



Date: January 17, 2024

To: Chairman Hough and the Members of the Senate Appropriations Committee

From: Riisa Rawlins, Regional Health Commission

RE: In Support of SB 748

Dear Chairman Hough and Members of the Senate Appropriations Committee,

My name is Riisa Rawlins, and on behalf of the Regional Health Commission (RHC), I am writing in strong support of SB 748. The RHC is a non-profit organization representing hospital systems, community health centers, non-profits, providers, and patients. The RHC is committed to achieving zero health disparities through a community driven approach that yields health equity in all policy and outcomes. **We ask you to support SB 748 which would remove the expiration date for the federal reimbursement allowance (FRA).**

The federal reimbursement allowance (FRA) system also known as the “provider tax” started in the 1990s, when hospitals began voluntarily contributing funds to the state, which could then be used as the state match for Medicaid to draw down additional federal dollars in support of the program. SB 728 would remove an expiration date for the FRA, therefore eliminating any funding issues that could come up with the need for reauthorization of this crucial funding stream for our state.

To achieve our vision of zero health disparities, the RHC strongly supports the maximum funding for MOHealth Net for all Missourians to have access to affordable healthcare. The FRA has become a critical source of funding for our state Medicaid program. However, it also frees up general revenue funding that goes to important state programs such as education. If the FRA is not reauthorized the state would lose billions in provider tax and federal dollars. This would result in significant cuts to state programs in addition to Medicaid. To avert a funding crisis in our state budget, the RHC supports the removal of an expiration date for the FRA and that it be reauthorized.

For the reasons outlined above, we encourage the Committee to pass SB 748. If you have any additional questions or requests for information, please contact Kate Kasper, Manager of Policy and Advocacy at kkasper@stlrhc.org.

Thank you for your time and consideration.

Riisa Rawlins, Interim CEO

Regional Health Commission

