

Headquarters

4501 College Blvd, #225
Leawood, KS 66211-1921
816-756-3140
Fax: 816-756-3144

**Government Affairs Office**

1025 Vermont Street NW
Suite 1100
Washington, D.C. 20005
202-639-0550
Fax: 202-639-0559

April 18, 2016

The Honorable Johnny Isakson
United States Senate
131 Russell Senate Office Building
Washington, DC 20510

Dear Senator Isakson,

The National Rural Health Association (NRHA) applauds your leadership in introducing the Fair Medicare Hospital Payments Act of 2016. This important bill will ensure that rural providers' compensation reflects the plethora of challenges related to retention and recruitment in rural America. The Wage Index unfairly penalizes physicians that practice in underserved communities within rural America and this bill takes an important step to reduce this discrepancy.

NRHA is a national nonprofit membership organization with more than 21,000 members whose mission is to provide leadership on rural health issues. NRHA membership is made up of a diverse collection of individuals and organizations, all of whom share the common bond of ensuring all rural communities have access to quality, affordable health care.

This important legislation will establish a national minimum of 0.874 for the Medicare Area Wage Index (AWI) for Hospital Inpatient Services and the Medicare Area Wage Adjustment Factor for Hospital Outpatient Department Services which will help even out the playing field that has resulted in rural hospitals losing millions of dollars in Medicare payments annually. As you know, a widely recognized and longstanding health workforce shortage exists in rural America. Rural communities already struggle to recruit and retain physicians, especially those with large student loan debt. Physicians are an essential part of the healthcare workforce in rural America. Access to care is critical in rural communities, especially as we have seen a crisis in rural health care as 71 rural hospitals have closed since 2010, and 673 additional hospitals are vulnerable and could close – this represents over 1/3 of rural hospitals in the U.S.

If you have further questions, please do not hesitate to call Erin Mahn on my government affairs staff at 202-639-0550 or by e-mail emahn@nrharural.org.

We thank you for sponsoring this important legislation. You are truly a stalwart champion for rural America.

Sincerely,

A handwritten signature in black ink, appearing to read 'Alan Morgan'.

Alan Morgan, CEO
National Rural Health Association