



Texas Essential
Healthcare Partnerships

TEHP Releases Fiscal Impact of Federal Withdrawal of Texas' Medicaid 1115 Waiver on Rio Grande Valley Hospitals

Area Hospitals to Lose Nearly \$100 Million Each Year Starting in October 2022 Without Waiver

MCALLEN – The Texas Essential Healthcare Partnerships (TEHP) today released its fiscal impact analysis of Texas' Medicaid 1115 Waiver on Rio Grande Valley-area hospitals. On April 16, the Centers for Medicare and Medicaid Services (CMS) announced it was rescinding the Waiver extension granted by the previous Administration which secured the continued federal funding of billions of dollars for Texas hospitals through 2030. In 2020 alone, 11 hospitals in the region accessed \$98,130,066 via the Waiver. These funds were made available to hospitals for the high volume of services provided to local patients that are uninsured or eligible for charity care. If the Biden administration refuses to extend the Waiver, the Rio Grande Valley's safety-net hospitals will likely lose access to these critical funds beginning in October of 2022.

“The 1115 Waiver is essential to the survival of Texas safety-net hospitals,” said TEHP President Don Lee. “At a time when healthcare is more important than ever, the federal government and states must work together to ensure safety-net providers have the necessary resources to serve their communities. It is important to recognize that if the Waiver is not renewed, it will have a disproportionately harmful impact on patients in communities that are unable to support a public hospital, like the Rio Grande Valley area, which stands to lose nearly \$100 million every year. This includes communities like Laredo, Beaumont, Brownsville, McAllen, Temple, Amarillo, Tyler, Waco and many others. TEHP intends to fulfill its mission of helping identify realistic solutions that strengthen the safety-net and not threaten to undermine it. While there are critics of the Waiver renewal process, TEHP and its members remain focused on working with our Democratic and Republican leaders to reach a reasonable agreement to help the state continue to build a stronger healthcare system to serve the low-income population in Texas, since our membership provides much of that critical care. Like many of our leaders on both sides, TEHP is focused on patients and not politics.”

**This calculation is based on lost revenue in charity care and uncompensated care pools provided by the 1115 waiver.*

[Texas Essential Healthcare Partnerships](#) is a non-profit corporation that operates exclusively for social welfare in the State of Texas. TEHP supports policies that strengthen the healthcare safety-net system, and improve access to, and the availability, delivery, efficiency and funding of, quality healthcare services within the State of Texas. TEHP's goal is to educate members of the community and empower hospitals so that they can provide accessible and high-quality healthcare services to patients in their care.