



**American Hospital  
Association**

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July 29, 2008

The Honorable Charles E. Grassley  
Ranking Member, Senate Finance Committee  
United States Senate  
219 Dirksen Building  
Washington, DC 20510

Dear Senator Grassley:

On behalf of our more than 5,000 member hospitals, health systems and other health care organizations, and our 38,000 individual members, the American Hospital Association (AHA) is pleased to support S. 3300, the *Rural Hospital Assistance Act of 2008* and applauds your commitment to America's rural health care providers.

Congress recognizes the importance of providing patient access to health care in rural areas and has long supported efforts to achieve that goal through provisions in the *Medicare Prescription Drug, Improvement and Modernization Act of 2003* and the *Medicare, Medicaid and SCHIP Extension Act of 2007*. This bill would ensure that providers continue to receive the assistance that they need in order to provide high-quality care to patients in rural America.

Your legislation includes vital provisions for rural hospitals, such as the provision to allow Medicare dependent hospitals to use the non wage-adjusted rate and a low-volume adjustment for Medicare inpatient services.

Your legislation also includes a critically important provision banning self-referral to new physician-owned hospitals, and would create a prospective ban on physician self-referral to hospitals in which a physician has an ownership interest.

Again, we are pleased to support this legislation and look forward to working with you and your colleagues to achieve its passage.

Sincerely,

Rick Pollack  
Executive Vice President

