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**Statement from THA President and CEO Craig Becker on
Proposed American Health Care Act**

The Tennessee Hospital Association (THA), which represents 137 acute care hospitals, long-term care, psychiatric and rehabilitation members, has issued the following statement from President and CEO Craig Becker to express serious concerns about the proposed American Health Care Act (AHCA).

“The challenges associated with the Affordable Care Act are no secret and hospitals welcome the development of solutions to our nation’s healthcare needs. While introducing some new solutions, the AHCA presents more potential challenges to hospitals.

“Primarily, we believe a significant number of the roughly 230,000 Tennesseans currently covered could lose their coverage because of an inability to pay for insurance due to significantly reduced federal subsidies.

“The proposal includes significant changes to the funding structure for Medicaid and gives more authority to states for operation of such programs. THA views greater state control of our Medicaid program as a potentially positive move, but we see challenges in this new model. It is important to understand the implications of such flexibility and the accompanying increase in financial risk to states under a per capita funding model. We are also concerned about the unknowns of how and at what level the per capita approach will be funded.

“We must ensure Medicaid enrollees continue to receive comprehensive and adequate benefits with fair reimbursement to providers for healthcare services. The current proposal stands to make achieving these goals a major obstacle.

“The bill also fails to sufficiently address the instability of the insurance marketplace for consumers, which THA has identified as a top priority. Tennesseans have seen dramatic changes in the insurance marketplace in our state as multiple insurers have withdrawn their participation in the past two years. This has resulted in limited coverage options for people in many parts of the state at a time when future participation by insurers remains uncertain.

“The current proposal jeopardizes the continuation of access insurance for many Tennesseans, which could further drive up the costs of uncompensated care. Tennessee

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hospitals each year provide nearly \$2 billion in services to the uninsured. When coupled with significant cuts to reimbursement from the ACA – which remain in the AHCA proposal – this presents a dark forecast for the future of hospitals in Tennessee, especially our rural and safety net facilities.

“The complexity of healthcare in America makes crafting a viable and effective solution a difficult task. However, federal lawmakers must find ways to provide healthcare coverage to Americans while ensuring such a solution supports the viability of hospitals and other providers, especially those in rural areas. The livelihood of Tennessee’s hospitals and the communities we serve hinges on finding this balance.”

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