

June 4, 2020

The Honorable Mitch McConnell  
Majority Leader  
U.S. Senate  
S-230, the Capitol  
Washington, DC 20510

The Honorable Chuck Schumer  
Minority Leader  
U.S. Senate  
S-221, the Capitol  
Washington, D.C. 20510

The Honorable Nancy Pelosi  
Speaker  
U.S. House of Representatives  
H-232, The Capitol  
Washington, D.C. 20515

The Honorable Kevin McCarthy  
Minority Leader  
U.S. House of Representatives  
H-204, The Capitol  
Washington, D.C. 20515

Dear Leader McConnell, Leader Schumer, Speaker Pelosi, and Leader McCarthy:

On behalf of the American Society of Health-System Pharmacist (ASHP) and twenty-four state health system pharmacy organizations, we would like to thank you for your leadership during the COVID-19 pandemic. As the response to COVID-19 continues, new data increasingly indicate that rates of infection are higher among lower-income groups, many of whom are currently covered by Medicaid. As unemployment rates continue to rise, it is expected that anywhere from 11 million to 23 million additional people will sign up for Medicaid, further impacting states' Medicaid budgets.<sup>1</sup> In light of the unprecedented impact COVID-19 is already having on state economies, we ask for Congress to increase funding for Medicaid and other state-based safety net programs to protect access to patient care.

The Medicaid program provides access to patient care services, allowing providers to work with patients to achieve optimal health outcomes in addition to providing care for COVID-19 patients. We ask that economic stimulus discussions include strategies to maximize the sustainability of Medicaid and support state safety net programs so that patients may continue to seek the care they need.

Failing to provide additional support for state Medicaid budgets will significantly undermine our nation's response to COVID-19 and the sustainability of health systems:

- **Higher Infection Rates and Poor Patient Outcomes for Patients without Coverage:** Coverage impacts both COVID-19 and non-COVID-19 patients. Without coverage, patients will forego COVID-19 testing and treatment as well as routine preventative care. Not only will this likely result in higher rates of COVID-19 infections, it will lead to overall poor patient outcomes and increase the amount of uncompensated care hospitals and care sites must provide.
- **Inability to Manage Chronic and Acute Disease through Medications:** Individuals without proper access to affordable healthcare, such as Medicaid coverage, may be unable to afford medications to manage chronic and acute disease. In turn, this can lead to negative health outcomes for patients, resulting in increased hospitalizations and health costs.

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<sup>1</sup> Health Management Associates, "COVID-19 Impact on Medicaid, Marketplace, and the Uninsured, by State" (2020). <https://www.healthmanagement.com/wp-content/uploads/HMA-Estimates-of-COVID-Impact-on-Coverage-public-version-for-April-3-830-CT.pdf>

- **Provider Reimbursement Cuts:** Cuts to payments for Medicaid providers will disrupt established care models, including pharmacist-led models. Medicaid reimbursement is already low relative to other payers – many providers do not accept Medicaid patients and cuts to payment rates will likely exacerbate access issues. According to the Kaiser Family Foundation, to reduce their own portion of Medicaid cost-sharing, states will often turn to reductions in provider rates as well as cuts to some optional benefits if they cannot keep up with their share of the costs.<sup>2</sup> This can result in changes to prescription drug coverage and a reduction in providers willing to accept Medicaid.
- **Higher Rates of Uncompensated Care:** Hospitals are already facing financial pressures due to COVID-19. More uninsured individuals means more uncompensated care for hospitals, further stretching hospital budgets and potentially resulting in more furloughs and staff reductions.

We appreciate your consideration and urge you to take the step of allocating additional federal funds to state Medicaid programs, in order to protect vulnerable Medicaid populations during the current public health crisis. We welcome the opportunity to answer questions or provide additional information regarding the vital role Medicaid plays for patients and our healthcare system.

Sincerely,

American Society of Health-System Pharmacists  
 California Society of Health-System Pharmacists  
 Colorado Pharmacists Society  
 Connecticut Society of Health System Pharmacy  
 Florida Society of Health-System Pharmacists  
 Georgia Society of Health-System Pharmacists  
 Illinois Council of Health-System Pharmacists  
 Indiana Pharmacists Association  
 Iowa Pharmacy Association  
 Kansas Council of Health-System Pharmacy  
 Kentucky Society of Health-System Pharmacists  
 Louisiana Society of Health-System Pharmacists  
 Maryland Society of Health-System Pharmacy  
 Massachusetts Society of Health System Pharmacists  
 Minnesota Society of Health-System Pharmacists  
 Montana Pharmacy Association  
 New Jersey Society of Health-System Pharmacists  
 New York State Council of Health-system Pharmacists  
 North Dakota Society of Health-System Pharmacists  
 Ohio Society of Health-System Pharmacists  
 Oregon Society of Health-System Pharmacists  
 Pharmacy Society of Wisconsin  
 South Dakota Society of Health-System Pharmacists  
 Texas Society of Health-System Pharmacists  
 Virginia Society of Health-System Pharmacists

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<sup>2</sup> Robin Rudowitz. “COVID-19: Expected Implications for Medicaid and State Budgets” (2020).  
<https://www.kff.org/coronavirus-policy-watch/covid-19-expected-implications-medicaid-state-budgets/>