

March 2, 2022

**TO:** Chairman Browne, Chairman Hughes, Chairman Saylor, Chairman Bradford, and Members of the House and Senate Appropriations Committees

**FROM:** Heather Tyler, Vice President, State Legislative Advocacy

**SUBJECT:** Importance of Level Funding for Medicaid Supplemental Payments

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On behalf of more than 240 members statewide, The Hospital and Healthsystem Association of Pennsylvania (HAP) writes today to support level funding for important Medicaid supplemental payments for hospital services as currently included in the administration's budget proposal.

There are 85 obstetric and 61 neonatal units, 16 critical access hospitals, 7 burn units, and 49 trauma centers throughout the commonwealth. Medicaid supplemental payments to hospitals providing these services support access to care for vulnerable Pennsylvanians, including children. Funds provide:

- 24/7 emergency department services at critical access hospitals
- Prenatal, childbirth, postpartum, and neonatal care
- Treatment for patients with significant burn injuries
- Care for patients with life-threatening injuries

**These payments save lives.**

- Medicaid paid for 34 percent of all 2020 births in Pennsylvania.
- Critical access hospitals provide emergency health care to Pennsylvanians who live in rural areas and may otherwise not have access to critical care.
- Burn centers treat only the most extensive injuries—such as third-degree, inhalation, and chemical burns—as well as children from hospitals where appropriate treatment may not be available.
- During 2019, more than 96 percent of Pennsylvania's trauma patients survived their hospitalization, thanks to the commonwealth's accredited trauma centers which saved 49,564 lives.

It is important to note that if Medicaid supplemental lines are reduced, then federal matching funds are also reduced, further straining the state budget and limiting care to vulnerable Pennsylvanians.

Pennsylvania does not have a public health system and hospitals treat patients no matter their ability to pay. Supplemental Medicaid support is a significant way that the state partners with hospitals to provide care to those who need it most.

On behalf of Pennsylvania hospitals and the patients they serve, we respectfully ask that you please maintain level funding for these critical Medicaid supplemental payments as you consider the 2022–2023 state budget.

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