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November 18, 2024

The Honorable Charles Schumer  
Majority Leader  
United States Senate  
Washington, DC 20510

The Honorable Mike Johnson  
Speaker  
United States House of Representatives  
Washington, DC 20515

The Honorable Mitch McConnell  
Republican Leader  
United States Senate  
Washington, DC 20510

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

Dear Majority Leader Schumer, Speaker Johnson, Republican Leader McConnell 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) thanks you for the work you have done this Congress to address the unique health needs of children. We write to request additional action this year on long sought-after bipartisan, bicameral policies designed to improve children's physical and mental health, support the pediatric health care workforce, cut red tape to ensure children get the care they need when they need it and ensure children's hospitals have the resources to take care of our pediatric patients.

At a time when our children's hospitals continue to be flooded with children dealing with mental health crises and are bracing for another season of respiratory illnesses and other health care needs, it is critical that Congress take action before the end of the year to sustain children's hospitals' ability to provide high-quality, timely and appropriate care to our nation's children. Our children and adolescents cannot wait for needed federal support.

Children's hospitals most urgent priorities include:

- **Passing the bipartisan Accelerating Kids' Access to Care Act (H.R. 4758/S.2372).**
- **Preventing Medicaid Disproportionate Share Hospital (DSH) cuts.**
- **Appropriating \$758 million for the Children's Hospitals Graduate Medical Education (CHGME) program.**
- **Stopping harmful proposals that negatively impact access to care for children, like site neutrality and changes to 340B.**
- **Ensuring children's hospitals can participate in the Hospital at Home program.**

## Pass the Bipartisan Accelerating Kids' Access to Care Act

We ask that Congress **include the bipartisan and bicameral Accelerating Kids' Access to Care Act in any end of the year package.** 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 are often treating children from many different states at any given time.

*Champions for Children's Health*

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 in 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 authorization of care by an out-of-state 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 include this vital legislation in an end of the year package 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 January 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.

## Support a Robust Children's Hospital Graduate Medical Education Program

CHGME is vital to ensuring our children and their families have access to the routine and specialized care they need. CHGME is the **only federal program focused exclusively on the training of pediatricians and pediatric specialists**—robust funding for the program, **\$758 million**, is critical to the national goal of provided needed care to children, including children in military-connected families and those in underserved and rural communities. We are grateful for the robust funding Congress has proposed for the program and recognize that Congress is demonstrating its steadfast support of children's health. We are hopeful that you can maintain this support without any policy riders as you seek to complete your work for Fiscal Year 2025.

## Stop Harmful Proposals that Jeopardize Care for Children

As Congress finalizes its end of the year work, we ask that you consider the unique and harmful impact certain health care policies can have on access to care for children. For example, **site neutral and facility fee policies can directly impact access to care for America's children by creating real barriers for children's hospitals to expand and open outpatient facilities in service areas, like rural or underserved communities, discouraging the promotion of community-based care.** Patient access could be endangered, especially for medically complex patients that are sicker and receive care more often in ambulatory, outpatient settings. Rural communities could lose access to outpatient facilities that the hospital can no longer afford to keep open, which has negative implications for children with medical complexities who need coordinated care that continues outside the hospital setting. Policies like these could be a significant deterrent for hospitals considering building or acquiring

new outpatient facilities to increase access to care for their pediatric patients and make travel easier for the patient and their family.

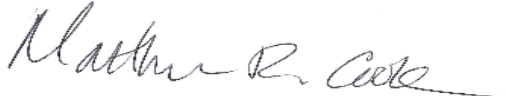
Additionally, the 340B program is vital to supporting children's hospitals' mission to serve underserved children regardless of their insurance status. The 340B program helps children's hospitals invest in care for more children, improve access to care, and provide more comprehensive services, which oftentimes is the only source of these services and supports in the community. For example, **some hospitals have used the savings to help subsidize the cost of providing behavioral health services, annual flu shots, affordable prescription drugs or hemophilia treatment centers.** The program has been a critical resource for children's hospitals in helping offset low Medicaid reimbursement rates and enabling them to further stretch resources to support initiatives that provide essential care to children and their families. We believe that the 340B program is working as intended, and **we ask Congress to consider the unique implications making changes to the program could have on the ability of our hospitals to serve low-income, uninsured, and underinsured pediatric patients.**

## Ensure Children's Hospitals Can Participate in Hospital at Home

Implementation of the Hospital at Home program by Medicare has resulted in negative impacts on children. Children's hospitals are seeking to participate in a similar initiative with their state Medicaid program since Medicaid is the main insurer for children. **A growing number of states are requiring hospitals to participate in the Medicare hospital at home program in order to participate in the Medicaid version.** Since the Centers for Medicare and Medicaid Services have determined that freestanding children's hospitals which are exempt from the Inpatient Prospective Payment System are not able to participate in the Medicare program, **we are asking Congress to ensure that children's hospitals can participate in the Hospital at Home program so children with complex conditions can get the care they need in the best setting for them.**

We know you all have many tasks to tackle this fall, so we stand ready to partner with you to take the steps necessary to promote children's health and to enact policies that improve the health and wellbeing of America's children. Children need your help now. Thank you for your support on these important issues.

Sincerely,



Matthew Cook  
President and Chief Executive Officer  
Children's Hospital Association

CC: Chair Murray  
Chair Sanders  
Chairman Wyden  
Ranking Member Collins  
Ranking Member Cassidy  
Ranking Member Crapo  
Chairman Cole  
Chair McMorris Rodgers  
Chairman Smith  
Ranking Member DeLauro  
Ranking Member Pallone  
Ranking Member Neal