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Congress of the United States

House of Representatives

December 11, 2007

The Honorable Max Baucus
Chairman, Committee on Finance
Washington, D.C. 20510

The Honorable Chuck Grassley
Ranking Member, Committee on Finance
Washington, D.C. 20510

The Honorable Charles B. Rangel
Chairman, Committee on Ways and Means
Washington, D.C. 20515

The Honorable Jim McCrery
Ranking Member, Committee on Ways and Means
Washington, D.C. 20515

The Honorable Fortney Pete Stark
Chairman, Subcommittee on Health
Washington, D.C. 20515

The Honorable Dave Camp
Ranking Member, Subcommittee on Health
Washington, D.C. 20515

Dear Sirs:

We write to express our strong objections to the inclusion of any provisions targeting doctor-owned hospitals in any Medicare legislation or final omnibus spending measure.

Our specific concern is that such language not outlaw the Wenatchee Valley Medical Center as it operates today. This 67 year-old institution should not be forced by Congress to close, sell, or freeze services forever.

As not a single public hearing has been held on the Medicare language currently being drafted in secret, we are deeply troubled about what could happen to this hometown hospital that serves rural communities and has been designated by the State of Washington as vital to providing care in an underserved area.

The Wenatchee Valley Medical Center was founded in 1940 by three doctors and today is owned by 150 doctors, each with a share of just over a half of a percent. The Medical Center employs 1500 people, serves a population of a quarter million people in an area the size of the State of Maryland, and treats 150,000 patients a year. It must be protected.

In August, an attempt was made in Section 651 of the Children's Health and Medicare Protection (CHAMP) Act to block Medicare and Medicaid payments to any hospital with physician ownership, including general community hospitals, rural facilities, rehabilitation hospitals and other specialized hospitals regardless of the quality of care provided or the needs of patients.

The language in this Section is overly broad and provides zero protection for hospitals that provide a broad array of inpatient and outpatient services or for those facilities located in medically underserved areas.

The impact of Section 651 on the Wenatchee Valley Medical Center and its clinics throughout rural North Central Washington would be devastating. Under the provisions of Section 651, the Wenatchee Valley Medical Center would be prohibited from receiving Medicare and Medicaid reimbursement simply because it is 100 percent owned by doctors. Over half of Wenatchee's patients are Medicare or Medicaid beneficiaries. The effect of such language is either the closure of the hospital and its clinics, or the government-forced sale of a community health care provider to an outside corporation at what would be a fire-sale price. Either way, the financial impact on the organization would be severe.

In addition, even if facilities such as the Wenatchee Valley Medical Center are able to meet the doctor ownership requirements mandated in Section 651 of the CHAMP Act, they would be prohibited from ever expanding to meet the future needs of the community. This language would unnecessarily limit access to quality health care services in North Central Washington.

For these reasons, should Medicare-related legislation be considered individually or as part of an omnibus spending bill, we first ask that any doctor-owned hospital provisions not be included. Second, if they are a part of such legislation, we ask that the 40 percent ownership mandate and the prohibition on growth and new beds not be included. Lastly, should onerous mandates like Section 651 be wholly included, we ask that full protection be granted to the Wenatchee Valley Medical Center and its clinics so they are not adversely impacted.

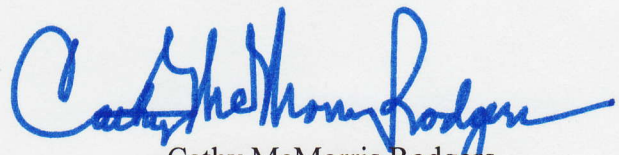
We firmly believe that Congress should be working to increase health care choices and options for Americans living in rural areas, not forcing reduced care and possible closure of hospitals. We stand ready to work with you and others to protect and preserve access to quality health care in Wenatchee and rural North Central Washington state.

Thank you for your attention.

Sincerely,



Doc Hastings
Member of Congress



Cathy McMorris Rodgers
Member of Congress