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September 29, 2017

The Honorable Paul D. Ryan
Speaker
United States House of Representatives
H-232, The Capitol
Washington, DC 20515

The Honorable Nancy Pelosi
Minority Leader
United States House of Representatives
H-204, The Capitol
Washington, DC 20515

Dear Speaker Ryan and Minority Leader Pelosi,

On the behalf of the National Medical Association (NMA) we write to you today to urge for the immediate reauthorization of the Children's Health Insurance Program (CHIP) before the program expires on September 30, 2017. We also urge Congress to halt the implementation of payment reduction cuts to Disproportionate Share Hospitals (DSH) before these cuts go into effect on October 1, 2017. Additionally, programs under the Public Health Service Act and the Community Health Center Fund face critical, impending cuts without federal intervention. These are critical health programs that without adequate funding will disproportionately impact the health of our nation's children and medically underserved.

Children's Health Insurance Program (CHIP)

Since its passage into law in 1997 CHIP has consistently enjoyed bipartisan support. Over the last two decades, CHIP has reduced the uninsurance rate to 5% from 14% in children from modest household incomes that exceed Medicaid eligibility thresholds. That means CHIP protects nearly nine (9) million children and pregnant women in the U.S. whose families make too much to qualify for Medicaid but not enough to afford private insurance.

By providing states with financial support for children's health coverage CHIP reinforces Medicaid. CHIP provides children with coverage for early screening, diagnostic and treatment benefits, as well as dental, vision, and hearing benefits. Without reauthorization some states will discontinue their CHIP programs and these children will lose access to necessary care. A

family without insurance is a family more likely to fall victim to financial crisis, such as bankruptcy, as a result of medical costs. Additionally, uninsured families place undue strain on our health system resources, crowd emergency rooms, drive down capacity to provide quality care, and as a result increase overall healthcare costs.

Disproportionate Share Hospital (DSH)

The DSH program assist hospitals that treat a disproportionately high number of uninsured and underinsured patients by offsetting the losses that these hospitals sustain, which would otherwise go uncompensated. According to the American Hospital Association about half of all hospitals in the United States receive DSH payments. DSH hospitals nationwide have provided about \$40 billion in uncompensated and under compensated care to our nation's most medical vulnerable, which has allowed them to provide critical community services such as trauma and burn care, high-risk neonatal care, and disaster preparedness resources.

DSH payments are slated to be reduced by \$2 billion in fiscal year 2018. If implemented, these cuts will total \$43 billion by fiscal year 2025. By implementing cuts to DSH payments, the nation's safety net hospitals face a fiscal cliff wherein they would not be able to consistently provide quality care to the nation's medically underserved.

Public Health Services Act (PHSA) and the Community Health Center Fund (CHCF)

There are a several vital programs expiring under the PHSA, which include the Community Health Center Fund, Teaching Health Centers, Special Diabetes Program, and the National Health Services Corps.

According to the National Association of Community Health Centers, community health centers operate in more than 9,500 locations serving 27 million people, and are often the main source of healthcare for low income Americans. As a result health centers play an essential role in low-income communities by expanding access to critical and affordable care. The CHCF provides mandatory funding for federal health centers, which deliver essential services such as primary care, preventative care, counseling, dental care, and other supportive care in medically underserved areas. In fiscal year 2016 CHCF supported approximately 70 percent of all health centers' programs. The CHCF program's annual funding more than tripled between FY 2002 and FY 2016, increasing from \$1.3 billion to \$5.1 billion. This resulted in more health centers, an increased number of patient visits, and more available services. CHCF funds have been used for a variety of health center activities and immediate funding for health crises, such as those in Flint, Michigan's water supply issue and the Zika virus outbreak. We ask that priority be granted for extended Mandatory Health Center Funding.

The programs also support the National Health Service Corps which is a scholarship and loan repayment program to health professionals and primary care providers who work in medically underserved communities. The Teaching Health Center Graduate Medical Education (THCGME) program and the National Health Service Corps (NHSC) programs address the fact that although urban hospital-based residencies are increasing, they are not adequately easing the primary care shortage or filling gaps in underserved areas. There is both an overall shortage of primary care physicians and a maldistribution. According to the American Academy of Family Physicians there are 67 million people who live in the 6,708 designated health

professional shortage areas in the United States. Adding one primary care physician per 10,000 residents could lead to a 5.3 percent reduction in mortality, equal to 49 fewer deaths per 100,000 annually, thus preserving the THCGME and NHSC programs could have a great impact on the nation's health.

About the National Medical Association (NMA)

The NMA is the oldest and largest nonprofit national professional, educational, and scientific organization representing the interests of African American physicians and the millions of multi-ethnic patients they serve. While throughout its history the NMA has focused primarily on health issues related to African Americans and medically underserved populations, its principles, goals, initiatives and philosophy encompass all sectors of the population. For more than 120 years, the NMA has been committed to improving the health status and outcomes of minority and disadvantaged people. In 1965, NMA and its members supported the creation of Medicare and Medicaid as a means to extend health care coverage to people in the neighborhoods, towns and cities across America. As President Lyndon B. Johnson stated in his remarks delivered before the NMA Annual Convention in 1968 “[It] is the right of every American to as healthy a life as modern medicine can provide.” The NMA continues to advocate for increased access to affordable quality healthcare for all Americans.

CHIP, DSH, and the Public Health Act and the Community Health Center Fund are all essential programs to achieving the goal of health equity for all Americans. As such we again urge Congress to act on funding of these programs and by doing so help to uphold the health of our nation.

Sincerely,



Doris Browne, M.D., MPH
118th President



Martin Hamlette, J.D., MHA
Executive Director