



AMERICAN SURGICAL HOSPITAL ASSOCIATION

PO Box 23220, San Diego, CA 92193
Phone: 858-490-8085; Fax: 858-490-9016
Email: info@surgicalhospital.org Web: www.surgicalhospital.org

June 16, 2003

The Honorable William M. Thomas
Chairman
Committee on Ways and Means
United States House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

On behalf of the American Surgical Hospital Association (ASHA), I want you to know that the association strongly supports Section 505 of the Medicare Prescription Drug and Modernization Act of 2003. Section 505 requires MedPAC to undertake a study of specialty hospitals and how they compare to general acute care hospitals. We believe that such a study should be conducted before any legislative changes are enacted or regulatory changes are implemented that would affect the viability of specialty hospitals. We fully expect that the results of the study will demonstrate, as the recent study by GAO did, that the complement of patients and the severity of their conditions in specialty hospitals and general acute hospitals are quite similar.

More generally, we applaud your efforts to move legislation that will bring the Medicare program into the 21st century. Adding a prescription drug benefit and reforming how existing benefits are provided and financed will be very significant accomplishments.

If you or any of your colleagues have any questions about specialty hospitals or the association's position on the Medicare Prescription Drug and Modernization Act of 2003, please do not hesitate to contact me or the association's Washington representative, Randy Fenninger, who can be reached at (202) 833-0007.

As always, ASHA looks forward to working with you on improvements to the healthcare system that will benefit all Americans.

Sincerely,

Michael Lipomi
President