

April 8, 2011

Dear Representative:

On behalf of the American Hospital Association, representing more than 5,000 member hospitals, health systems and other health care organizations, and 40,000 individual members, I am writing to urge you to oppose the Fiscal Year (FY) 2012 budget resolution adopted by the House Budget Committee earlier this week.

In communities across America, hospitals provide the most sophisticated and advanced health care in the world to our patients 24 hours a day, seven days a week, 365 days a year. Unfortunately, our ability to keep that promise to the elderly, poor and disabled could be seriously challenged by the resolution adopted by the House Budget Committee.

The House Budget Committee resolution would cut \$771 billion from the existing Medicaid program, a program that currently reimburse less than the cost of care, largely by converting the federal share of the program to a block grant beginning in FY 2013 and allowing a lower rate of growth in subsequent years. Additionally, the resolution would eliminate coverage for more than 32 million Americans by rescinding the individual subsidies and Medicaid expansions included in the *Patient Protection and Affordable Care Act of 2010* (ACA) for a total reduction of \$1.4 trillion over 10 years. At the same time, the committee's resolution would retain the cuts to health care spending contained in the ACA, including \$155 billion in reductions to hospital payments.

The AHA believes these policies could severely impact access to care for our nation's most vulnerable patients and will severely stress hospitals' ability to provide the best patient care. Hospitals currently face enormous challenges on many fronts, including growing uncompensated care, labor shortages and regulatory burdens, and are being asked to do more with less. On the state level, Medicaid payments are being significantly reduced for hospital services for people in need, further adding to fiscal pressures. Hospitals simply cannot continue to ensure that patients and communities receive the care they need and expect without adequate support.

While we recognize the serious fiscal challenges we face as a nation, and we remain willing to study "outside the box" ideas presented by Chairman Ryan such as Medicare premium support, the budget resolution passed by the House Budget Committee is not the right prescription for the health of America. We urge you to reject the resolution when it comes to the House floor.

Sincerely,



Rick Pollack
Executive Vice President

