



# NJ For Health Care

[njforhealthcare.org](http://njforhealthcare.org)

AARP New Jersey  
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Alliance for Retired Americans  
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CDI Head Start Serving  
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America, Local 1034  
Communications Workers of  
America, Local 1037  
Elder Rights Alliance  
Family Voices NJ  
First Presbyterian Church,  
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Next Step  
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Alice Paul Chapter  
Spanish American Social Cultural  
Association (SASCA)  
Statewide Parent Advocacy Network  
The Workman's Circle/Arbeter Ring  
Branch 1091  
The Workmen's Circle/Arbeter Ring  
Women's Fund of New Jersey

Wednesday, May 6, 2009

c/o Eve Weissman  
NJ Citizen Action  
75 Raritan Ave, Suite 200  
Highland Park, NJ 08904

Dear Senator,

On behalf of the **NJ For Health Care Coalition**, we urge you to preserve and protect programs that serve our state's most vulnerable residents in New Jersey's Fiscal Year 2010 State Budget. With record high unemployment, thousands of New Jersey residents are losing their jobs and health care for themselves and their families. In December 2008 and January 2009 alone, it is estimated that 650 New Jersey residents a day lost their health coverage. Given the current economic climate, it is absolutely the wrong time to freeze enrollment in NJ FamilyCare for low income working parents or implement co-payments for those who can least afford them.

**Proposals to cut NJ FamilyCare (NJFC) funding in the FY10 Budget, freezing enrollment of parents between 150%-200% of the federal poverty level (FPL), should not be implemented.** The NJ Department of Human Services (DHS) estimates that this proposal will save \$9 million in state funds. **However New Jersey will lose almost twice that in federal matching funds (\$17 million). More importantly, an estimated 17,000 parents would be denied FamilyCare in the first year alone.** Research consistently demonstrates that the participation of parents in NJ FamilyCare is critical to the success of enrolling children.<sup>1</sup>

**We also urge you to eliminate proposed co-payments for Medicaid recipients and those in the AIDS Drug Distribution Program (ADDP).** Co-payments will harm New Jersey's most vulnerable residents, forcing our neediest citizens to make unreasonable choices between paying for health care and other necessities. Co-pays do not result in actual savings in the long run, because when people are forced to cut back on medications, there is an increase in preventable hospitalizations and emergency room visits. These costs, consequences of implementing Medicaid and ADDP co-pays, will add financial burden to New Jersey taxpayers.

**We urge you to oppose these budget proposals and restore funding for NJ FamilyCare, Medicaid, and the ADDP Program. We urge you to stand behind the promise of the 2008 health care reforms (S-1557) to bring health care to all of New Jersey's children and expand access to coverage to low income working families.**

New Jersey has a long-standing history of supporting preventative health care and ensuring that individuals, particularly the most vulnerable, receive quality health care services. Our state has been a leader in this arena and has a proud history that we must protect.

Freezing parent eligibility in NJ FamilyCare will ultimately increase costs for the State. In addition to leaving federal matching funds on the table, freezing eligibility for parents will result in higher charity care costs. The Charity Care Program offsets the fiscal impact hospitals incur while meeting their legal obligation to treat everyone regardless of ability to pay. Individuals denied access to affordable primary and preventative care often seek treatment for non-emergent medical needs in the emergency room and/or arrive at the hospital with costly medical conditions which could have been ameliorated if treated sooner. Charity care, funded entirely with taxpayer dollars, is an inefficient use of resources. 96.3% of all Charity Care dollars are used to pay for the care of persons with incomes below 200% FPL. Thus, maintaining eligibility for parents in NJFC helps offset and redirect charity care funding without causing an additional burden to hospitals. New Jersey has seen a direct impact on the cost of charity care through the incremental expansion of eligibility for parents in NJFC. When the expansion began in January 2006, more than 60,000 new parents enrolled in the program as of July 2007 and documented charity care for this period decreased \$71 million.<sup>1</sup>

**The NJ For Health Care Coalition calls for a budget that is equitable and responsible. The 2010 budget's proposed FamilyCare freeze and Medicaid and ADDP co-pays are the wrong choices for New Jersey. These proposals, if enacted, will make quality, affordable health care less rather than more accessible to residents on fixed incomes, low income working families and the ranks of the unemployed. Moreover, these cuts will result not in a savings for the State but cost increases for the State and taxpayers due to the inevitable higher costs that we will bear as a result of caring for the health care emergencies and serious illnesses that would have been avoided had these individuals and families had access to affordable insurance coverage.**

The **NJ For Health Care Coalition** is a broad-based alliance of health care, consumer, senior, student, disability, women's, labor, faith-based, civil rights and social justice organizations working to bring guaranteed, high quality, affordable health care to all New Jersey residents. While we support the proposal to eliminate premiums for children in NJFC under 200% FPL we can't support proposals that give with one hand and take with the other. For more information please contact NJ Citizen Action Health Care Campaign Coordinator, Eve Weissman at (732) 246-4772 or [eve@njcitizenaction.org](mailto:eve@njcitizenaction.org)

Respectfully,

*Phyllis Salowe-Kaye*

Phyllis Salowe-Kaye  
Executive Director  
NJ Citizen Action

*Diana MTK Autin*

Diana MTK Autin  
Executive Co-Director  
Statewide Parent Advocacy Network

*Lowell Arye*

Lowell Arye  
Executive Director  
Alliance for the Betterment of Citizens With Disabilities

*David Knowlton*

David Knowlton  
CEO and President  
NJ Health Care Quality Institute

*Sy Larson*

Sy Larson  
State President  
AARP NJ

*Ken Mcnamara*

Ken Mcnamara  
President  
CWA Local 1037

*Morris Kafka*

Morris Kafka  
Chair  
Second Ward Neighborhood Block Club

*Josh Haimson*

Josh Haimson  
Central NJ for Change Coordinating Committee

*Jeanne Oterson*

Jeanne Oterson  
Public Policy Director  
Health Professionals and Allied Employees

*Lauren Agoratus*

Lauren Agoratus  
NJ State Coordinator  
NJ Family Voices

*The Rev. Bruce H. Davidson*

The Rev. Bruce H. Davidson  
Director  
Lutheran Office of Governmental Ministry in NJ

*Mary E. Coogan*

Mary E. Coogan, Esq.  
Assistant Director  
Association for Children of New Jersey

*Kathy Grant-Davis*

Kathy Grant-Davis  
President and CEO  
NJ Primary Care Association

*Ethan Ellis*

Ethan Ellis  
President & Chief Organizer  
Next Step and Alliance for Disabled in Action

*Martin Cramer*

Martin Cramer  
Co-Convener  
Elder Rights Alliance of New Jersey

*Mary Forsberg*

Mary Forsberg  
Interim President  
NJ Policy Perspective

*Marcia Marley*

Marcia Marley  
President  
BlueWaveNJ

CC:

Governor Jon Corzine, Office of the Governor  
Commissioner Heather Howard, NJ Department of Health and Senior Services  
Commissioner Jennifer Velez, NJ Department of Human Services

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<sup>1</sup> Health Care Coverage For All: A Blueprint for New Jersey, Joseph F. Vitale & David L. Knowlton, March 17, 2008. [Click here for report.](#)