



June 14, 2017

The Honorable Michael C. Burgess, M.D.  
Chairman  
Subcommittee on Health  
Committee on Energy and Commerce  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Chairman Burgess:

Thank you for your leadership of the Subcommittee on Health and your commitment to ensuring the healthcare safety net helps low-income individuals achieve better health outcomes. As the Subcommittee prepares to hold a hearing on this critical topic, the Healthcare Leadership Council (HLC) welcomes the opportunity to share our thoughts with you.

HLC is a coalition of chief executives from all disciplines within American healthcare. It is the exclusive forum for the nation's healthcare leaders to jointly develop policies, plans, and programs to achieve their vision of a 21st century health system that makes affordable, high quality care accessible to all Americans. Members of HLC – hospitals, academic health centers, health plans, pharmaceutical companies, medical device manufacturers, laboratories, biotech firms, health product distributors, pharmacies, post-acute care providers, and information technology companies – advocate for measures to increase the quality and efficiency of healthcare through a patient-centered approach. Safety net programs like the State Children's Health Insurance Program (SCHIP) and Federally Qualified Health Centers (FQHCs) are a critical part of our country's healthcare infrastructure, and HLC urges Congress to maintain support for our most vulnerable citizens by continuing to fund these programs.

#### SCHIP

SCHIP plays an important role in providing health coverage for children in families with low and moderate incomes. SCHIP has expanded children's eligibility for coverage and has encouraged participation by simplifying enrollment and renewal. Along with other factors, SCHIP has led to a steep decline in the number of uninsured children, from 10 million in 1997 (when the program was enacted) to 3.3 million in 2015.

HLC strongly believes that keeping children healthy by giving them access to care is essential to the wellbeing of our society. By diagnosing and treating problems at an early age, we can ensure that children will grow into healthy and productive adults. HLC members are at the forefront of developing and providing these health solutions to children, and we are grateful that the Subcommittee is looking at ways to ensure that SCHIP remains on a sound fiscal footing. Without congressional action to extend the

program's funding beyond September 30, states will soon exhaust their SCHIP funds. In this time of limited state resources and tight budgets, without federal assistance states will have to remove children from SCHIP. Many of these children will not be eligible for Medicaid nor will their parents be able to afford a private insurance plan. The children will then become uninsured and will have to go without necessary doctor visits, prescriptions, and other healthcare services. They will not be able to access preventive care and instead will have to be treated in emergency rooms and other high-cost settings. To avoid this costly situation and protect children's access to healthcare, HLC asks Congress to extend SCHIP funding.

HLC also supports giving states flexibility in administering their SCHIP program. For example, states can reduce their costs by making SCHIP a wraparound option for children who are eligible for the program but who have private insurance through their parents. This option would fill in the gaps in what the private plan covers and would also cover the cost-sharing expenses of the private plan. States should also be given incentives for managing their program effectively and streamlining the enrollment process.

#### FQHCs

FQHCs are our nation's largest source of comprehensive primary care for the medically underserved. They provide care to over 25 million people in more than 9,000 rural and urban communities across America. These centers provide medical, dental, mental health, reproductive care, and other important healthcare services. This care is high quality, cost effective, and accessible. Furthermore, the centers serve as critical economic engines that benefit local economies.

HLC supports continued funding of the FQHCs to ensure that the safety net is preserved and that our country's health is improved with adequate access to care. Without action before the end of this fiscal year, FQHCs will face a 70% cut in funding on October 1, which will result in an estimated 9 million patients losing access to care. We ask that Congress extend the Community Health Center Fund (CHCF). Without this support, many centers will have to close and their patients will have limited access to care. They will instead turn to the emergency room or other high-cost settings.

Thank you again for your work on these important issues. HLC looks forward to continuing to collaborate with you. If you have any questions, please do not hesitate to contact Debbie Witchey at (202) 449-3435.

Sincerely,



Mary R. Grealy  
President