



Chamber of Commerce

Your Business Advocate

Leslie Norwalk, Esq., Acting Administrator
Centers for Medicare & Medicaid Services
Hubert H. Humphrey Building
200 Independence Avenue, S.W.
Washington, D.C. 20201

Administrator Norwalk,

I am writing to convey our opposition to a particular provision in the Centers for Medicare and Medicaid Services' (CMS) proposed regulation regarding the Hospital Inpatient Prospective Payment System (IPPS). More specifically, the Montana Chamber opposes the proposal to reduce all Medicare-related, operating and capital inpatient payments in 2008 and 2009 by 2.4 percent.

I understand that CMS believes hospitals will alter coding practices or "upcode" procedures to make up for losses that would occur because of the new system. We have concerns, however, that this cut will have a negative impact on our health care system as a whole.

A large part of the current crisis in rising health care costs has to do with the unrealistic reimbursement rates set by the federal government for health care services. When the government reduces these rates to uncompetitive levels, medical providers look to other paying customers to make up the difference. Privately-insured patients will see their escalating rates go even higher when the government cuts back on public contributions to health care.

With the creation of our own association health insurance program, Montana Chamber Choices, we have closely followed the rise in health insurance costs over the past few years. Small businesses are simply unable to afford insurance for their employees when the insurance rates are skyrocketing. Due to our concern over the cost-shifting in health care, we urge you to eliminate the proposed cut when the final IPPS regulation is published in the near future.

Please contact me 888-442-6668 ext. 1010 or webb@montanachamber.com for any questions or comments. Thank you for your attention to this important matter.

Sincerely,

Webb Scott Brown
President/CEO

cc: Congressman Denny Rehberg