



Feb. 8, 2021

Mrs. Cecile Erwin Young  
Executive Commissioner  
Texas Health and Human Services Commission  
4900 North Lamar Boulevard, MC-H425  
Austin, Texas 78751

Dear Commissioner Young:

On behalf of the more than 450 hospitals and health systems we collectively represent, thank you for your leadership and expeditious work to secure a 10-year extension of Texas' Medicaid 1115 Waiver. Texas hospitals are sincerely grateful for the extension, especially one of this magnitude, and appreciate your staff's dedication to preserving budget neutrality and protecting the health care safety net. 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 Texas 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 bringing our members together with your team 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 protect Texas' Medicaid 1115 Waiver and health care safety net.

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