



November 20, 2003

The Honorable Deborah Pryce
United States House of Representatives
221 Cannon House Office Building
Washington, DC 20515

Dear Representative Pryce:

On behalf of the Ohio Hospital Association (OHA) and our more than 170 hospitals and health systems across the state, we appreciate the Congress's inclusion of many crucial hospital provisions in the pending Medicare Prescription Drug conference committee report. As this session draws to a close, we urge you to vote "yes" to a report we understand will include the following:

- ✓ An increase to the Medicaid Disproportionate Share Hospital (DSH) program of at least 16% in FFY 2004, with full inflationary adjustments thereafter;
- ✓ Continuation of the current full Market Basket (MB) update for the Medicare inpatient prospective payment system;
- ✓ Continuation of the current equalization of the standardized Medicare base payment rates, permanently bringing all Ohio hospitals to the "large urban" rate;
- ✓ A reduction in the labor-related share of the Area Wage Index (AWI) from 71% to 62%;
- ✓ Improvements to scheduled updates for Indirect Medical Education (IME);
- ✓ Language prohibiting physicians from referring patients to new specialty hospitals in which they have an ownership interest while the Medicare Payment Advisory Commission (MedPAC) studies the issue;
- ✓ Provisions to allow improvements and flexibility to rural hospitals;
- ✓ A requirement that Medicare help pay for Medicaid dual-eligible patients, helping to reduce the financial burden of dangerously strained State budgets;
- ✓ Regulatory relief changes under Medicare, as contained in the House- and Senate-passed versions of the legislation.

We strongly support these key provisions of the Medicare reform bill, as they will help our members continue to provide quality care to their patients and their communities, 24 hours a day, every day. We urge you to help secure enactment before this session of Congress ends. If you have questions or comments, please contact Jonathan Archey, OHA's federal relations manager, or me.

Sincerely,

A handwritten signature in black ink that reads "J. E. Callender".

John E. Callender
Senior Vice President

JEC/jsa