

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

January 14, 2013

The Honorable Marilyn Tavenner  
Administrator, Centers for Medicare & Medicaid Services  
Department of Health and Human Services  
Room 445-G, Hubert H. Humphrey Building  
200 Independence Avenue SW  
Washington, D.C. 20201

Dear Administrator Tavenner:

We write to express our strong support for TennCare's recent waiver request to include an additional \$80 million for the Essential Access Hospital payments in the absence of Tennessee Medicaid disproportionate share hospital (DSH) program funding.

Tennessee is the only state in the nation that does not have access to the Medicaid DSH program. When TennCare was created through a waiver in 1994, the state agreed to eliminate the Medicaid DSH payment, believing the majority of the uninsured and uninsurable would be covered through the new TennCare. Unfortunately, costs began to escalate quickly and continue to grow, and by 2005, the TennCare coverage experiment ended.

Tennessee hospitals provided more than \$700 million in unreimbursed TennCare costs last year. In addition to the unreimbursed costs, Tennessee hospitals provided \$970 million in charity care and lost an additional \$730 million on services provided to Medicare enrollees. This resulted in over \$2.4 billion in unreimbursed cost from charity care and government funded health care programs.

In each of the last four sessions of Congress, with the strong bipartisan and bicameral support of the Tennessee Congressional delegation, legislation was passed that included a partial payment of the Medicaid DSH payment for Tennessee hospitals. The most recent extension provided a partial payment through September 30, 2013.

This year, we are pleased to see that the State of Tennessee has developed a plan to resolve this matter through a waiver request. We urge an expeditious review of this application. The waiver request and the Essential Access Hospital payment provision are essential to maintaining the health care safety net in Tennessee. These critical health services must continue to be made available and accessible to the most vulnerable population in our state.

Thank you for your attention to this request. We look forward to your response on this important matter.

Sincerely,



Lamar Alexander  
United States Senator



Bob Corker  
United States Senator



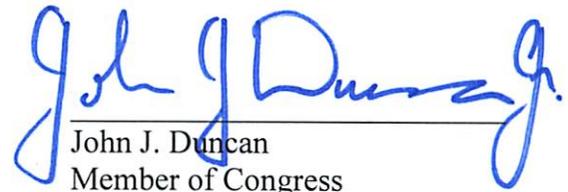
Diane Black  
Member of Congress



Marsha Blackburn  
Member of Congress



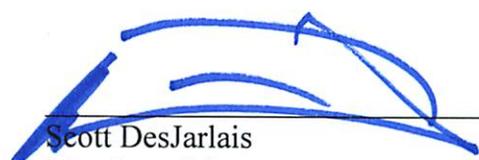
Phil Roe  
Member of Congress



John J. Duncan  
Member of Congress



Chuck Fleischmann  
Member of Congress



Scott DesJarlais  
Member of Congress



Stephen Fincher  
Member of Congress



Steve Cohen  
Member of Congress



Jim Cooper  
Member of Congress