

Congress of the United States
Washington, DC 20515

November 17, 2014

The Honorable Barack Obama
President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

Dear Mr. President:

We are writing to express our concern regarding budget cuts aimed at Critical Access Hospitals (CAHs). For the past two years, your budgets proposed a payment reduction from 101 to 100 percent payment of reasonable costs and a removal of the CAH designation for facilities located within 10-miles of another hospital. We urge you to exclude these provisions from the Fiscal Year 2016 budget.

CAHs play an important role in communities by providing access to primary, emergency, and acute care services. Further, CAHs offer economic security and quality jobs in rural areas across the nation. Budget cuts directed at CAHs in previous years have threatened their ability to act as a safety net for hundreds of thousands of Americans living in rural communities.

Hospitals originally received the CAH designation based on the recommendation of their own states, with concurrence from the Centers for Medicare & Medicaid Services. The elimination of CAH status for those facilities within 10 miles of another hospital does not consider the implications such a change would have on the accessibility of care in the communities served by CAHs. Individuals living in rural communities, particularly the elderly and those with low incomes, will be significantly impacted by these changes. Requiring individuals to travel long distances to access care will result in healthcare delays and avoidance of preventive care. Moreover, under the proposals from past budgets, a CAH would lose its status if it is within 10 miles of any hospital, regardless of whether the other nearby hospital is capable of providing the services that would be lost if the CAH closed.

Since the beginning of 2013, 24 rural hospitals have closed. Rural hospitals face unique financial difficulties – they must continue providing 24 hour access to care for isolated rural communities who have no other option. Reducing CAH funding will exacerbate the current problem and cause further care shortages in these isolated areas.

While we strongly support targeted Medicare reforms that will reduce costs and maintain high quality of care, the measures proposed in previous budgets do not qualify. The estimated savings over 10 years from the CAH 10-mile designation is minute. Additionally, we believe these savings are overstated as patients will still need to seek care at other facilities. As you consider

the FY 2016 budget, we believe that indiscriminate cuts to CAHs, similar to those included in previous budgets, are not the answer. This is particularly true concerning the elimination of the CAH designation to hospitals based on an arbitrary number of miles between facilities.

Thank you for your consideration of this request. Please do not hesitate to contact us if you have any questions or would like additional information.

Sincerely,



SEAN P. DUFFY
Member of Congress



DAVID LOEBSACK
Member of Congress



RODNEY DAVIS
Member of Congress



RON KIND
Member of Congress



REID J. RIBBLE
Member of Congress



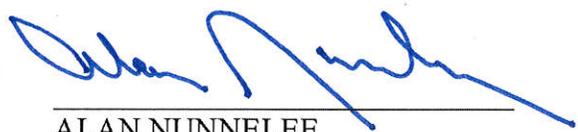
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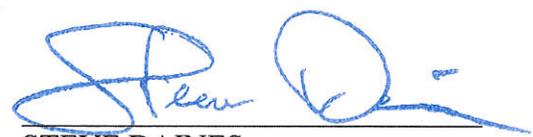

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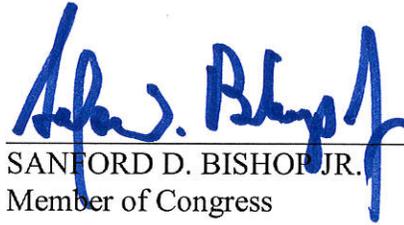
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