it was in 2011. This important adjustment saves \$4.6 billion.

Lastly, H.R. 4725 sunsets Obamacare’s enhanced federal match for the Children’s Health Insurance Program (CHIP), which has granted 12 states entirely federally financed CHIP programs. The Congressional Budget Office estimates this extra money does nothing to increase enrollment in the program and only further burdens the overstretched federal budget. Returning to the original state-federal financing agreement saves more than \$14 billion.

Together, these reforms will save billions each year and ensure that finite federal resources are more responsibly spent. Please join me in supporting this important legislation.

Onward,



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