TEXAS HOSPITAL ASSOCIATION

October 14, 2014

Kyle Janek, M.D.
Executive Commissioner
Texas Health and Human Services Commission
P.O. Box 13247
Austin, TX 78711-3247

Dear Kyle,

On behalf of the Texas Hospital Association's more than 450 member hospitals and health systems throughout the state, I would like to thank you and the staff of the Texas Health and Human Services Commission for your work to resolve the uncompensated care payment deferral issue with the Centers for Medicare & Medicaid Services. Favorable and fast resolution of this issue is essential for Texas hospitals.

Texas hospitals have received no uncompensated care or disproportionate share hospital payments in 2014. This is creating serious financial hardships for many hospitals, particularly those in rural areas. While the deferral is unrelated to the 2014 payment delays, Texas hospitals are counting on the deferral being released so that there are no future problems with UC or Delivery System Incentive Reform Payments.

While THHSC continues its work to resolve the deferral, THA requests that the agency release all of the UC funding that is not subject to deferral. As a contingency in the event that the deferral is not favorably resolved, the agency could withhold a portion of UC funds. The importance of these funds for Texas hospitals and for the health care safety net cannot be overstated.

THA is coordinating an industry response to the deferral and stands ready to provide whatever assistance THHSC requires as it works towards resolution.

Again, thank you for all of your work.

Sincerely,

Ted Shaw
President/CEO

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