The Honorable Kent Conrad  
Chairman  
Senate Budget Committee  
530 Hart Senate Office Bldg.  
Washington, D.C. 20510

The Honorable Judd Gregg  
Ranking Member  
Senate Budget Committee  
393 Russell Senate Office Bldg.  
Washington, D.C. 20510

Dear Chairman Conrad and Ranking Member Gregg:

We are writing to urge the Committee to demonstrate its commitment to Medicare and Medicaid, and the seniors, disabled and children who rely on these programs for their care, by opposing proposed cuts to hospital services in the Fiscal Year 2009 Budget Resolution. The nation’s full-service community hospitals are the health care safety net for millions of vulnerable people, but face many challenges in providing this care: soaring demand, rising numbers of uninsured, new and costly pharmaceuticals and technologies, labor shortages, and staying ready to respond to community-threatening events, whether natural or man-made.

Despite these challenges, the administration on February 4th released a budget for Fiscal Years 2009-2013 that proposes unprecedented cuts: $182 billion over the next five years to Medicare, and $17 billion to Medicaid - a total of nearly $200 billion in cuts to services that patients and communities rely on. Under Medicare, hospital cuts alone would total a staggering $135 billion.

Among the many cuts included in the proposal: hospitals' Medicare inpatient and outpatient inflation updates would be eliminated for the next three years, with updates lagging inflation every year thereafter; teaching hospitals would see their Indirect Medical Education (IME) adjustment cut from 5.5 percent to 2.2 percent over three years, a reduction of 60 percent; programs supporting hospitals that serve a disproportionate share of the poor and elderly would be slashed by 30 percent; and programs that are critical to America’s rural hospitals would be seriously eroded.

We hope you will reject these proposed cuts in Medicare and Medicaid spending for hospital services. We appreciate your consideration and look forward to working with you to achieve this goal.

Sincerely,

Blanche Lincoln  
Senator Blanche Lincoln  

Pat Roberts  
Senator Pat Roberts
ARKANSAS
Lincoln, Blanche D**
Pryor, Mark D

CALIFORNIA
Boxer, Barbara D
Feinstein, Dianne D

COLORADO
Salazar, Ken D

CONNECTICUT
Dodd, Christopher D
Lieberman, Joe D

DELAWARE
Biden, Joseph D

GEORGIA
Chambliss, Saxby R
Isakson, Johnny R

HAWAII
Akaka, Daniel D
Inouye, Dan D

ILLINOIS
Durbin, Richard D
Obama, Barack D

IOWA
Harkin, Tom D

KANSAS
Brownback, Sam R
Roberts, Pat R**

LOUISIANA
Landrieu, Mary D

MASSACHUSETTS
Kennedy, Edward D
Kerry, John D

MAINE
Collins, Susan R
Snowe, Olympia R

MICHIGAN
Levin, Carl D
Stabenow, Debbie D

MINNESOTA
Coleman, Norm R
Klobuchar, Amy D

MISSOURI
McCaskill, Claire D

NEBRASKA
Nelson, Ben D

NEW HAMPSHIRE
Sununu, John R

NEW JERSEY
Menendez, Robert D
Lautenberg, Frank D

NEW MEXICO
Bingaman, Jeff D

NEW YORK
Clinton, Hillary D
Schumer, Chuck D

NORTH CAROLINA
Dole, Elizabeth R

OHIO
Brown, Sherrod D

OREGON
Smith, Gordon R
Wyden, Ron D
<table>
<thead>
<tr>
<th>State</th>
<th>Name</th>
<th>Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pennsylvania</td>
<td>Casey, Bob</td>
<td>D</td>
</tr>
<tr>
<td></td>
<td>Specter, Arlen</td>
<td>R</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>Reed, Jack</td>
<td>D</td>
</tr>
<tr>
<td>South Dakota</td>
<td>Johnson, Tim</td>
<td>D</td>
</tr>
<tr>
<td>Texas</td>
<td>Hutchison, Kay Bailey</td>
<td>R</td>
</tr>
<tr>
<td>Virginia</td>
<td>Warner, John</td>
<td>R</td>
</tr>
<tr>
<td>Vermont</td>
<td>Leahy, Patrick</td>
<td>D</td>
</tr>
<tr>
<td>Washington</td>
<td>Cantwell, Maria</td>
<td>D</td>
</tr>
<tr>
<td>West Virginia</td>
<td>Rockefeller, John</td>
<td>D</td>
</tr>
<tr>
<td>Wyoming</td>
<td>Barrasso, John</td>
<td>R</td>
</tr>
</tbody>
</table>