



Office of the City Clerk

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Legislation Text

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**A RESOLUTION BY THE CHICAGO CITY COUNCIL
URGING THE ILLINOIS GENERAL ASSEMBLY TO
MAINTAIN FULL MEDICAID FUNDING April, 2015**

WHEREAS, high quality, accessible healthcare is critical to the well-being of Chicago residents, the local and state economies and to a prosperous and vibrant future for the City of Chicago; and

WHEREAS, hospitals in the City of Chicago and hospitals throughout the state have been recognized for providing high quality, accessible health care to Illinoisans; and

WHEREAS, hospitals in the City of Chicago and hospitals throughout the state face significant budgetary and health care challenges that demand flexibility and innovative solutions; and

WHEREAS, the state administration in Springfield has proposed a 2016 budget that radically cuts state Medicaid funding to hospitals, including those in the City of Chicago, by nearly \$800 million, which could result in the loss of more than 12,500 jobs and \$1.7 billion in economic activity statewide; and

WHEREAS, Medicaid improves health and access to health services, lowers infant, child and adult mortality rates and increases the use of critical preventive services, such as prenatal care; and

WHEREAS, Medicaid coverage also virtually eliminates catastrophic out-of-pocket medical expenditures for beneficiaries, providing much-needed financial security and peace of mind; and

WHEREAS, over 3.1 million Illinois residents have Medicaid coverage in some form, with approximately one million of those being Chicago residents; and

WHEREAS, the administration's budget proposal would impose a devastating human cost on Illinois residents by compromising or eliminating access to care; and

WHEREAS, hospitals in the City of Chicago and hospitals throughout Illinois are the cornerstone of a strong and vibrant local and state health care delivery system; and

WHEREAS, hospitals, in good faith and partnership with the General Assembly, have engaged in many collaborations to help the state finance the Medicaid program, including absorbing \$380 million in Medicaid cuts since 2011, and bringing the state more than \$1 billion in federal funds annually, including \$400 million to non-hospital providers through the Hospital Assessment Program; and

WHEREAS, hospitals across Illinois are major economic engines and employers for local communities and the state, with hospitals in the City of Chicago serving as one of the largest employers in the community, supporting an estimated 112,775 in direct and secondary jobs, and with hospitals statewide providing nearly 450,000 direct and indirect jobs and generating more than \$83 billion in economic impact annually; and

WHEREAS, these Medicaid cuts could jeopardize access to health care services and good paying, professional jobs; and

WHEREAS, uncertainty in state Medicaid reimbursements could potentially make hospitals vulnerable to credit downgrades, higher interest rates and loss of access to the capital markets, which could halt capital and construction projects and limit the direct and indirect economic benefits generated by this key sector across the state; and

WHEREAS, hospitals cannot absorb these Medicaid cuts, provide quality care to Chicago residents and transform the Medicaid program and health care delivery at the same time; therefore, be it
George A. Cardenas 12th Ward Alderman

RESOLVED that the Chicago City Council urges the Illinois General Assembly to oppose and reject the administration's proposed Medicaid funding cuts to hospitals.