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January 29, 2025

The Honorable John Thune Majority Leader United States Senate Washington, DC 20510

The Honorable Charles Schumer Democratic Leader United States Senate Washington, DC 20510 The Honorable Mike Johnson Speaker United States House of Representatives Washington, DC 20515

The Honorable Hakeem Jeffries Democratic Leader United States House of Representatives Washington, DC 20515

Dear Majority Leader Thune, Speaker Johnson, Democratic Leader Schumer, and Democratic Leader Jeffries,

On behalf of the more than 200 children's hospitals and the children and families we serve, the Children's Hospital Association (CHA) congratulates you on the start of the 119th Congress. We look forward to working with you to ensure all children are able to access the health care they need, especially the millions of children covered by Medicaid. Medicaid offers essential health care coverage to 37 million children, including coverage for almost half of all U.S. children with special health care needs, nearly three million children in military-connected families, and almost half of the children from small towns and rural areas. We thank you for your support of bipartisan policies to improve Medicaid for children and ask you to immediately advance the strongly bipartisan Accelerating Kids Access to Care Act and stop pending Disproportionate Share Hospital (DSH) cuts while also remaining vigilant on protecting the Medicaid program for children.

We believe every child deserves a safe and healthy childhood. This starts with ensuring children have access to nutritious food, preventive care, and specialty care. Medicaid is the foundation for providing various types of preventive and specialty care, and we look forward to working with you to support and strengthen this vital program. On average, Medicaid covers over half of all inpatient days and emergency visits at children's hospitals. Therefore, Medicaid support is vital to children's hospitals' ability to provide care to every child who needs it.

Pass Accelerating Kids' Access to Care

Thank you for your strong support for the Accelerating Kids' Access to Care Act. We ask you to immediately pass the bipartisan and bicameral Accelerating Kids' Access to Care Act. This bill has been vetted through the committee process, passed the House last year with a wide bipartisan margin, and was a consistent part of end-of-year negotiations. As you know, children and families relying on Medicaid often must travel to different states to receive care when the services they need are not available in their own state. This is particularly true for children with medically complex conditions, like cancer or other rare diseases, who must regularly access highly specialized providers found in children's hospitals, which often treat children from many different states at any given time.

Today, children on Medicaid needing care outside their home states often experience delays because some state Medicaid programs require out-of-state providers to be screened and enrolled into their program even if the provider is already enrolled and in good standing with their home state Medicaid program and Medicare.

The Accelerating Kids' Access to Care Act would:

- Create a new pathway for pediatric providers to enroll in multiple state Medicaid programs if certain requirements are met, including that they are in the lowest category for potential program integrity issues and are enrolled in their home state Medicaid program.
- Only focus on the screening and enrollment of providers and not on the authorization of care by an out-ofstate provider nor payment rates for any such care, leaving both issues within the purview of state Medicaid agencies.

The Accelerating Kids' Access to Care Act has strong bipartisan support and **passed the House of Representatives by voice vote in September 2024 with the strong leadership of Reps. Trahan, D-Mass and Miller-Meeks R-Iowa, and Sens. Grassley, R-Iowa and Bennet, D-Colo.** We ask that you pass this legislation swiftly to improve children's access to essential health care while eliminating administrative burdens for providers and states.

Prevent Pending Medicaid DSH Cuts

Hospitals are facing **\$8 billion in annual payment cuts to the Medicaid Disproportionate Share Hospital program**, which are scheduled to begin April 1, 2025. These cuts would be devastating to many children's hospitals and their ability to provide care to the children they serve. We appreciate the calls from hundreds of bipartisan members of Congress to prevent these cuts. **We ask Congress to act immediately to stop these cuts**. America's children, their families, and the hospitals that serve them cannot wait.

Protect Medicaid for Children

The strong Medicaid program is critical to ensuring a healthy workforce in the future, an effective military to protect our country, and to prevent longer-term more costly chronic illnesses in adulthood. We are concerned about potential changes to Medicaid that would threaten the federal investment in the program that directly impacts children's ability to access needed care and our hospitals' ability to serve all children. Children make up almost half of all Medicaid beneficiaries while accounting for only 20 percent of the spending. Children rely on the health coverage provided by the program. Many children with complex needs are only able to receive the specialty and support services needed due to the Medicaid program, even those with private insurance as their primary payer.

We are particularly concerned about per capita caps, reductions in Federal Medical Assistance Percentage support, and any changes to provider taxes and state-directed payments that directly impact children's hospitals' ability to fulfill their missions for children. Please consult us as you look at Medicaid policies and seriously consider any overall changes that may impact children and the providers who care for them. We share your desire to ensure our nation's children are healthy and able to thrive into adulthood.

Thank you for your consideration of our requests on behalf of the nation's children's hospitals and we stand ready to partner with you to protect and strengthen Medicaid for children.

Sincerely,

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Matthew Cook President and CEO Children's Hospital Association