November 15, 2019

Mrs. Nancy Pelosi  
Speaker  
U.S. House of Representatives  
1236 Longworth House Office Bldg  
Washington, D.C. 20515

Mr. Kevin McCarthy  
Minority Leader  
U.S. House of Representatives  
2468 Rayburn House Office Bldg  
Washington, D.C. 20515

Dear Speaker Pelosi and Minority Leader McCarthy:

We are writing to ask you to lead the way toward passage of a two-year elimination of reductions to state Medicaid disproportionate share (Medicaid DSH) allotments mandated by the Affordable Care Act.

These Medicaid DSH cuts were adopted based on the assumption that the 2010 health care law would greatly reduce the number of uninsured Americans, and while that number has declined, it has not fallen as much as anticipated. Nearly 30 million Americans, including 2.9 million Californians, remain without health insurance. In addition, last year marked the first time since the law’s implementation that the number of uninsured Americans actually increased – yet another sign that the law’s promise has not yet been fulfilled.

The Medicaid DSH cuts scheduled to take effect in FY 2020, delayed temporarily by the current Continuing Resolution, would be devastating: $4 billion in reduced Medicaid DSH allotments in FY 2020 and $8 billion a year in cuts from FY 2021 through FY 2025. For California, that translates into a loss of approximately $500 million in Medicaid DSH payments to eligible hospitals in FY 2020 alone and about $950 million a year from FY 2021 through FY 2025.

Medicaid DSH is an essential funding source helping safety-net hospitals serve the uninsured and underinsured residents of their communities. They help offset the cost of the uncompensated care these hospitals provide while also facilitating outreach to rural or underserved communities and ensuring the continued ability of these hospitals to meet the health care needs of those communities. Cuts of the magnitude projected could jeopardize access to care for millions – not only the uninsured and individuals on Medicaid but also those who rely on the system’s essential primary care, specialty, and tertiary services.

Congress has acknowledged the importance of Medicaid DSH to supporting the American health care safety net and has never permitted the reduction of DSH allotments to take effect. The conditions that led Congress to these decisions are still very much in evidence today, and for this reason the undersigned urge you to ensure passage of a two-year elimination of cuts to Medicaid
DSH allotments. The millions of Americans whose care is supported by these payments are counting on it.

Sincerely,

Paul Cook  
United States Representative (CA-8)

Josh Harder  
United States Representative (CA-10)

Jared Huffman  
United States Representative (CA-2)

John Garamendi  
United States Representative (CA-3)

Mike Thompson  
United States Representative (CA-5)

Doris Matsui  
United States Representative (CA-6)

Ami Bera  
United States Representative (CA-7)

Jerry McNerney  
United States Representative (CA-9)

Mark DeSaulnier  
United States Representative (CA-11)

Barbara Lee  
United States Representative (CA-13)
Jackie Speier  
United States Representative (CA-14)

Jim Costa  
United States Representative (CA-16)

Zoe Lofgren  
United States Representative (CA-19)

TJ Cox  
United States Representative (CA-21)

Julia Brownley  
United States Representative (CA-26)

Adam Schiff  
United States Representative (CA-28)

Eric Swalwell  
United States Representative (CA-15)

Ro Khanna  
United States Representative (CA-17)

Jimmy Panetta  
United States Representative (CA-20)

Salud Carbajal  
United States Representative (CA-24)

Judy Chu  
United States Representative (CA-27)

Tony Cardenas  
United States Representative (CA-29)
Brad Sherman
United States Representative (CA-30)

Pete Aguilar
United States Representative (CA-31)

Grace F. Napolitano
United States Representative (CA-32)

Ted W. Lieu
United States Representative (CA-33)

Jimmy Gomez
United States Representative (CA-34)

Norma J. Torres
United States Representative (CA-35)

Raul Ruiz
United States Representative (CA-36)

Karen Bass
United States Representative (CA-37)

Linda Sanchez
United States Representative (CA-38)

Gilbert Ray Cisneros, Jr.
United States Representative (CA-39)

Lucille Roybal-Allard
United States Representative (CA-40)

Mark Takano
United States Representative (CA-41)
Ken Calvert
United States Representative (CA-42)

Maxine Waters
United States Representative (CA-43)

Nanette Diaz Barragan
United States Representative (CA-44)

Katie Porter
United States Representative (CA-45)

J. Luis Correa
United States Representative (CA-46)

Alan Lowenthal
United States Representative (CA-47)

Harley Rouda
United States Representative (CA-48)

Mike Levin
United States Representative (CA-49)

Duncan Hunter
United States Representative (CA-50)

Juan Vargas
United States Representative (CA-51)

Scott Peters
United States Representative (CA-52)

Susan Davis
United States Representative (CA-53)

Doug LaMalfa
United States Representative (CA-1)