



Legislative Alert

Take Action to Block Excessive Medicaid Payment Cuts

The Missouri Hospital Association needs your help in blocking excessive Medicaid hospital payment cuts in the state budget. Despite a recent restoration of \$38 million in payment cuts in the House of Representatives, a comparable amount must be restored by the Missouri Senate to reach fair treatment of Missouri hospitals.

New information reveals a much more drastic situation. We have discovered in the last few days that the Missouri Department of Social Services has its own open-ended plan to cut even more Medicaid outpatient payments. This plan has not clearly been reflected in the Administration's submitted budget or the House-passed legislative budget. If fully implemented, it would result in total state and federal funding cuts of \$106 million to Missouri hospitals. This represents a 7.85 percent cut in outpatient payments.

This [spreadsheet](#) projects the amount each hospital stands to lose if payments are cut by \$106 million. It is based on each hospital's share of total Medicaid outpatient spending. The sheet also lists each hospital's state senator. **We urge each hospital to contact its state senator to voice opposition to these draconian budget cuts, especially those being implemented by a state agency with no legislative or public transparency or accountability.**

To assist in reminding legislators of the vital role of the hospital provider tax — the Federal Reimbursement Allowance, or FRA — to the state budget, the spreadsheet lists the projected amount of tax each hospital will pay in the current fiscal year. Overall, the FRA generates more than \$1 billion. It is used to draw down federal Medicaid matching funds, freeing up General Revenue funds to support other legislative priorities.

Legislators need to block disproportionate payment cuts for Missouri hospitals. As they do so, they need to reassert legislative oversight of the Medicaid budget and hold the Administration accountable for its management of the Medicaid program and the impact on hospitals and constituents in their legislative districts.

Talking points are [available](#).

Missouri Hospital Association | P.O. Box 60 | Jefferson City, MO 65102

[MHAnet](#) | [Contact Us](#) | [Privacy Policy](#)

[Manage My Email Preferences](#) | [Unsubscribe from ALL MHA emails](#)