



## The Stouffer Report:

### *Fed Bailout Money and The Future of Health Care*

The General Assembly has finished the budget for Fiscal Year 2010. This was a little tougher than it was over the past four years for two reasons: a recession and a bunch of money from the federal government.

The balanced budget we sent to the governor totals \$23.1 billion. We came into this legislative session knowing state revenue would be down to the tune of \$800 million. Then, Congress passed the [American Recovery and Reinvestment Act](#), which will send just over \$4 billion in so-called “stabilization” and “stimulus” funding to Missouri over the next two years. We were able to get several million to [MoDOT](#) for transportation projects. Other portions of this federal funding will be apportioned to cover budget shortfalls for various state programs and services, and to fund capital improvement projects around the state. As you might imagine, much of this money has strings attached.

Unfortunately, we had our backs against the wall when it came time to tell the feds to keep their—our—money, since it is all tax money we have already paid, or will be paying, to the IRS. Had we in the Legislature voted against a couple of supplemental budget bills (House Bills [21](#) and [22](#)), discretion to spend the federal money would have gone to the governor. Any money he may have turned down would then simply have gone to other states. To sum up the use of federal recovery money, we’ve made the best of a flawed plan.

Another piece of the budget puzzle this year came in the form of [House Bill 11](#), which funds social services, and is one of the 13 core bills that make up the state’s operating budget. There was a provision in HB 11 that would have expanded health care to a number of folks without raising taxes. We passed the idea in the Senate; the House then turned it down. So, in order to get the budget done before a constitutional deadline,

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-  Local News
-  Visit the Capitol
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we took the provision out under a working agreement with the House to pass some form of [Senate Bill 306](#), which deals exclusively with health care and private-public partnerships as the answer to getting health care coverage to more folks.

Debating whether or not we should add some 35,000 people to the eligibility rolls for health care brings up a good question: is this an expansion of government? Some folks say yes. Others say, since there would be no tax increase, it is not. We have to be very careful with what we do in state government, because there are a lot of ideas being floated and turned into legislation at the federal level, including the concept of nationalized health care. We are hearing how this recession has drained the [Social Security](#) and [Medicare](#) reserve funds to where both programs could be insolvent in short order if things don't turn around soon. All of this could mean massive tax increases and dramatic shifts in power at the federal level.

Here in Missouri, lawmakers must carefully weigh the moral merits of extending the reach of health care against the daunting consequences of running up tabs our children—and their children—would be saddled with. I don't think expanding government is the answer to anything. But if it is possible to get more Missourians eligible for health care—without raising taxes or adding bureaucracy—then it should be something we consider. Bottom line: we have an obligation in state government to spend taxpayer dollars responsibly, and this is what I intend to do as long as I am in the Missouri Senate. The best thing we can do is help folks get a job, if they are able, instead of making the poor poorer. We can't all be on welfare.

*Senator Stouffer serves the counties of Carroll, Chariton, Cooper, Howard, Lafayette, Macon, Ray, Saline, and a part of Clay.*

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