



June 11, 2002

The Honorable Bill Thomas
Chairman
House Ways and Means Committee
U.S. House of Representatives
1102 Longworth House Office Building
Washington, DC 20515

The Honorable Nancy Johnson
Chairwoman
Subcommittee on Health
U.S. House of Representatives
1136 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Thomas and Chairwoman Johnson:

On behalf of the 1,600 leading not-for-profit hospitals and health systems allied in Premier, we appreciate the opportunity to positively weigh in on the reported agreement between the Committee and American Hospital Association with respect to Medicare provider payment adjustments under the auspices of a broader reform package.

While we have not yet seen the proposed legislative language, and must, therefore, reserve final judgment, we view the crux of the agreement as a significant step toward ensuring adequate reimbursement, and by extension, the best possible provision of healthcare services for beneficiaries. To that end, we are deeply appreciative of your leadership, and pledge our assistance and support as the legislation moves toward House passage.

As you know, the Medicare program is at a critical juncture, as a growing percentage of our nation's population retires and becomes eligible. In that vein, efforts to enact Medicare improvements and safeguard the program's integrity *now* become all the more critical. Hospitals share with Congress a commitment to ensuring Medicare beneficiaries' access to the highest quality care possible. We pledge to continue working with you toward that mutual goal.

Sincerely,

Herb Kuhn
Corporate Vice President
Premier

Premier, Inc. and related companies

San Diego
12225 El Camino Real
San Diego, CA 92130
858.481.2727 • Fax 858.481.8919

Chicago
700 Commerce Drive
Suite 100
Oak Brook, IL 60523
630.891.4100 • Fax 630.368.5310

Charlotte
2320 Cascade Pointe Blvd. (28208)
Suite 100
PO Box 668800
Charlotte, NC 28266-8800
704.357.0022 • Fax 704.357.6611

www.premierinc.com

Washington, DC
444 N. Capitol Street, NW
Suite 625
Washington, DC 20001-1511
202.393.0860 • Fax 202.393.6499