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STATEMENT ON HOUSE REPUBLICAN PLAN

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The American Hospital Association strongly supports fixing Medicare's flawed physician-payment system but not by further cutting resources for hospital services that seniors depend on. We are deeply disappointed in the plan submitted by House Republicans today that would cut more than \$17 billion in payment for hospital care. This misguided plan jeopardizes access to hospital care and will mean fewer nurses, longer waits for emergency care and less access to new treatments.

Specifically, the plan calls for significant cuts to funding for hospital outpatient care and Medicare "bad debt" that helps hospitals care for low-income seniors. At the same time, it fails to include expiring provisions that help provide care in rural America. Additionally, the plan would relax restrictions on physician self-referral to physician-owned hospitals, actually adding \$300 million to the deficit at a time when our nation is trying to control health spending.

These potential cuts would be devastating to hospitals and the patients and communities they care for, especially at a time when hospitals are already absorbing cuts as a result of state reductions and recent legislative and regulatory changes, including the recently enacted 2 percent cut under sequestration. Hospitals are important sources of jobs in most communities. However, recent cuts already in place could translate into job losses of nearly 200,000. Additional reductions will further exacerbate job losses at a time when our nation needs to be creating jobs.

We urge Congress to oppose this bill that will harm health care in communities across America.

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