Congress of the United States Washington, DC 20515

July 26, 2022

The Honorable Chiquita Brooks-LaSure Administrator Centers for Medicare & Medicaid Services U.S. Department of Health and Human Services 200 Independence Avenue SW Washington, DC 20201

Dear Administrator Brooks-LaSure,

We write to share our concern regarding the proposed payment updates included in the Centers for Medicare & Medicaid Services' (CMS) inpatient prospective payment system (IPPS) proposed rule for the upcoming fiscal year (FY) 2023. We worry the proposed payment updates do not accurately reflect today's cost of patient care and, when tethered with other policy changes included in the proposed rule, would result in a payment decrease for IPPS hospitals in FY 2023. We respectfully urge CMS to further evaluate this proposal and consider using its special exceptions and adjustments authority to revise the final IPPS rule to ensure hospitals have the resources they need to provide optimal care.

The historical data CMS referenced to forecast the expected health care cost could neither predict the effect of economy-wide inflation nor the increased supply chain demand and labor cost associated with COVID-19. We are concerned that the payment update hospitals received in FY 2022 and the proposed FY2023 market basket update does not sufficiently account for these critical financial pressures. This could result in a regrettably inadequate payment update that would not provide IPPS hospitals with resources needed to provide care to the patients and communities they serve.

We've heard the reality of the uncertain conditions and challenges that hospitals continue to face and operate under due to the pandemic and inflation. We therefore respectfully urge CMS to consider using its special exceptions and adjustments authority to make a retrospective adjustment to more fairly account for the difference between the market basket update that was implemented for FY 2022 and the current projected FY 2022 market basket. We believe that this change might provide a more accurate payment update that would provide hospitals and health care providers with the necessary tools they need to provide quality care to communities they serve and ensure Medicare payments for acute care services reflect today's cost of care.

On behalf of the hospitals and health care systems in our districts and nationwide, we appreciate your attention to these concerns. We look forward to your response.

Sincerely,

Bradley S. Schneider Member of Congress

Carol D. Miller Member of Congress Danny K. Illvis Member of Congress

Don Bacon Member of Congress

G. K. Butterfield
Member of Congress

Anthony Gonzalez Member of Congress

Fred Upton
Member of Congress

Jackie Walorski Member of Congress

Mike Quigley Member of Congress

A. Drew Ferguson, TV Member of Congress Maria Elvira Salazar Member of Congress

Chris Jacobs
Member of Congress

Kurt Schrader Member of Congress

Mike Bost Member of Congress

Susan Wild Member of Congress

John Katko
Member of Congress

Chuck Fleischmann Member of Congress

Elise Stefanik
Member of Congress

Ritchie Torres Member of Congress

Brian Higgins Member of Congress

Brad Sherman Member of Congress

Member of Congress

Jake LaTurner Member of Congress

Member of Congress

Joseph Morelle Member of Congress

Member of Congress

Tim Ryan

Member of Congress

Melanie Stansbury Member of Congress

Member of Congress

Daniel T. Kildee Member of Congress

Alex X. Mooney Member of Congress

Pete Aguilar Member of Congress

Member of Congress

Matt Gaetz

Member of Congress

John R. Moolenaar Member of Congress

Fred Keller
Member of Congress

Julia Letlow Member of Congress

Tom Emmer Member of Congress

Vicky Hartzler
Member of Congress

Pete Stauber Member of Congress

Sean Patrick Maloney Member of Congress

John Joyce, M.D. Member of Congress Tichoel C-vest

Michael Guest Member of Congress

Jason Smith Member of Congress

Darin LaHood Member of Congress

Clay Higgins Member of Congress

Josh Gottheimer Member of Congress

Brian Fitzpatrick Member of Congress

Julia Brownley
Member of Congress

Raja Krishnamoorthi Member of Congress



Member of Congress

Jan/Sohakowsky Member of Congress

Claudia Tenney Member of Congress

Deborah K. Ross Member of Congress

Kim Schrier, M.D. Member of Congress

Paine derrera Beutler Jaime Herrera Beutler Member of Congress

Member of Congress

Member of Congress

Member of Congress

Christopher Smith Member of Congress

Marie Newman Member of Congress

Ron Kind Member of Congress

Tim Burchett Member of Congress

Angie Craig

Member of Congress

Bobby L. Rush Member of Congress Shontel M. Brown
Member of Congress

Tom O'Halleran Member of Congress

Madeleine Dean
Member of Congress

Dave Joyce
Member of Congress

Ann Wagner Member of Congress

Blaine Luetkemeyer Member of Congress

Ashley Hinson Member of Congress

Paul D. Tonko Member of Congress Garret Graves
Member of Congress

Randy Feenstra Member of Congress

Stephen F. Lynch Member of Congress

Jared Golden Member of Congress

Mike Johnson Member of Congress

Sam Graves Member of Congress

Grace Meng Member of Congress

Donald Norcross Member of Congress



Sharice L. Davids Member of Congress

Haley Stevens Member of Congress

Bruce Westerman Member of Congress

Jimmy Panetta Member of Congress

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Nydia M. Velázquez Member of Congress

Linda T. Sánchez Member of Congress In la

Jim Costa Member of Congress

John Rose

Member of Congress

h W Rose

Robert B. Aderholt Member of Congress

Bill Huizenga Member of Congress

Jay Obernolte

Member of Congress

Sean Casten Member of Congress

Mike Kelly

Member of Congress

Robin L. Kelly
Member of Congress

Steve Womack
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Guy Reschenthaler Member of Congress

Abigal D. Spanberger Member of Congress

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Terri A. Sewell Member of Congress

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Nannette Diaz Barragán Member of Congress

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Cynthia Axne Member of Congress

Chrissy Homahan Member of Congress