TIHCA

Texas Indigent Health Care Association

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The Honorable Chiquita Brooks-LaSure
Administrator
Centers for Medicare and Medicaid Services
U.S. Department of Health and Human Services
200 Independence Ave., SW
Washington, DC 20201
Chiquita.Brooks-LaSure@cms.hhs.gov

The Honorable Daniel Tsai
The Deputy Administrator and Director
Center for Medicaid and CHIP Services
Centers for Medicare and Medicaid Services
U.S. Department of Health and Human Services
200 Independence Ave., SW
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Judith Cash
Director for State Demonstrations Group
Center for Medicaid and CHIP Services
Centers for Medicare and Medicaid Services
U.S. Department of Health and Human Services
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November 29, 2021

Dear Director Brooks-LaSure, Deputy Administrator Tsai, and Deputy Director Cash:

The Texas Indigent Health Care Association Board of Directors write to support your ongoing efforts to work with the Texas Health and Human Services Commission (HHSC) to avoid further reductions in Medicaid payments to the safety net providers that serve the Texas Medicaid population. Our indigent care programs rely on the viability of our local safety-net hospitals. Right now, our communities are feeling pressure from the decision not to approve three Medicaid managed care directed payment programs, and we are hopeful that the Centers for Medicare & Medicaid Services (CMS) will approve them before the end of the year.

The Texas Indigent Health Care Association (TIHCA) is composed of counties, hospital districts and public hospitals who provide indigent health care services. TIHCA's primary purpose is to keep programs up to date with

the latest news and information, strengthen inter-program dialogue, and provide educational opportunities to programs.

There are over 254 Chapter 61 entities (counties, hospital districts and public hospitals) in the State of Texas. Each is required to provide indigent health care within their service area. Indigent health care helps low-income Texas residents who don't qualify for other state or federal health care programs have access to health care services. This can include vaccines, medical screening services, annual physical examinations, inpatient and outpatient hospital visits, laboratory and radiology and skilled nursing facility services.

As leaders in indigent health care, we are strongly committed to supporting the Medicaid and underserved populations living in our community. Medicaid and the long standing local indigent care program are essential lifelines for many Texas citizens and the health care safety net providers that serve those citizens.

Notably, much of the care provided to Medicaid beneficiaries and uninsured patients is funded in large measure by Medicaid supplemental payments and Medicaid managed care directed payments authorized by the state's 1115 waiver and directed payment programs. While states are obligated to provide 40 percent of the state's non-federal share through state general revenue, up to 60 percent may come from local governments. Texas has long relied on locally adopted and administered Medicaid provider taxes, which are modeled off of federal requirements, to fund the non-federal share of these vital supplemental payment programs. These provider taxes have proven to strengthen our communities' ability to provide care to more patients. We consider these local provider taxes critical to our ability to support equitable access to health care statewide.

We greatly appreciate CMS' ongoing efforts to work with HHSC to ensure the section 1115 waiver and directed payment programs allow Texas Medicaid beneficiaries continue to receive the care they need. In this process, we urge that you to also keep the immediate needs of health care providers in mind. We support an appropriate resolution of the disputed issues in a manner that will preserve the long-term financial stability of the Texas Medicaid program. However timely relief is critical, and we support solutions that allow payments to Medicaid providers to resume sooner rather than later. Finally, we ask that our local provider taxes not be threatened or put at risk.

Again, we thank you for your efforts to maintain payments to Medicaid providers that serve low-income Texans, and we urge you to continue those efforts and keep the immediate needs of those providers in mind.

Sincerely,

W. Johnson

Windy Johnson
Program Manager