

**Congress of the United States**  
**Washington, DC 20515**

April 27, 2021

The Honorable Xavier Becerra  
Secretary  
Department of Health and Human Services  
200 Independence Avenue, Southwest  
Washington, D.C. 20201

Dear Secretary Becerra:

As Members of the Texas Congressional Delegation, we are disappointed with and concerned by the Centers for Medicare and Medicaid Services' (CMS) action taken on Friday, April 16, 2021 to rescind the 10-year extension of Texas' Medicaid 1115 Waiver. The previous Administration's extension of this waiver on January 15, 2021 through September 30, 2030 provided much-needed certainty to the State to plan financially for future years of medical care for our State's most vulnerable citizens. This unprecedented action by CMS jeopardizes billions of dollars in funding for Texas' Medicaid program. Rescinding this waiver extension threatens the security of the State's Medicaid program, disrespects the continuity of this agreement, and erodes the partnership between the State and CMS. Additionally, this action deters future State innovation in the Medicaid program and will negatively impact the level of trust between States and the agency.

More than four million Texans, including half of all children in the State, depend on the stability of the State's Medicaid program for quality health care for themselves and their families. Revoking the extension of Texas' 1115 Waiver pulls the rug out from beneath these patients and puts their health care at risk. Hospitals and providers in the State have been pushed to the brink and stretched thinner than ever before during the COVID-19 pandemic. The 10-year extension of the 1115 Waiver granted in January 2021 established much needed certainty for years to come so that the State would not have to navigate complex negotiations to change its Medicaid financing mechanisms, especially after the strain the system faced during the COVID-19 pandemic.

A long extension provides hospitals with financial security to plan how they will care for patients in future fiscal years. The action taken by CMS to rescind this previously approved waiver extension undermines the safety net and the ability of hospitals to provide quality care to Medicaid and uninsured patients. The Texas Hospital Association published a white paper entitled "The Medicaid 1115 Waiver is a Building Block to Health Coverage" on February 12, 2021, explaining the critical role the extension of the 1115 Waiver plays in funding health coverage for Texans who are insured by Medicaid or uninsured. In the midst of the COVID-19 pandemic, it is particularly critical that hospitals have the ability to plan ahead for their financial

stability and uncompensated care costs. Rescinding this waiver extension directly threatens care for this vulnerable population.

This waiver extension also established a transition away from the Delivery System Reform Incentive Payment System (DSRIP) towards a new Public Health Provider charity care pool and directed payment programs during the COVID-19 pandemic. The State is already several months into working with CMS to establish new directed payment programs. Rescinding the waiver extension creates uncertainty for the programs that need to be operational by October 1, 2021. These new directed payment programs include a new uncompensated care pool for local health departments and community mental health centers, a Comprehensive Hospital Increased Reimbursement Program, Texas Incentives for Physician and Professional Services, Rural Access to Primary and Preventive Services, and others. These new programs will improve access and quality of care for patients. Texans should have the opportunity to receive these enhanced services into the future, not just for one year.

The time and effort required to renegotiate a new waiver extension will detract from the work that Texas and your agency could be conducting to improve health care for Texans and for Americans. We respectfully request that CMS reconsider the egregious and unprecedented action it has taken to rescind this 1115 Waiver extension. We urge you to work closely with Texas going forward.

Thank you for your time and attention to this important matter that will gravely impact our State's ability to provide Medicaid services to Texans.

Sincerely,



Michael C. Burgess, M.D.  
Member of Congress



John Cornyn  
United States Senator



Ted Cruz  
United States Senator



Kevin Brady  
Member of Congress



Dan Crenshaw  
Member of Congress



Jodey C. Arrington  
Member of Congress



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Brian Babin, D.D.S.  
Member of Congress



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Louie Gohmert  
Member of Congress



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Beth Van Duyne  
Member of Congress



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August Pfluger  
Member of Congress



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Van Taylor  
Member of Congress



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Lance Gooden  
Member of Congress



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Troy Nehls  
Member of Congress



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Pete Sessions  
Member of Congress



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Chip Roy  
Member of Congress



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Pat Fallon  
Member of Congress



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Kay Granger  
Member of Congress



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Roger Williams  
Member of Congress



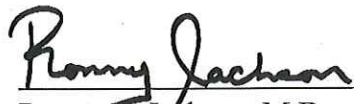
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Michael Cloud  
Member of Congress



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Michael T. McCaul  
Member of Congress



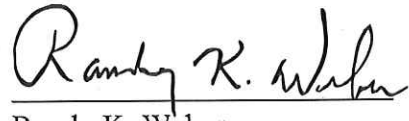
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Ronny L. Jackson, M.D.  
Member of Congress



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Tony Gonzales  
Member of Congress



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Randy K. Weber  
Member of Congress



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John R. Carter  
Member of Congress