



AMERICA'S  
ESSENTIAL  
HOSPITALS

**Statement for the Record  
Committee on Energy and Commerce  
Subcommittee on Health**

Examining the Reauthorization of the  
Pandemic and All-Hazards Preparedness Act  
June 6, 2018

Thank you for the opportunity to submit a statement for today's hearing on the reauthorization of the Pandemic and All-Hazards Preparedness Act (PAHPA) and, specifically, funding for the Hospital Preparedness Program (HPP).

Our more than 325 member hospitals are on the front lines of public health emergency response in their communities. They also provide a disproportionate share of the nation's uncompensated care and devote about half of their inpatient and outpatient care to Medicaid or uninsured patients. Members of America's Essential Hospitals form a critical part of the nation's emergency health care infrastructure by providing trauma services, teaching disaster readiness, coordinating preparedness efforts, and offering specialty services, such as poison and burn care centers. Therefore, it is paramount that Congress provide adequate and sustained funding for our essential hospitals to function as first responders and facilities well-positioned for a coordinated regional response during public health emergencies.

Since its inception under PAHPA, the HPP has provided critical funding and support for hospitals during public health crises. When the program was created, its appropriated funding level was at its highest: \$515 million per fiscal year. Since then, HPP funding authorization has dropped drastically to just \$255 million per fiscal year.

The current House proposal, the Pandemic and All-Hazards Preparedness Reauthorization Act of 2018, calls for nearly a 30 percent cut in authorized funding for the HPP. This further reduction in funding would pose a significant threat to our hospitals' capabilities and responsiveness during public health emergencies. **We encourage the committee to support H.R. 4776, the Hospital Preparedness Reauthorization Act of 2018, introduced by Rep. Debbie Dingell, which would restore the HPP's authorized funding to \$515 million for fiscal years 2019 through 2023.**

Funding shortfalls pose consistent and significant obstacles for essential hospitals. Our members operate with an average margin less than half that of other U.S. hospitals, and they often do not recoup the costs associated with their response to emergencies that directly affect not only their hospital, but also the surrounding communities. Adequate funding for the HPP and other preparedness programs, and the prioritization of HPP grants to essential hospitals, is necessary.

Essential hospitals work tirelessly to ensure that America's safety-net remains strong and is equipped to serve communities during public health crises. We urge the committee to provide adequate and sustained funding for our hospitals as they care for patients facing financial hardships and deliver trauma care, emergency preparedness, health care workforce training, and other communitywide services.

Thank you for your prompt attention to this vital issue.