



Charles N. Kahn III
President and CEO

October 31, 2017

The Honorable Greg Walden
Chairman
House Energy & Commerce Committee
2125 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Walden,

Thank you for your strong leadership in working towards an extension of the Children's Health Insurance Program (CHIP) and for the Energy & Commerce Committee's work to address a number of key health care priorities, especially the Medicaid Disproportionate Share (DSH) hospital reductions. The Federation of American Hospitals is pleased to support H.R. 3922 and urge its passage by the House.

Enactment of CHIP reauthorization will provide certainty to families that depend on this program, the states that are attempting to manage the program and providers that are eager to administer care. We appreciate that there is bipartisan commitment in both the House and Senate to the extension of CHIP and believe that passage of this legislation is an important and necessary step that moves us closer to a final agreement.

We are also pleased that the legislation recognizes the potential harmful impacts of the impending reductions to the Medicaid DSH program and would eliminate reductions scheduled for fiscal years 2018 and 2019. DSH payments, which help defray losses hospitals incur in treating low-income and uninsured Americans, play a critical role in allowing hospitals to fulfill our mission to provide care in our communities. If allowed to go into effect, DSH reductions will pose a serious challenge to our hospitals to meet that mission. We look forward to continuing to work with the House and Senate in a bipartisan manner on Medicaid DSH funding.

Again, thank you for your leadership. We urge the House of Representatives to swiftly pass this legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Kahn".