The Hospital + Healthsystem Association of Pennsylvania

November 20, 2026

Dear Pennsylvania Congressional Delegation:

Pennsylvania hospitals and health systems have seen an increase in uninsured patients amid harmful changes to 340B and Medicaid. As the 119th Congress concludes, we encourage you to prioritize the sustainability of hospitals in any end-of-year legislative package.

Protect the 340B Drug Pricing Program from harmful cuts and disruptive changes. The 340B program is a critical lifeline that allows hospitals to serve the most vulnerable Pennsylvanians. The Health Resources and Services Administration's newly established rebate program will increase hospital costs, while boosting drug company profits. In addition, CMS recently finalized cuts to 340B Medicare outpatient reimbursement by 34 percent. We urge you to safeguard 340B hospitals and pass H.R. 10770, the 340B Rebate Model Delay Act, delaying implementation of the rebate program by two years.

Extend the Medicare-Dependent Hospital (MDH) program and Low-Volume Hospital Adjustment (LVH) Payments. The MDH program supports small rural hospitals that serve a large Medicare population while the LVH adjustment provides payment to small rural hospitals that are unable to achieve economies of scale due to a limited number of discharges. The combined impact of these programs for Pennsylvania is nearly $15 million annually, which is critical to keeping their doors open.

Ensure patients can receive care when they need it by passing the Improving Seniors' Timely Access to Care Act (H.R. 3514/S. 1816). Excessive prior authorization requirements by Medicare Advantage plans lead patients to delay care and divert hospital resources to manage the increased administrative burden. This legislation would require electronic reporting of prior authorization requests and implement time limits on them.

Enact the Saving Today's Acute Care Resources (STAR) Act (H.R. 9468) to help stabilize the nation's Long-Term Care Hospitals (LTCH). Nearly 25 percent of the nation's LTCHs have closed over the last decade, leaving patients with fewer care options. The bill preserves access to specialized care for Medicare's vulnerable, medically complex patients.

Reject site-neutral payments. Congress should reject the expansion of site-neutral payment policies. These proposals ignore the very different level of care hospitals provide and the needs of the patients and communities they serve. Additional payment cuts would directly reduce the care and services available to these patients.

Thank you for your support of Pennsylvania's hospitals. If you have questions, please contact John Myers at jmyers@haponline.org or (202)421-6740 in our Washington, D.C. office.

Sincerely,

Nicole Stallings, President and CEO