

October 3, 2011

The Honorable Patty Murray
The Honorable Jeb Hensarling
Co-chairs Joint Select Committee on Deficit Reduction

Dear Chairwoman Murray, Chairman Hensarling, and members of the Joint Select Committee on Deficit Reduction,

We are writing to ask for your leadership in crafting a debt reduction package that protects the most vulnerable Americans, creates and protects jobs and does not roll back the progress we have made in providing health security to the American people. As organizations working to promote health security and economic justice for America's working families as well as for the unemployed, people with disabilities and older adults, we watched the recent debate over raising the debt ceiling with great concern.

The agreement that was ultimately reached made cuts to the budget without asking millionaires, billionaires and big corporations to pay their fair share, a goal strongly supported by the American people. Instead, it embodies a single-minded focus on budget cuts that will disproportionately affect those of modest means without any shared sacrifice from the wealthiest households and corporations, many of which benefit from generous federal tax subsidies. Perhaps even worse, the greatest immediate threat to the well-being of average Americans—the persistent high rate of unemployment and underemployment—was utterly ignored. As you develop your own proposals to submit to Congress, we urge you not to compound the weaknesses of the debt reduction agreement. **Specifically we urge you to:**

Insist on an approach that demands *real* shared sacrifice: The debt reduction plan must be based on progressive revenue increases such as closing corporate tax loopholes and ending tax giveaways to the wealthiest Americans.

Reject approaches to further debt reduction that seek to reduce federal health spending by shifting costs onto state Medicaid programs and onto Medicare and Medicaid beneficiaries. Health care savings should be achieved in the short run by stepping up our efforts to weed out low-value spending such as improper payments, preventable errors and excess payments to pharmaceutical companies. In the longer run these efforts to reduce public sector spending must be accompanied by additional steps to reduce the cost of health care and improve the health of the American people.

Reject approaches to further debt reduction that would undermine the Affordable Care Act including provisions that will make health insurance more affordable and those that will promote the overall health of the population. The Affordable Care Act represents a long-overdue commitment to health security for the American people and will help reduce our deficit and constrain rising health care costs. Now is not the time to turn back.

Avoid further undermining employment and health security by prematurely reducing public sector spending. At a time of slow growth and high unemployment, the last thing we need is to pull money and jobs out of our economy.

The American people understand that our nation is facing a massive unemployment crisis. They want their elected leaders to fight to create jobs. They want affordable, high quality health care. By large margins they oppose austerity policies like those imposed on the country through the debt ceiling agreement.

We are united in opposing any new agreement that hurts low-income and middle-class families and small business, destroys jobs, increases poverty, or undermines Medicare, Medicaid, the Affordable Care Act or Social Security. We urge our Members of Congress to oppose any deficit reduction agreement that does not meet these common sense criteria and we strongly urge you to include these principles in your own proposal to Congress so that the final outcome will have the support of the American people.

Sincerely,

Alliance for a Just Society
American Federation of State, County and Municipal Employees
Asian & Pacific Islander American Health Forum
Campaign for America's Future
Campaign for Community Change
Caring Across Generations
Community Catalyst
Community Organizations in Action
Families USA
Health Care for America Now
Main Street Alliance
National Council of La Raza
National Domestic Workers
PICO National Network
SEIU
The New Bottom Line