



National
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NAPH analysis projects \$53.3 billion more uncompensated health care costs by 2019

WASHINGTON – If the U.S. Supreme Court's Affordable Care Act ruling increases the number of uninsured individuals consistent with federal projections, hospitals could face a \$53.3 billion increase in uncompensated care costs by 2019, a new analysis by the National Association of Public Hospitals and Health Systems (NAPH) shows.

NAPH conducted its analysis to put a dollar figure on the additional uncompensated care hospitals and, in turn, state and local governments might shoulder if states forgo expanding their Medicaid programs, as the court's June decision allows. Congressional Budget Office (CBO) estimates from March 2010, when lawmakers passed the Affordable Care Act (ACA), and this past July show that the ranks of the uninsured could swell by 6 million to 10 million beyond initial projections.

"Congress certainly didn't foresee this level of uninsured and uncompensated care when it enacted the ACA," NAPH President and CEO Bruce Siegel, MD, MPH, said. "In this light, the deep cuts to disproportionate share hospital payments over the same period are simply untenable and will prove devastating to society's most vulnerable and to the providers who care for them."

The additional \$53.3 billion in uncompensated care costs, calculated using CBO, U.S. Bureau of Labor Statistics, U.S. Census Bureau, and American Hospital Association annual survey data, would coincide with a total \$14.1 billion in Medicaid disproportionate share hospital (DSH) reductions. "This unexpected new level of cost to hospitals and health systems dramatically amplifies the impact of the Medicaid DSH cuts," NAPH said in the analysis.

The analysis references research, including a recent *New England Journal of Medicine* study, demonstrating how Medicaid coverage improves health and access to services. It also outlines the challenge for policymakers: correcting the imbalance between uncompensated care needs and the level of federal support to hospitals that shoulder the majority of this work.

In its analysis (available at <http://www.naph.org/Links/ADV/NAPHuncompensatedcareanalysis.aspx>), NAPH calls on Congress to restore DSH funding cut by the ACA and to "devise a safety net funding policy that ensures access to care for all who need it."

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About the National Association of Public Hospitals and Health Systems (NAPH)

NAPH represents the nation's safety net hospitals and health systems, which provide high volumes of care to low-income individuals. These facilities offer high-quality health services for all patients, including the uninsured and underinsured, regardless of ability to pay. In addition to helping ensure access to health care for all Americans, safety net hospitals provide many essential communitywide services, such as primary care, trauma care, and neonatal intensive care. Safety net hospitals also train many of America's doctors, nurses, and other health care providers. Since its inception in 1980, NAPH has cultivated a strong presence on Capitol Hill, with the executive branch, and in many state capitols. NAPH advocates on behalf of its members on such issues as Medicaid, Medicare, and access to health care services for vulnerable populations. For more information, visit our website at <http://www.naph.org/>