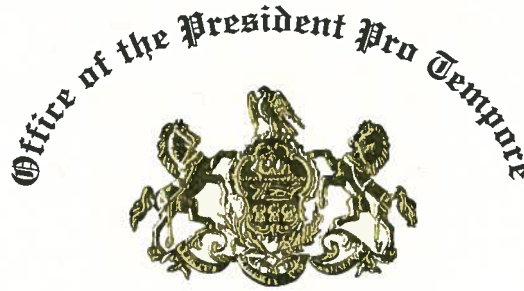


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Senate of Pennsylvania

February 20, 2009

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Governor Edward G. Rendell
225 Main Capitol
Harrisburg, PA 17120

Dear Governor Rendell:

During these tough economic times it is incumbent upon the Governor and the legislature to enact proposals which will ensure that state government is providing strict oversight of the expenditure of taxpayer dollars. It is with this goal in mind that I have reintroduced Senate Bill 9, "The Proof of Citizenship for Receipt of Public Benefits Act".

Pennsylvanians reacted with shock and anger last month to the report released by Auditor General Jack Wagner on his office's audit of Medicaid payments disbursed by the Department of Public Welfare (DPW). The audit found that DPW failed to make proper Medicaid eligibility determinations on more than 1,600 Medicaid applicants over a three-year period, resulting in \$3.3 million in improper payments made on behalf of ineligible recipients. Errors were discovered in over 14% of all cases studied. A closer look at the report's findings reveals that in nearly 2% of those cases, DPW failed to verify citizenship or identity of the Medicaid recipient. This blatant dereliction of duty by DPW creates the very real possibility that illegal aliens could be receiving taxpayer-funded Medicaid benefits from the Commonwealth.

I am in total agreement with the sentiments of Auditor General Wagner when he called on DPW to immediately tighten oversight of Medicaid eligibility rules. In fact, that is exactly what SB9 accomplishes. The legislation requires that anyone applying for public benefits, such as Medicaid, provide identification and a sworn affidavit stating that they are legally present in the United States. Unfortunately, when this legislation was being considered last year, numerous officials in your Administration made the claim that SB9 was an attempt to address a problem which did not exist. Now that clear evidence has been produced to the contrary, it is my hope that you will work with me in enacting legislation which will ensure that only those who are legally eligible to do so are receiving state benefits in Pennsylvania.

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Another popular argument which your Administration likes to cite against SB9 is the alleged cost of implementation to the Commonwealth. Originally estimated at \$19 million, the latest version of a fiscal note produced by your office on SB9 projected its cost to the general fund at \$10 million. This is another case in which facts have come to light that suggest otherwise. The Pennsylvania Higher Education Assistance Agency (PHEAA) has provided my office with information which they had supplied to the Administration, at your request, detailing the estimated costs of SB9 to PHEAA. Curiously, the fiscal note distributed by your staff has inflated those projected costs by some three times.

As you know, SB9 was passed in the Senate by a vote of 39-10 last session after months of long and careful review, including a public hearing, several meetings in which your staff participated, and multiple amendments, some suggested by your Administration. However, the bill failed to be acted upon in the House of Representatives after being referred to the House State Government Committee on April 15, 2008.

SB9 continues to enjoy strong bipartisan support in the Senate, as evidenced by the long list of members who have signed on as cosponsors of the legislation again this session. It is my hope that with your support, SB9 can overcome any hurdles it may face in the House of Representatives and ultimately land on your desk for your signature into law. I welcome your input and support in passing this legislation.

Sincerely,



Joe Scarnati
Senator – 25th District

cc: Secretary Estelle B. Richman, Department of Public Welfare