

U.S. House of Representatives
Washington, DC 20510

Dear Representative:

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 express CHA's strong support for efforts to impose a one-year moratorium on seven Medicaid regulations 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. CHA supports provisions contained within the Supplemental Appropriations Act of 2008 to prevent implementation of these regulations, as well as the provision added in the Senate Finance Committee to nullify the August 2007 Administration directive to limit eligibility for the State Childrens Health Insurance Program (SCHIP).

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.

The Catholic health ministry also supports efforts to provide children from low-income families with health coverage through SCHIP. Unfortunately, the Administration's directive of August 17, 2007 to state health officials would have the effect of limiting eligibility for SCHIP to those earning less than 250 percent of the federal poverty level and result in the loss of coverage for tens of thousands of children. During a time of economic uncertainty and continuing increases in the number of uninsured individuals, implementation of this directive would be a step backward as we continue to search for ways to provide health coverage for everyone, particularly our nation's children.

Provisions within the supplemental legislation would extend certain moratoria and impose additional ones to prevent implementation of these harmful Medicaid regulations and SCHIP directive until 2009. We support these provisions as a means to help preserve Medicaid and SCHIP services for the most vulnerable in our country, and urge Congress to ensure their inclusion in any final version of the legislation. If I can be of any further assistance in this matter, please do not hesitate to contact me.

Sincerely,

Michael Rodgers
Senior Vice President, Public Policy and Advocacy