

April 4, 2008

Dear Chairman Dingell and Representative Murphy:

On behalf of the Catholic Health Association (CHA), the national leadership organization of more than 2,000 Catholic health care sponsors, systems, hospitals, long-term care facilities, and related organizations, I am writing to thank you for introducing the Protecting the Medicaid Safety Net Act of 2008 (HR 5613). CHA strongly supports this effort to impose a one-year moratorium on seven Medicaid regulations recently issued by the Centers for Medicare and Medicaid Services. These regulations would limit Medicaid payments for targeted case management services; rehabilitation services; school-based transportation and outreach services; governmental providers; provider taxes; and hospital outpatient services.

The Catholic health ministry forms an important part of America's safety net institutions with many Catholic hospitals serving a disproportionate share of low-income, uninsured, and underinsured individuals in their communities every day. Our commitment to serving the low-income, vulnerable individuals assisted by the Medicaid program reflects the mission-oriented nature of our Catholic health care facilities, and we firmly oppose any measures that would undermine our ability to care for these populations. The proposed regulations single out safety-net hospitals for drastic reductions in reimbursement, thus jeopardizing care for millions of needy Americans with no other place to turn for their health care services. In addition, Medicaid revenues are a crucial source of funding for nursing homes, intermediate care facilities, and school-based clinics. The regulations would impose significant financial strain on many states and leave them with gaping holes in their Medicaid budgets. As a result, states will be forced to reduce Medicaid eligibility and coverage levels, thereby adding to the number of uninsured and underinsured in our country.

HR 5613 would extend certain moratoria and impose additional ones to prevent implementation of these harmful regulations until April 1, 2009. We support this legislation as a means to help preserve Medicaid services for the most vulnerable in our country. If I can be of any further assistance in supporting HR 5613, please do not hesitate to contact me.

Sincerely,

Michael Rodgers
Senior Vice President, Public Policy and Advocacy