



Feb. 8, 2021

The Honorable Greg Abbott
Office of the Governor
P.O. Box 12428
Austin, Texas 78711-2428

Dear Governor Abbott:

On behalf of the more than 450 hospitals and health systems we collectively represent, thank you for your leadership and dedication to secure a 10-year extension of Texas' Medicaid 1115 Waiver. Preserving the state's ability to maximize federal dollars and protecting the health care safety net are key priorities for Texas hospitals. As you know, the uncompensated care pool has long been a critical funding stream to help offset some of the unreimbursed costs hospitals incur for treating Medicaid and low-income individuals. With the ongoing COVID-19 pandemic and associated pressure on hospitals, the importance of these payments cannot be understated. In addition, Texas hospitals appreciate the opportunity for new directed payment programs that also will help ensure care quality and access.

We look forward to our continued work with the Texas Health and Human Services Commission and your office to develop and implement the new directed payment programs, transition the Delivery System Reform Incentive Payment program and address the new special terms and conditions related to reporting and monitoring.

Thank you again for your work both in Austin and Washington, D.C. to support health care providers and the patients they serve.

Sincerely,

Ted Shaw
President/CEO
Texas Hospital Association

Stacy Wilson
President
Children's Hospital Association of Texas

Maureen Milligan
President/CEO
Teaching Hospitals of Texas

John Henderson
CEO/President
Texas Organization of Rural & Community Hospitals

Larry L. Tonn
Principal
Texas Association of Voluntary Hospitals

Donald Lee
President
Texas Essential Healthcare Partnerships