

November XX, 2015

The Honorable Sylvia Mathews Burwell
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Burwell:

We are writing to express our support for the Texas Healthcare Transformation and Quality Improvement Program 1115 demonstration waiver. As you can see from the bipartisan group of signatories, the 1115 waiver is important for all Texans.

The waiver is a partnership between the state, the Centers for Medicare and Medicaid Services and more than 300 local health care providers, including hospitals, community mental health centers, local health departments and physician groups. It is redesigning the delivery of health care in Texas to make it more efficient and effective.

Across Texas, the waiver is improving access to care at the local level by supporting projects that deliver needed health services to targeted populations. The Delivery System Reform Incentive Payment (DSRIP) component of the waiver incentivizes hospitals and other providers to partner together and invest in service delivery transformation to improve quality, health status, patient experience, coordination and cost-effectiveness.

Through the DSRIP projects, health care providers are better able to provide care on a timelier basis and in community-based settings, thereby reducing the overutilization of hospital emergency departments and unnecessary hospital readmissions. Although DSRIP projects primarily serve the health care needs of the Medicaid and low-income uninsured populations, the effects of re-engineering the health care system are far-reaching and benefit those with private health insurance, Medicare and other forms of coverage as well. The DSRIP projects that provide essential care in each of our districts are homegrown, designed with local resources and partners to meet local needs. We are starting to see real community impacts from many of these projects.

Recognizing that the Medicaid program is a shared responsibility between the state and federal governments, the Texas Legislature recently appropriated funds to improve Medicaid reimbursement rates for safety net and rural hospitals and those providing trauma services. This state investment of more than \$220 million for 2016-17 represents a substantial commitment to strengthening the ability of hospitals to care for the approximately 4 million Texans who rely on Medicaid for health care.

As members of the Texas congressional delegation, we stand ready to work with CMS and Texas to reach an agreement on a renewal of Texas' 1115 waiver for an additional five years.

Sincerely,