

United States Senate

WASHINGTON, DC 20510

February 15, 2005

Dr. Mark B. McClellan
Administrator
Centers for Medicare and Medicaid Services
P.O. Box 8000
Baltimore, MD 21244

Dear Dr. McClellan:

We are writing to request an update on the implementation of Section 1011 of the Medicare Modernization Act of 2003 (MMA). Health-care providers were supposed to begin, in December of 2004, submitting to be reimbursed for providing federally mandated, but uncompensated, emergency medical treatment to undocumented aliens. CMS was supposed to begin reimbursing them three months afterward. It is our understanding that the reimbursement program is not yet operational.

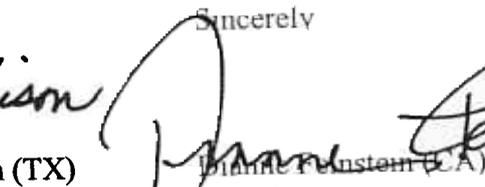
Under the Emergency Medical Treatment and Labor Act (EMTLA), hospitals are required to provide emergency health services regardless of a patient's status or ability to pay. Many hospitals are facing dire financial circumstances because they receive no reimbursement for the federally mandated emergency health services they provide to undocumented aliens.

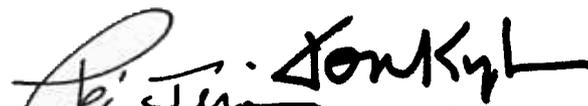
Section 1011 of the MMA included \$250 million per year for fiscal years 2005 through 2008 for payments to reimburse states for the costs of providing this federally mandated emergency care. A recent study conducted by the U.S.-Mexico Border Counties Coalition found health-care facilities in 24 border counties lost nearly \$200 million in one year as a result of providing federally-required emergency medical treatment to illegal immigrants. Texas border hospitals alone pay nearly \$74 million a year in uncompensated costs, California border hospitals pay \$79 million a year, and Arizona providers incur yearly costs of an estimated \$100 million. Under the formula determined in Section 1011, Arizona's providers are expected to receive \$41 million in reimbursements in FY 2005, Texas is expected to receive \$47 million and California is expected to receive \$72 million.

We ask that you expedite completion of the implementation guidelines so that hospitals providing federally required emergency health services to undocumented aliens begin to receive reimbursement for providing those services. We appreciate your efforts and your attention to this important matter.

Sincerely


Kay Bailey Hutchison (TX)
U.S. Senator


Blanche Lincoln (CA)
U.S. Senator


Jon Kyl (AZ)
U.S. Senator