Support Children’s Health and Children’s Hospitals in COVID-19 Emergency Relief

Protecting children’s care in this crisis environment requires supporting pediatric providers and simultaneously avoiding policy changes undermining our pediatric health care infrastructure. Children's hospitals ask Congress to provide COVID-19 relief funding to children’s hospitals and block cuts and changes to Medicaid that could harm children’s health care.

Provide relief in the next COVID-19 package to help mitigate upwards of $10 billion in damages incurred by children’s hospitals.

The pandemic has created catastrophic financial damages on children’s hospitals. Since mid-March when deferred care and stay-at-home orders were issued, children’s hospitals have sustained approximately $5 billion in revenue losses. We anticipate a similar level of revenue losses over the remainder of 2020. COVID-19 relief provided to date has only mitigated a minor portion of the children’s hospital damages because the CARES Act did not provide for sufficient intent to include children’s hospitals. Congress must make certain children’s hospitals receive or are sufficiently included to ensure proportional support in the next package.

Stabilize and Support Medicaid

Children’s hospitals are major Medicaid providers, with nearly 60% of our patients relying on Medicaid coverage. Congress must assist states in stabilizing the program while ensuring continued funding to providers and maintaining children’s access to needed care.

Block implementation of the Medicaid Fiscal Accountability Regulation (MFAR)

As major Medicaid providers, children’s hospitals support the goals of accountable public programs. However, MFAR as currently scoped goes well beyond reporting requirements and could dramatically reduce the resources available to states and providers at this crucial moment.

Enact MACPAC recommendation on Medicaid disproportionate share (DSH) third-party payments

This recommendation addresses a CMS policy that has eliminated or significantly reduced children’s hospitals’ DSH payments, threatening their ability to serve children. Adopting the Medicaid and CHIP Payment and Access Commission (MACPAC) recommendation would minimize further impact on children’s hospitals and their patients.

Defer additional Medicaid DSH cuts scheduled to take effect later this year

Children’s hospitals rely on DSH to address the shortfall between what Medicaid pays and the costs of care. DSH payments are critical to children’s hospitals’ ability to continue to provide vital services for children, which are even more essential during this national crisis.

Increase the federal Medicaid match to states

Given the scope of the challenges facing states and the health care system, we support the National Governors Association’s recommendation that Congress temporarily increase the FMAP to at least 12%.