



April 1, 2025

Senator Mike Crapo  
Chairman  
Senate Finance Committee  
219 Dirksen Senate Office Building  
Washington, D.C. 20510

Congressman Jason Smith  
Chairman  
House Ways and Means Committee  
1139 Longworth House Office Building  
Washington, D.C. 20515

Senator Ron Wyden  
Ranking Member  
Senate Finance Committee  
219 Dirksen Senate Office Building  
Washington, D.C. 20510

Congressman Richard Neal  
Ranking Member  
House Ways and Means Committee  
1129 Longworth House Office  
Washington, D.C. 20515

Honorable Chairmen Crapo and Smith and Ranking Members Wyden and Neal:

As health care leaders of 18 U.S. health care systems with hospitals and health centers in 45 states, we support the President's goal of reducing energy costs and strengthening the economy while reducing health burdens and making Americans healthier. Because of this, we strongly urge Congress to uphold federal incentives for reliable clean energy and transportation and oppose efforts to weaken or repeal them. Health care systems are often among the largest employers and real estate owners in communities and the largest purchasers of goods and services, and as such, are navigating many challenges. Given the fiscal, operational, and clinical realities that the health care sector faces, we support these financial incentives as a means of reducing health care costs and protecting patients' health.

In 2022, Congress passed the Inflation Reduction Act (IRA) providing benefits to states all across the U.S. The tax credits, grant and loan programs from the law are helping to reduce local air pollution that endangers patients with chronic diseases like asthma. These investments are also helping us reduce energy costs and become more energy efficient, providing direct economic benefits that can support our facilities, staff, and patients. Importantly, programs created by the IRA are also providing funding to harden critical infrastructure and supply chains against costly and dangerous disruptions which allows us to keep our staff and patients safer.

The IRA provisions created by Congress will aid in building a more prepared health care system by creating cleaner and more reliable health care facilities, operations, and infrastructure as well as stronger communities. In particular, we support the **direct pay**<sup>1</sup> option that covers many of the IRA's tax credits, allowing nonprofit organizations like hospitals to take full advantage of these transformative credits. The

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<sup>1</sup> Also called elective pay, this allows the recipient to monetize the tax credit if they are a non-profit health system. [Fact Sheet: Clean Energy Tax Incentives: Elective Pay Eligible Tax Credits](#). Internal Revenue Service.

IRA tax incentives allow us to invest in more resilient and efficient energy systems, provide cleaner and widely available transportation options, and help to build out alternative fueling infrastructure for vehicles in rural and underserved communities. This includes the following tax incentives: 30C - Alternative Fuel Vehicle Refueling Property Credit; 45W - Credit for Qualified Commercial Clean Vehicles; 45Y - Clean Electricity Production Tax Credit (PTC); 48E - Clean Electricity Investment Tax Credit (ITC); and 179D - commercial buildings energy efficiency tax deduction. In addition, we support the Greenhouse Gas Reduction Fund, also created by Congress in the IRA, which provides crucial project bridge financing allowing health care to more readily use the tax-related opportunities.

As frontline stewards of community health, health care systems have a unique responsibility to prepare our facilities and communities for the impacts of natural disasters that challenge our infrastructure and impact patient's health. We are seeing these impacts firsthand, challenging our ability to deliver care, while harming the health and livelihoods of our patients, staff, and communities. Weather and wildfire disasters leave health care facilities vulnerable to suspended services, postponed procedures, evacuation orders, an inability to treat patients, and closure, causing massive economic and human disruption. In just the last three years the U.S. has experienced 73 confirmed weather disaster events with losses exceeding \$1 billion each. These events included drought, flooding, severe storms, tropical cyclones, and wildfires. Overall, these events resulted in the deaths of 1,534 people with significant economic effects on the areas impacted, costing a total of \$461.6 billion.<sup>2</sup>

As health care organizations, we are committed to protecting the 77 million patients we serve annually and our broader communities. We have found that our strong commitments to energy efficiency and clean energy have yielded a significant return on investment in terms of financial savings, employee retention and satisfaction, and improvements in community health. With the right investments, the health care sector is poised to play a leading role in promoting solutions that reduce costs as well as health burdens for all Americans. We urge you to protect the IRA programs that are crucial for the health care sector, including the tax credits eligible for direct pay and the Greenhouse Gas Reduction Fund.

Sincerely,

The U.S. Health Care Climate Council

The **U.S. Health Care Climate Council** is a leadership body of health systems committed to protecting our patients and employees from the health impacts of climate change and becoming anchors for resilient communities. Health Care Climate Council members implement innovative energy solutions, inspire and support others to act, and use our trusted voice and purchasing power to move policy and markets to drive the transformation of the health care sector. The Council membership includes 18 leading health systems representing over 547 hospitals and 9,500 health centers in 45 states, with more than 1.2 million employees serving over 77 million patients annually.

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<sup>2</sup> NOAA National Centers for Environmental Information (NCEI) U.S. Billion-Dollar Weather and Climate Disasters (2025). <https://www.ncei.noaa.gov/access/billions/>, DOI: 10.25921/stkw-7w73.