



Liberty Place, Suite 700
325 Seventh Street, NW
Washington, DC 20004-2802
(202) 638-1100 Phone
www.aha.org

July 28, 2009

The Honorable Adrian Smith
United States House of Representatives
503 Cannon House Office Building
Washington, DC 20515

Dear Representative Smith:

On behalf of our 5,000 member hospitals, health systems and other health care organizations, and our 40,000 individual members, the American Hospital Association (AHA) is pleased to support H.R. 3256, *The Rural Community Hospital Demonstration Extension Act of 2009*.

The *Medicare Prescription Drug, Improvement and Modernization Act of 2003* established the Rural Community Hospital (RCH) Demonstration Program. The demonstration establishes rural community hospitals and tests the feasibility and advisability of cost-based reimbursement for eligible hospitals.

The demonstration began for eligible hospitals with discharges occurring in the first cost reporting period beginning on or after the October 1, 2004. For the earliest hospitals, the program concludes on December 31, 2009.

By extending the demonstration for five more years, expanding eligibility to rural areas in any state, and increasing the number of hospitals participating in the demonstration, your legislation will ensure that the RCH demonstration continues to help America's communities in many ways, especially by allowing hospitals to expand and improve the services rural communities need.

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

