

April 21, 2023

The Honorable Yvette Clarke
U.S. House of Representatives
2058 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Dan Crenshaw
U.S. House of Representatives
248 Cannon House Office Building
Washington, D.C. 20515

The Honorable Diana DeGette
U.S. House of Representatives
2111 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Michael Burgess, M.D
U.S. House of Representatives
2161 Rayburn House Office Building
Washington, D.C. 20515

Dear Representatives Clarke, Crenshaw, DeGette and Burgess,

On behalf of Vizient, Inc., I am pleased to offer our endorsement for H.R. 2665, the Supporting Safety Net Hospitals Act. Your important, bipartisan legislation would delay scheduled cuts to Medicaid Disproportionate Share Hospital (DSH) payments that are critical for our nation's safety-net hospitals.

Vizient is the nation's largest healthcare performance improvement company. Vizient provides solutions and services that improve the delivery of high-value care by aligning cost, quality, and market performance for more than 60% of the nation's acute care providers, which includes 97% of the nation's academic medical centers and more than 25% of ambulatory providers. Vizient provides expertise, analytics, and advisory services, as well as a contract portfolio that represents more than \$130 billion in annual purchasing volume, to improve patient outcomes and lower costs. Headquartered in Irving, Texas, Vizient has offices throughout the United States.

The Medicaid DSH program assists hospitals serving high numbers of Medicaid and uninsured patients. They receive these payments in order to account for Medicaid underpayment and uncompensated care. The Affordable Care Act (ACA) included reductions in federal Medicaid DSH funding under the assumption that expanded access to insurance coverage would result in less uncompensated care. With coverage levels not fully realized, and potentially exacerbated by ongoing Medicaid redeterminations, hospitals continue to provide under and uncompensated care. With \$8 billion in DSH reductions scheduled to go into effect on Oct. 1, 2023, your legislation would delay implementation for an two additional years, postponing the cuts from taking effect until at least FY 2026.

As our nation's hospitals, particularly those serving the most vulnerable patients, continue to face financial challenges resulting from increased staffing costs and inflationary pressures, the importance of these Medicaid DSH payments cannot be overstated. We are pleased to support this legislation and encourage its swift passage.

Thank you for your leadership in introducing this bill. Please do not hesitate to contact me at shoshana.krillow@vizientinc.com or 202-354-2607 if you have any questions about Vizient or if there is any way we can be of assistance in advancing your important legislation.

Sincerely,



Shoshana Krillow
Senior Vice President, Public Policy & Government Relations