

March 17, 2008

The Honorable John D. Dingell Chairman, House Energy and Commerce Committee 2328 Rayburn House Office Building Washington, DC 20515

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Dear Mr. Chairman:

On behalf of the 1,700 leading not-for-profit hospitals and health systems allied in Premier, we applaud your efforts to protect Medicaid beneficiaries and offer our support for the Protecting the Medicaid Safety Net Act of 2008 (H.R. 5613). This legislation postpones regulations which would impose significant financial burdens on many states and would adversely affect some of our most vulnerable populations. Ensuring that Medicaid beneficiaries receive needed services and that our community hospitals have the resources to provide such care should be a top priority for the federal government and Premier supports your efforts on this important issue.

The combined regulations to be implemented this year could cost the states \$50 billion over the next five years, according to state Medicaid directors. Of particular concern to Premier and our member hospitals are regulations pertaining to public providers and those that cut funding for graduate medical education as well as cuts to needed outpatient services, which often include preventive care at children's hospitals. These regulations alone could restrict \$38 billion in federal funding to the states.

Premier appreciates the opportunity to share our support for H.R. 5613 and we look forward to working with you to ensure that Medicaid beneficiaries and the hospitals that serve them have the resources they need.

Sincerely,

Blair Childs

Senior vice president, Public Affairs

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