

September 15, 2025

The Honorable John Thune
Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Mike Johnson
Speaker
U.S. House of Representatives
Washington, DC 20510

The Honorable Charles E. Schumer
Democratic Leader
U.S. Senate
Washington, DC 20510

The Honorable Hakeem S. Jeffries
Democratic Leader
U.S. House of Representatives
Washington, DC 20515

Dear Majority Leader Thune, Leader Schumer, Speaker Johnson and Leader Jeffries:

On behalf of our nearly 5,000 member hospitals, health systems and other health care organizations, our clinician partners — including more than 270,000 affiliated physicians, 2 million nurses and other caregivers — and the 43,000 health care leaders who belong to our professional membership groups, the American Hospital Association (AHA) writes regarding the hospital field's legislative priorities for the remainder of the year.

Hospitals and health systems are experiencing significant financial pressures that challenge their ability to provide 24/7 care for the patients and communities they serve. Increased expenses for drugs and supplies, inflation, and the mounting burden due to certain commercial health insurer denial and delay practices continue to strain hospitals and health systems. At the same time, underpayments in reimbursements from Medicare and Medicaid do not keep pace with these mounting costs and exacerbate the problems hospitals are having.

As Congress begins to focus on its end-of-the-year work, America's hospitals and health systems respectfully request that you consider the following priorities.

Address the Medicaid Disproportionate Share Hospital (DSH) Payment Reductions. The Medicaid DSH program provides essential financial assistance to hospitals that care for our nation's most vulnerable populations — children and people who are impoverished, disabled or elderly. The fiscal year 2025 Medicaid DSH payment reductions are scheduled to be implemented on Oct. 1, 2025, when \$8 billion in



reductions take effect. Congress should continue to provide relief from the Medicaid DSH cuts.

Protect Rural Communities' Access to Care. We urge Congress to continue the Medicare-dependent Hospitals and Low-volume Adjustment programs. These programs provide rural, geographically isolated and low-volume hospitals with additional financial support to ensure rural residents have access to care. These programs are set to expire on Sept. 30, 2025.

Extend Telehealth and Hospital-at-home Waivers. During the public health emergency, Congress established a series of waivers expanding access for millions of Americans and increasing convenience in caring for patients. These waivers are set to expire on Sept. 30, 2025.

Telehealth provides a tremendous ability to leverage geographically dispersed provider capacity to support patient demand. Congress should permanently adopt telehealth waivers and expand the telehealth workforce.

Hospital-at-home programs are a safe, innovative way to care for patients in the comfort of their homes. With over 300 hospitals offering hospital-at-home programs, many other hospitals and health systems indicate they are interested in developing programs for their communities, but are reluctant to do so without congressional action. Congress should continue to provide additional time to gather data on quality improvement, cost savings and patient experience, and provide much-needed stability for these innovative programs.

Extend the Enhanced Premium Tax Credits (EPTCs). These tax credits provide critical support to help millions of Americans purchase insurance on the Health Insurance Marketplaces. EPTCs — which are only available to people who do not have access to affordable health insurance through their employer or a government program — are a vital resource that have helped people gain coverage through the marketplaces over the last few years. Without congressional action, they are set to expire at the end of this year, leaving millions of people at risk of losing access to health care coverage.

The expiration of these tax credits will create substantial financial strain by drastically increasing costs for hardworking individuals and families. Those who currently receive EPTCs will face a more than 75% increase in their out-of-pocket premiums.¹ The most rural states are projected to experience a 30% decrease in marketplace coverage and a

¹ <https://www.healthsystemtracker.org/brief/how-much-and-why-aca-marketplace-premiums-are-going-up-in-2026/>.

nearly 40% increase in their uninsured populations.^{2,3} This loss of coverage would put considerable stress on hospitals and health systems, which will experience more uncompensated care and bad debt. There will also be an impact on the entire community, even those with coverage, because of an influx of uninsured patients into emergency departments causing longer waits, stress on the whole health care system and the inability to get the care they need.

Reject Site-neutral Payments. Congress should reject any efforts to expand site-neutral payment proposals to hospital outpatient departments (HOPDs). These policies aim to lower HOPD payments to the same rates as independent physician offices and other ambulatory sites of care, ignoring the very different level of care provided by hospitals and the needs of the patients and communities cared for in that setting.

There are fundamental differences between patient care delivered in HOPDs and care delivered in other settings. HOPDs have higher patient safety and quality standards, and, unlike other sites of care, hospitals take important additional steps to ensure drugs are prepared and administered in a safe manner for both patients and providers.

HOPDs provide care for Medicare patients who are more likely to be sicker and more medically complex than those treated at physicians' offices.⁴ This is especially true in rural and other medically underserved communities. Additional cuts will directly impact the level of care and services available to vulnerable patients in these communities.

Protect the 340B Drug Pricing Program. The 340B program allows covered entities to stretch limited federal resources to reduce the price of outpatient pharmaceuticals for patients and expand health services to the patients and communities they serve. Despite the program's proven record of expanding access to care for Americans nationwide, critics continue to push to diminish the scope of the program and the benefits it affords eligible providers and their patients. Congress should continue to protect this program from harmful changes that will undermine its value.

Protect Health Care Workers from Violence. Congress should enact the Save Healthcare Workers Act (H.R. 3178/S. 1600). This bipartisan legislation would make it a federal crime to assault a hospital staff member on the job, similar to the protections in current law for airport and airline workers.

² https://www.cbo.gov/system/files/2025-06/Wyden-Pallone-Neal_Letter_6-4-25.pdf.

³ Calculated as the average percent impact on coverage for the most rural states in the United States, as of 2024. See World Population Review, State Rankings, Most Rural States 2024," at <https://www.worldpopulationreview.com/state-rankings/most-rural-states>.

⁴ <https://www.aha.org/comparison-care-hospital-outpatient-departments-and-independent-physician-offices>

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Hold Commercial Health Plans Accountable. Certain health plan practices, such as inappropriate care denials and delayed payments, threaten patient access to care. These practices also contribute to clinician burnout and add excessive administrative costs and burdens to the health care system. We urge Congress to pass the Improving Seniors' Timely Access to Care Act (H.R. 3514/S. 1816), bipartisan legislation supported by more than half of the members of the House and Senate. The bill would streamline the prior authorization process in the Medicare Advantage program by eliminating complexity and promoting uniformity to reduce the wide variation in prior authorization methods that frustrate both patients and providers.

We appreciate your leadership and look forward to working together to ensure patients continue to have access to quality care in their communities.

Sincerely,

/s/

Richard J. Pollack
President and Chief Executive Officer