Congress of the United States
Washington, DC 20515

[[DATE]]

The Honorable Mike Johnson
Speaker of the House
U.S House of Representatives
Washington, D.C. 20515

The Honorable Hakeem Jeffries
Democratic Leader
U.S House of Representatives
Washington, D.C. 20515

Dear Speaker Johnson and Democratic Leader Jeffries:

We write to thank you for your continued support of our nation's health care providers and the countless individuals they serve. With this in mind, we are writing to urge you to take action on upcoming cuts to Medicaid Disproportionate Share Hospital (DSH) payments, slated to start on January 1, 2025.

Hospitals that receive Medicaid DSH funding treat the most vulnerable patients in our communities, including children, the elderly and the disabled. They shoulder the burden of significant uncompensated care costs, while offering vital services to their patients. While Medicaid DSH does not always cover all of the uncompensated care that DSH hospitals provide, such payments help ensure these hospitals are able to continue serving large numbers of low-income and uninsured patients.

Since 2013, Congress has acknowledged the importance of maintaining Medicaid DSH payments by repeatedly passing legislation to delay statutory cuts from going into effect. On January 1st, Medicaid DSH hospitals are again subject to an $8 billion annual cut—which amounts to nearly half of the federal DSH funding. These cuts will persist through FY2027 and will impact states and hospitals across the country. In fact, according to the Medicaid and CHIP Payment and Access Commission (MACPAC), some states will face cuts of 60 percent of their current DSH allotments if the reductions take effect.

Our nation's Medicaid DSH hospitals, many of which are the backbone of rural and urban communities alike, simply cannot absorb losses of this magnitude. We ask that you work to prevent these DSH cuts, to ensure our hospitals can continue their mission of providing care for the most vulnerable among us.

We look forward to collaborating on a solution and appreciate your attention to this pressing issue.

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