



American Hospital
Association

ADVOCACY UPDATE

Action Alert!

Monday, October 29, 2007

NEED ACTION FROM *Hospital leaders*
ACTION *Urge your House member to sign
Tubbs Jones/Porter letter to IRS*

WHEN *Immediately*
HOW *Call or e-mail your representative*
WHY *Letter on full-value reporting to be sent
to IRS this Thursday*

HOUSE LETTER TO IRS TO BE SENT THURSDAY ***135 signatures so far ... Has your representative signed?***

Reps. Stephanie Tubbs Jones (D-OH) and Jon Porter (R-NV) on Thursday are expected to send their group letter to the IRS, urging the IRS to improve the new Schedule H reporting form for tax-exempt hospitals. The letter asks the IRS to include the full value of community benefits hospitals provide, including Medicare shortfalls and bad debt, and eliminate reporting burdens unrelated to compliance.

As of today, 135 members of the House of Representatives have signed the letter. **A list of those who have signed is attached. If your representative is not among them, please contact his or her office today and urge them to sign.**

The AHA has asked the IRS to address numerous concerns with the draft forms, particularly the reporting burdens and the unwillingness to allow Medicare underpayments and patient bad debt to be reported as part of a hospital's community benefit. The Tubbs Jones/Porter letter echoes these concerns, so it is important to secure as many signatures as possible.

Why is full-value reporting critical? Some in Washington want to impose a rigid threshold - at least 5% of expenses going to community benefit - for hospitals to retain their tax-exempt status. Schedule H could become the platform for policymakers at all levels of government to make their own judgments about how much community benefit is sufficient and what fines or other penalties a tax-exempt hospital would face for failing to meet a particular percentage threshold. That is why it is essential that Schedule H reflect the full value of the benefits hospitals provide to their communities.

***(Call 1-877-242-2240 or e-mail AHAadvocacy@aha.org
to let us know how your Hill contacts go ... thanks!)***