We continue to believe that both Medicaid and Medicare Disproportionate Share Hospital (DSH) cuts should be delayed for two years in order to better ascertain whether coverage expansions have been implemented. Today’s proposed rule on implementation of the Medicaid DSH reductions, which were congressionally-mandated, appears to have been accomplished in a responsible way based upon our preliminary analysis. CMS also recognized that since some states have yet to decide whether to expand Medicaid, this proposed rule will not discourage expansion, nor will it penalize hospitals in those states that have yet to make a decision. We also believe limiting the proposed reductions to two years opens the door for coverage expansions to be more fully realized.

We support legislation (H.R. 1920), introduced by Rep. John Lewis (D-GA) to allow states more time to make future coverage determinations.

We will continue to review the proposed rule and its impact across states.

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