



Tomorrow's Doctors, Tomorrow's Cures™

May 16, 2005

The Honorable Arlen Specter
Chairman, Labor-HHS Subcommittee
U.S. Senate
Washington, DC 20510

The Honorable Ralph Regula
Chairman, Labor-HHS Subcommittee
U.S. House of Representatives
Washington, DC 20515

The Honorable Tom Harkin
Ranking, Labor-HHS Subcommittee
U.S. Senate
Washington, DC 20510

The Honorable David Obey
Ranking, Labor-HHS Subcommittee
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairmen and Ranking Members:

On behalf of the American Hospital Association, Association of American Medical Colleges and National Association of Children's Hospitals, we write in support of making the federal Children's Hospitals Graduate Medical Education (CHGME) Payment Program a priority in the FY 2006 Labor-HHS-Education Appropriations Bill.

In the last six years, Congress has taken important steps to address federal GME support for the nation's independent children's hospitals, because these hospitals are indispensable to the health care of all children. In 1999, Congress authorized the establishment of CHGME, including \$285 million for FY 2001. In 2000, Congress reauthorized the program through FY 2005 for such sums as necessary.

We greatly appreciate your subcommittees' support in the past, including the FY 2005 appropriation of \$303 million (\$301 million after the across-the-board reduction in non-defense, non-homeland security program), and we hope you will continue your commitment to CHGME. As you begin to consider the FY 2006 appropriations measure for the Departments of Labor, HHS, Education, and Related Agencies, we urge you to provide an inflation adjustment, which would bring the funding level to \$309 million for CHGME.

CHGME funding is essential not only to the independent children's teaching hospitals but also to the future of pediatrics overall. Because they care for children, not the elderly, children's hospitals are unable to qualify for significant support from the one reliable source of GME funding – Medicare. In an increasingly price-driven market place, federal support helps children's hospitals sustain their core missions of pediatric patient care, teaching, and research.

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Although they represent less than one percent of all hospitals, independent children's teaching hospitals train almost 30 percent of all pediatricians, almost half of all pediatric subspecialists, and two-thirds of pediatric critical care physicians. Children's hospitals are the major pipeline for future pediatric researchers. Together, these hospitals and their medical school affiliated pediatric departments are among our nation's leading centers of pediatric research. Congress enacted CHGME to close the gap in federal GME support and help secure the future of our pediatric workforce and advancements in children's health care.

GME funding for children's hospitals is a sound investment in the future of pediatric medicine and children's health. Again, we urge you to provide \$309 million for the federal Children's Hospitals GME Payment Program in the FY 2006 Labor-HHS Appropriations Bill. Thank you very much for your consideration.

Sincerely,

Rick Pollack
Executive Vice President
American Hospital Association
202/638-1100

Jordan J. Cohen, M.D.
President
Association of American Medical Colleges
202/828-0400

Lawrence A. McAndrews
President and CEO
National Association of Children's Hospitals
703/684-1355