CHILDREN'S HOSPITAL ASSOCIATION

May 5, 2026

Children's Hospital Association Statement for the Record U.S. House Ways and Means Committee: Hearing with Health System CEOs

The Children's Hospital Association (CHA) is the nation's leading advocate for children's health, uniting children's hospitals to improve care and amplify impact. On behalf of the more than 200 children's hospitals and the millions of children and families we serve, we appreciate the Committee's attention to strengthening the health care system for patients in communities across the country. Ensuring that children can access timely, specialized care requires a continued federal commitment to a strong and sustainable pediatric health care system. As the Committee examines policy solutions to address affordability, we strongly recommend a specific focus on the unique needs of children. We stand ready to work with you on policies that strengthen children's access to needed health care.

When it comes to health care, children are not little adults. The same is true of the providers and hospitals that take care of them, which have very different needs than adult hospitals. As you explore affordability and broader policies to improve the health care system for patients, we ask you to consider these priorities:

- **Protect and strengthen Medicaid for children.** Medicaid covers nearly half of all children in our country and provides coverage for more than half the children cared for in children's hospitals. Because of this, Medicaid is the backbone of the pediatric health care system. Last year, significant changes were made to Medicaid that will roll out over the next several years and threaten access to care at children's hospitals. We would like to work with the committee to ensure implementation of these changes protect children and do not exacerbate current access to care problems for children enrolled in Medicaid. Thank you for passing the Accelerating Kids' Access to Care Act and eliminating scheduled Disproportionate Share Hospital (DSH) payment cuts through FY 2027. Accelerating Kids' Access to Care will reduce red tape for families and streamline Medicaid provided out-of-state care for children and continued DSH funding directly supports children's hospitals and the critical care provided to children.

- **Boost the Pediatric Workforce.** Access to care and the future of children's health is directly tied to the strength of the pediatric workforce. Like adult providers, children's hospitals face serious difficulties recruiting and retaining physicians and non-physician clinicians. However, pediatric clinicians need additional specialized training which leads to more education debt and often have lower reimbursement rates than their adult counterparts. We ask you to prioritize ways to bolster this workforce and reduce administrative burdens. Specifically, we ask for strong support for the Children's Hospitals Graduate Medical Education (CHGME) program to ensure pediatric training at children's hospitals is sustainable. CHGME training is a main pipeline for the pediatricians and pediatric specialists who care for our nation's children. CHGME hospitals train more than 90% of certain pediatric subspecialists, serve 99.6% of all counties in the U.S., and are responsible for 80% of the increase in the number of new pediatric subspecialists since the program's inception in 1999. Learn more about our proposals to boost the pediatric workforce in our newly released **blueprint**.

- **Address the Youth Mental Health Crisis.** Far too many children and adolescents face challenges accessing needed mental health services. Finding mental health providers and being able to afford care when it is found is a real issue for families. Ensuring the Medicaid program is fulfilling its commitment to providing needed care and examining ways to support patients and families with private coverage are key to making progress for children with

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behavioral health needs and their families. We also encourage the committee to pass Reps. Pfluger, Castor, Joyce, and Schrier's EARLY Minds Act (H.R. 1735) to expand access to mental health care for children and adolescents at the earliest signs of need.

- **Elevate Healthy Kids.** We ask you to explore policies that bolster care for children, including protecting the reach of children's hospitals to provide care closer to children's homes and communities; protect the 340B program, which supports care for children, invest in pediatric medical research, and prioritize policies that improve children's health and reduce chronic illness.

Adopting policies in these areas will improve care for children and their families and increase their satisfaction with the health care system while providing lifelong benefits and cost-effective outcomes for them and our country.

Impact of Proposed "Site Neutral" Policies on Access to Care for Children

Children's hospitals care for children with the most complex and challenging conditions in pediatrics. As regional care providers, hospital-based clinics extend critical care, urgent care, emergency services, and specialized services found at a hospital to a location closer to home for patients.

CHA opposes site neutral policies, including eliminating "facility fees" or other policies, that decrease support for pediatric outpatient care, directly reducing children's ability to access needed specialized care. Congress has considered various proposals to establish site neutral and other payment policies that would reduce support for hospitals. Including children in these policies under Medicare or private insurance will significantly reduce support for clinics and outpatient departments located closer to where children live. The result will be disruptions in access to specialized, team-based care for children with medical complexity that is generally not offered by physician offices.

- **Under site neutral policies, there will be less support for children's hospitals to sustain, expand, and open outpatient facilities farther from the hospital, which would discourage the promotion of community-based care.** Children should not be forced to travel long distances away from home, family members, school and their community solely to hospital campuses for their appointments.

- **Patient access to timely care could be restricted, especially for children with medically complex conditions who are sicker and are cared for more frequently in ambulatory, outpatient settings.**

- **Rural communities may lose access to outpatient facilities that the hospital can no longer afford to keep open with negative implications for children with medical complexity who need coordinated care that continues outside the hospital setting.** Often, families do not have direct access to specialized pediatric services in their immediate community and must travel long distances to receive care, a situation exacerbated by national shortages of pediatricians and pediatric specialists. To improve access, in many cases, children's hospitals provide off-campus specialty services in different areas of their own states or other states.

- **Site neutral policies directly impact children's hospitals' ability to pay the salaries of staff, maintain needed equipment and technology, and keep the outpatient departments running.** Children's hospitals use site neutral fees to pay staff, including nurses, nursing assistants, behavioral health therapists, social workers, and child life specialists to support an integrated team-based approach to care for children. The fees also support security guards,

maintenance of buildings, expansions to provide access to meet growing needs, and integrated electronic medical records.

- **Specialized outpatient clinics provide critical triage support during public health and other emergencies by supporting children who can be cared for effectively in an outpatient department rather than taking scarce inpatient beds.** We saw this occur during the RSV crisis a few years ago.

Transparency for Patients
We support providing patients and their families information on health care costs and currently comply with the growing number of federal and state requirements. In addition, children's hospitals have developed and use their own consumer-friendly tools to provide price information to families. Children's hospitals want to ensure that any new requirements align with already existing state and federal policies, provide meaningful information for patients and families, and do not result in administrative burdens that require significant staff time and resources without providing actionable benefits to the children and families.

Medicare and Pediatrics
Medicare covers only a very small number of children but is often the driver of policies on affordability and transparency that can affect their care. However, these new systems and requirements do not make sense for very low Medicare providers, such as children's hospitals. Therefore, Medicare policies, including Medicare site neutral policies and Medicare driven price transparency requirements, should not be applied to children and children's hospitals.

Innovating Care for Children
Each day children's hospitals are advancing care for children and implementing ways to provide more effective and efficient care to their patients. They are providing more real-time information to patients on care and costs, adopting new care delivery and payment models that support the highest quality of care, expanding access to community-based care, addressing behavioral health challenges, investing in the pediatric workforce, and embracing new technologies, like AI, in ways that improve care for children. Children's hospitals are pillars in their communities, prioritizing services and supports inside and far outside of their facilities. There is much promise in these practices and at CHA we work to spread those practices throughout the children's health and children's hospital communities. Developing policies to support and sustain these efforts through Medicaid and other payors will directly impact patient experience and better manage costs in the system.

Children's hospitals are facing significant headwinds with Medicaid cuts looming, a growing list of policy and regulatory requirements, downward pressure on pediatric research funding, delays and reductions in grant support for community-based initiatives, and threats to policies like the 340B program that demonstrate real patient value. We ask for thoughtful consideration of these pressures and impact before levying additional reductions and requirements. We support your goal of better supporting children and families and want to work with you on ways of proceeding that don't threaten the foundation of children's health care and the providers and hospitals that care for them.

Thank you for the opportunity to submit a statement for the record. We look forward to continuing to collaborate with the Committee in its goal to better support children and families.