



Charles N. Kahn III
President and CEO

March 14, 2024

The Honorable Chiquita Brooks-LaSure
Administrator
Centers for Medicare & Medicaid Services
U.S. Department of Health and Human Services
Hubert H. Humphrey Building, Room 445-G
200 Independence Avenue, S.W.
Washington, DC 20201

(Submitted electronically via stateinnovationwaiver@cms.hhs.gov)

RE: Nevada Section 1332 Innovation Waiver Request

Dear Administrator Brooks-LaSure:

I am writing on behalf of the Federation of American Hospitals (FAH) to urge CMS to reject the state of Nevada's Section 1332 Innovation Waiver Request. The FAH is the national representative of more than 1,000 leading tax-paying hospitals and health systems throughout the United States. FAH members provide patients and communities with access to high-quality, affordable care in both urban and rural areas across 46 states including Nevada, plus Washington, DC, and Puerto Rico. Our members include teaching, acute, inpatient rehabilitation, behavioral health, and long-term care hospitals and provide a wide range of inpatient, ambulatory, post-acute, emergency, children's, and cancer services. These tax-paying hospitals account for nearly 20 percent of U.S. hospitals and serve their communities proudly while providing high-quality health care to their patients.

The FAH has long supported policies to increase access to health insurance for all Americans so they can have access to affordable, high-quality health coverage and care. There is perhaps no better example of policies that work than the success of the current ACA marketplace where enrollment has reached new all-time highs. That is one reason why we have serious concerns with the state government-controlled Nevada Public Option, which would have the opposite effect for the people living in Nevada and threaten today's success.

It is important to note that there is no successful Public Option today in any state. Research shows that implementing the Public Option risks undermining the sustainability of, and

access to, the very health care providers that are the foundation of the ACA marketplace. This is due in large part to provider payment rates under a public option that fall far below the cost of care. For Nevada this puts financially struggling providers, particularly in rural and safety net communities and the patients they serve at risk. While Nevada's updated 1332 waiver application represents an attempt to address some of the concerns about SB 420, the bill's underlying structural flaws unfortunately remain, with negative consequences for Nevada's health care safety net.. We urge CMS to reject Nevada's Section 1332 Innovation Wavier Request in its current form.

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The FAH appreciates the opportunity to comment on this important state program in Nevada. If you have any questions or would like to discuss further, please do not hesitate to contact me or a member of my staff at (202) 624-1500.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew M. H. [unclear]". The signature is fluid and cursive, with a large initial "A" and "M".