



**ALLIANCE of
SAFETY-NET
HOSPITALS**

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Protect Patients from Damaging Cuts in the Upcoming Continuing Resolution

I am writing on behalf of the Alliance of Safety-Net Hospitals (ASH) to urge you to protect safety-net hospitals, physicians, and the patients they serve in the upcoming continuing resolution (CR). **We ask you to eliminate \$8 billion in cuts to Medicaid DSH payments, to counteract a nearly three percent cut to Medicare physician payments, and to block site-neutral payment policies.**

Medicaid DSH is a vital tool for helping community safety-net hospitals and others care for the residents of the economically vulnerable communities they serve. The hospitals that serve such communities rely heavily on Medicaid DSH for support in providing that care and Medicaid DSH payments are essential for their survival. Congress has never allowed these cuts to occur, and **we hope we can rely on you again to eliminate the \$8 billion Medicaid DSH cut scheduled to begin on January 1.**

As you know, Medicare physicians face 2.8 percent payment reduction on January 1. For the past four years when doctors have faced similar pay cuts, Congress has recognized the impact of those cuts in the midst of a workforce crisis and has lessened the size of the cuts. **We urge you to eliminate the 2025 reduction to Medicare doctors in the CR** and next year to pass a better way to pay doctors and avoid this yearly exercise.

Finally, **we urge you to reject any policies that would result in reduced payments to outpatient departments operated by hospitals.** Hospital outpatient departments must meet regulatory requirements that other physician offices do not have to meet – requirements like providing access to 24-hour emergency care. Safety-net hospitals rely on reimbursements for their outpatient clinics to attract and retain doctors and nurses to work in communities they might otherwise overlook. Without suitable Medicare reimbursement for these services, safety-net hospitals will not have the resources to provide the services and care individuals in our communities need and deserve.

The Alliance of Safety-Net Hospitals appreciates your consideration of our requests and welcomes any questions you have about the importance of Medicaid DSH, adequate Medicare physician payments, or protecting safety-net hospitals from site-neutral payment policies.

Sincerely,

Kate Finkelstein
Director of Federal Government Relations