



**ALLIANCE of  
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HOSPITALS**

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**September 11, 2024**

**The Honorable Mike Johnson**  
**Speaker**  
**United States House of Representatives**  
**Washington DC 20515**

**The Honorable Charles E. Schumer**  
**Leader**  
**United States Senate**  
**Washington DC 20510**

**The Honorable Mitch McConnell**  
**Republican Leader**  
**United States Senate**  
**Washington DC 20510**

**The Honorable Hakeem Jeffries**  
**Democratic Leader**  
**United States House of Representatives**  
**Washington DC 20515**

## **Please Eliminate the Scheduled Medicaid DSH Cuts in the Next Continuing Resolution**

**Dear Speaker Johnson, Leader Schumer, Democratic Leader Jeffries, and Republican Leader McConnell:**

I am writing on behalf of the Alliance of Safety-Net Hospitals (ASH) to thank you for eliminating last year's scheduled cuts in Medicaid disproportionate share hospital payments (Medicaid DSH) and to ask you to include in the next Continuing Resolution a provision that eliminates those cuts through federal fiscal year 2027.

Medicaid DSH is a vital tool for helping safety-net hospitals care for the residents of the generally low-income communities they serve. These community safety-net hospitals are the primary providers of care for many uninsured, under-insured, low-income, and Medicare- and Medicaid-dependent Americans, and these hospitals rely heavily on Medicaid DSH for support in providing that care. Medicaid DSH payments are essential for their survival.

Cuts to Medicaid DSH allotments were scheduled to begin in 2014, but Congress has never allowed them to take effect because it has long recognized the important role Medicaid DSH plays in ensuring access to care in low-income communities across the country. The prospect of these cuts has been looming over safety-net hospitals across America for a decade and the possibility that they would take effect has made it difficult for safety-net hospitals to plan effectively and make certain their ability to continue to serve their communities. For this reason, ASH requests such certainty and the stability it would bring: a firm, final

elimination of the remaining scheduled Medicaid DSH cuts in the next Continuing Resolution. Unless Congress acts, the country's safety-net hospitals face \$8 billion in cuts beginning January 1, 2025 and another \$16 billion through the end of fiscal year 2027.

ASH and safety-net hospitals across the country greatly appreciate Congress's continued recognition of the special role we play in the lives of our communities, the importance of Medicaid DSH in enabling us to play that role, and your support for preventing the implementation of scheduled Medicaid DSH cuts. Now, we respectfully request that you show your support for community safety-net hospitals once again by eliminating the remainder of those cuts in the next Continuing Resolution.

We appreciate your consideration of this request and welcome any questions you may have about Medicaid DSH, its importance to community safety-net hospitals and the communities those hospitals serve, or our request for a final elimination of these scheduled Medicaid DSH cuts.

Sincerely,

**Ellen J. Kugler**  
**Director**

Cc: United States House of Representatives  
United States Senate

