



A Passionate Voice for Compassionate Care

March 25, 2015

U.S. House of Representatives
Washington, DC 20515

Dear Representative:

On behalf of the Catholic Health Association of the United States (CHA), the national leadership organization of more than 2,200 Catholic health care systems, hospitals, long-term care facilities, sponsors, and related organizations, I applaud the bipartisan efforts of the House Leadership to permanently repeal and replace the Medicare physician payment formula, specifically the sustainable growth rate (SGR), to ensure adequate Medicare reimbursement for physicians who treat our seniors.

We urge you to approve immediately H.R. 2, the Medicare Access and CHIP Reauthorization Act. In addition to the bipartisan SGR repeal and replace legislation, the bill includes a critical funding extension of the state Children's Health Insurance Program, as well as Medicare and Medicaid provisions that would ensure low-income Medicare beneficiaries receive premium support from Medicaid; low-income families continue to receive Medicaid coverage as they transition from TANF to work; and Medicaid disproportionate share hospital payments remain intact until FY 2018.

While this legislation includes a two year funding extension of the state Children's Health Insurance Program (CHIP), **we continue to believe that CHIP must be extended through the FY 2019 authorization period in order to ensure adequate, affordable coverage and a responsible transition for children to family coverage.** Since its bipartisan inception in 1997, CHIP has been a reliable source of coverage for low-income children in working families whose parents earn too much to qualify for Medicaid, but too little to afford private health insurance. Nearly 90 percent of the over 8 million children enrolled in the CHIP program in 2013 were in families with annual incomes at or below 200 percent of the federal poverty level (\$39,060 for a family of three). The funding for the program is currently set to expire *this* year, so time is of the essence.

We are also disappointed that funding for hospitals and long term care facilities will once again be reduced as an offset. Congress has spent nearly \$170 billion in short-term patches to prevent steep cuts in physician reimbursements due to the flawed SGR since 2003, with the majority of the dollars to pay for these patches coming from cuts to other Medicare and Medicaid providers. Hospitals, specifically, have had over \$120 billion in Medicare and Medicaid cuts imposed since 2010, and post-acute and long-term care providers have shouldered similar reductions—from the 2 percent Medicare sequestration cuts scheduled to last until 2024 to an 11 percent across-the-board cut in payments to skilled nursing facilities. Hospitals and long term care facilities cannot continue to absorb such funding cuts.

Sincerely,

A handwritten signature in black ink that reads "Sr. Carol Keehan". The signature is written in a cursive, flowing style.

Sr. Carol Keehan, DC
President and CEO