

July 14, 2020

The Honorable Roger Williams
United States House of Representatives
Washington DC 20515

The Honorable Eddie Bernice Johnson
United States House of Representatives
Washington DC 20515

Dear Representatives Williams and Johnson:

I am writing on behalf of the National Alliance of Safety-Net Hospitals, a coalition of private safety-net hospitals that serve especially large numbers of Medicaid, Medicare, and uninsured patients, to convey our support for your new bill, the MFAR Transparency Act. HR 7606 would delay implementation of the Medicaid fiscal accountability regulation until the Government Accountability Office analyzes the proposed rule's potential financial impact on individual states and identifies what is needed to enhance Medicaid transparency, and even then, it would only permit implementation of MFAR with specific authorization from Congress.

NASH believes many provisions of the MFAR rule would hurt low-income Americans, hurt state Medicaid programs, and hurt providers located in low-income communities. In particular, we oppose the regulation's attempt to inappropriately regulate how the states finance their Medicaid programs. We are especially concerned that the MFAR rule would enable federal regulators to reject state Medicaid funding mechanisms that are explicitly permitted under federal law and have been approved in the past by the same federal regulators the regulation would now empower to reject them. This could jeopardize the financial foundation of many states' Medicaid programs. When the MFAR rule was proposed NASH submitted a detailed letter to the Centers for Medicare & Medicaid Services expressing our objections; you can find that letter [here](#).

If implemented, the MFAR rule could jeopardize access to care for millions of Americans. For this reason, NASH supports your effort to delay its implementation until we have a better understanding of its implications for states and what it seeks to accomplish and we especially support your conclusion that any such significant policy changes should only be adopted when authorized by Congress. If there is anything NASH can do to help you with this effort, please do not hesitate to contact us.

Sincerely,

Ellen J. Kugler
Executive Director

