



## Hearing Summary

# HEARING ON "THE LACK OF HOSPITAL EMERGENCY SURGE CAPACITY"

Rep. Henry A. Waxman

Chairman, Committee on Oversight and Government Reform

On May 5 and May 7, 2008, the Committee held hearings to examine the current lack of hospital emergency surge capacity. The hearings focused specifically on the impact of the Administration's Medicaid regulations on the ability of hospital emergency rooms to respond to a mass casualty event such as a terrorist attack using conventional explosives. These hearings follow up on prior oversight by the Committee.

**Emergency Care Crisis.** On June 2, 2007, the Committee held a hearing on the nation's emergency care crisis. At the hearing, experts testified that emergency rooms across the nation are already operating at or over capacity, imperiling the ability of hospitals to respond to a public health disaster.

**Medicaid Regulations.** On November 1, 2007, the Committee held a hearing on six regulations proposed by the Centers for Medicaid & Medicare Services (CMS) of the Department of Health and Human Services that would make major, far-reaching changes in the nation's Medicaid program of health care for the poor. Among these regulations are three that would have a negative financial impact on public and teaching hospitals that provide critical emergency and trauma care to their communities. An emergency care physician told the Committee that if the Medicaid regulations went into effect, they would deliver a "devastating fiscal blow" to the nation's public hospitals and their emergency rooms.

**Majority Staff Snapshot Survey.** To assess the likely effect of these regulations on emergency care capacity, the Committee majority staff conducted a snapshot survey of 34 hospitals offering the most comprehensive emergency and trauma care services in five cities considered at highest risk of a terrorist attack (Chicago, Houston, Los Angeles, New York, and Washington, DC), plus Denver and Minneapolis-St. Paul. The results were released on May 5.

None of the hospitals surveyed had sufficient emergency care capacity on the afternoon of the snapshot to respond to the number of casualties that occurred during the terrorist attack on commuter trains in Madrid in 2004 (considered by the Centers for Disease Control and Prevention to be the standard for assessing hospital surge capacity). The shortage of capacity was particularly acute in Los Angeles and Washington, DC.

The hospitals responding to this portion of the survey estimated that the Administration's regulations would reduce federal Medicaid funding to their facilities overall by more than \$600 million per year. The losses would vary from hospital to hospital; in some cases, projected losses would exceed 10% of the facility's operating budget.

## **Day 1: Experts in Terrorism and Emergency Care**

Dr. Bruce Hoffman, a professor at Georgetown University, discussed his research on the Australian, British, and Israeli responses to terrorist attacks using conventional explosives, including suicide bombings, and the lessons for our nation. He noted that “any degradation of our existing [emergency response] capabilities will pose major challenges to our nation’s readiness for an attack.”

Dr. Colleen Conway-Welch, the Dean of the School of Nursing at Vanderbilt University, discussed the implications of the Administration’s Medicaid regulations for emergency and trauma care capacity at public and teaching hospitals. She testified that the regulations would result in “a reduction in personnel and readiness” in hospitals and emergency rooms throughout the nation.

Dr. Roger Lewis, an emergency care physician from Los Angeles, and Dr. Wayne Meredith, a trauma surgeon from Winston-Salem, testified that emergency department crowding, hospital surge capacity, and disaster preparedness are closely connected. Dr. Lewis noted that current federal programs intended to improve hospital disaster preparedness “have emphasized the acquisition of supplies and equipment, focused on relatively unlikely threats, and largely ignored the real limitations of an overwhelmed and crumbling emergency care infrastructure.” Dr. Meredith testified that the Medicaid regulations would make matters worse by withdrawing federal Medicaid funds from eight Level I and Level II trauma centers in North Carolina.

Dr. Lisa Kaplowitz, the official at the Virginia Department of Health with lead responsibility for healthcare response for all emergencies in the state, testified that planning for emergency preparedness assumes the continuation of current Medicaid support for trauma centers. She joined the other witnesses in calling for a moratorium on the Medicaid regulations to avoid a further degradation in hospital surge capacity.

## **Day 2: Cabinet Secretaries with Responsibility in the Event of Terrorist Attacks**

On the second day of the hearings, the Committee heard testimony from Michael O. Leavitt, Secretary of Health and Human Services, and Michael Chertoff, Secretary of Homeland Security. Secretary Chertoff testified that the mission of the Department of Homeland Security is to lead overall incident management activities in the event of a terrorist attack, while the responsibility of the Department of Health and Human Services is to coordinate the medical response.

Secretary Leavitt testified that the Medicaid regulations are intended to prevent states from engaging in activities that inappropriately maximize federal revenues and that “[a]llowing for the continuation of abusive practices that shift costs to the Federal Government is not an appropriate way to ensure our Nation’s preparedness.” He stated that he believed the purpose of Medicaid is not emergency preparedness, asserting: “it is to provide health care to people, not to support institutions.”

Additional information, including Chairman Waxman’s statement and copies of testimony, is available online at [www.oversight.house.gov](http://www.oversight.house.gov).