



**American Hospital  
Association**

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### **AHA STATEMENT ON MEDPAC RECOMMENDATIONS**

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America's hospitals are very disappointed with the Medicare Payment Advisory Commission's (MedPAC) recommendations today regarding changes in Medicare payment to hospitals. Cutting hospital reimbursement for evaluation and management services in hospital outpatient departments threatens patient access to care that is not otherwise available in a community.

Hospitals provide primary and specialty care in a variety of clinics and treat sicker, more complex patients who do not have access to care in a physician's office. Hospital outpatient departments are backed by all the services a hospital offers such as emergency care and other services 24/7, 365 days a year. Physicians often refer patients to hospital-based clinics because hospitals are better equipped to treat patients and emergencies. These are real costs for treating America's seniors – costs that would not be covered under MedPAC's recommendations. It will be difficult for hospitals to continue to provide these services or create new ones to support the growing needs of patients. Hospitals cannot continue to absorb cuts that will impact services

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patients need. Hospitals already face cuts as a result of state reductions and recent legislative and regulatory changes, including the recently enacted 2 percent cut under sequestration.

The cuts to outpatient services in addition to other MedPAC recommended reductions ultimately would jeopardize patient access to unique, vital care. The country continues to experience an economic downturn and more patients than ever are turning to hospitals for their health care needs. We urge Congress to reject MedPAC's recommendations regarding the changes to outpatient care reimbursement and provide hospitals with the resources they need to continue their mission of caring for communities.

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