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May 7, 2018

The Honorable Lynn Jenkins U.S. House of Representatives 1526 Longworth House Office Building Washington, D.C. 20515

Dear Representative Jenkins:

On behalf of our nearly 5,000 member hospitals, health systems and other health care organizations, and our clinician partners – including more than 270,000 affiliated physicians, 2 million nurses and other caregivers – and the 43,000 health care leaders who belong to our professional membership groups, the American Hospital Association (AHA) is pleased to support the Rural Emergency Medical Center Act of 2018 (H.R. 5678).

Your legislation would establish a new rural facility designation under the Medicare program, the Rural Emergency Medical Center (REMC), which would allow critical access hospitals and prospective payment system hospitals with 50 or fewer beds to convert to a 24/7 emergency department and receive enhanced reimbursement rates. REMCs would provide 24/7 emergency care and other outpatient services that a hospital provides on an outpatient basis to Medicare beneficiaries (e.g., observation, diagnostic and telehealth services); and could provide post-acute care in a separately licensed skilled nursing facility unit. REMCs would be required to provide transportation to an inpatient hospital, if needed.

We are pleased that H.R. 5678 aligns with the AHA's Task Force on Ensuring Access in Vulnerable Communities recommendation to establish a new Medicare designation for 24/7 emergency care facilities in rural communities. The task force's full 2016 report is available at www.aha.org/ensuringaccess.

As you know, the Medicare Payment Advisory Commission recently unanimously recommended a 24/7 rural emergency designation be created under Medicare and called for reimbursement to include a fixed facility fee payment. Payment for REMCs would be the combination of the Medicare outpatient prospective payment rate for services and a fixed facility fee payment.

Again, the AHA applauds your ongoing commitment to protecting access to health care in rural communities, and we look forward to working with you to pass this important legislation.

Sincerely,

Thomas P. Nickels Executive Vice President

