



National Association of
Children's Hospitals

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N . A . C . H

April 1, 2008

The Honorable John Dingell
United States House of Representatives
322 Cannon House Office Building
Washington, DC 20515

The Honorable Tim Murphy
United States House of Representatives
2125 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Dingell and Representative Murphy,

On behalf of the National Association of Children's Hospitals and its more than 140 member hospitals, I am writing to express our support for H.R. 5613, *Protecting the Medicaid Safety Net Act of 2008*. I applaud your leadership in introducing this legislation which would extend or enact moratoria on seven Medicaid regulations that have been propagated by the Centers for Medicare and Medicaid Services (CMS).

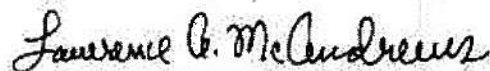
Individually, each of these policy changes would negatively affect children's hospitals and the children they serve. The cumulative impact of all of these rules would be a grave threat to children's access to health care. N.A.C.H. is particularly troubled by the affect of these rules on the ability of children with special health care needs to receive the specialty services currently provided under Medicaid.

Cumulatively, these administrative changes would result in federal cuts of \$20 billion to Medicaid over the next five years, according to the Congressional Budget Office. The result will be less coverage and fewer services for many children and pregnant women and a growing financial strain on safety net hospitals. As the nation struggles through an economic downturn, with many states facing significant budget shortfalls and people losing employer sponsored insurance, this is exactly the wrong time for the federal government to be cutting Medicaid.

Children's hospitals care for the sickest and neediest children in our nation. On average, half of the care children's hospitals provide is to children covered by Medicaid. Because children's hospitals are so dependent on Medicaid funding, any decrease in Medicaid reimbursement would have a profound impact on children's hospitals' abilities to fulfill their core missions of clinical care, training, and research. By undermining the Medicaid safety net, these rules could threaten the ability of all children to access needed health care services.

Thank you for your leadership in working to stop these damaging rules. We look forward to working with you to ensure passage of this important legislation.

Sincerely,


Lawrence A. McAndrews