



April 2, 2008

The Honorable John Dingell
United States House of Representatives
2125 Rayburn House Office Building
Washington, DC 20515

**Association of
American Medical Colleges**
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Darrell G. Kirch, M.D.
President and Chief Executive Officer

Dear Chairman Dingell:

On behalf of the Association of American Medical Colleges (AAMC), I write to express our strong support for the "Protecting the Medicaid Safety Net Act of 2008" (H.R. 5613). The AAMC represents all 126 accredited U.S. medical schools, nearly 400 major teaching hospitals and health systems, and 94 professional and academic societies with 109,000 medical school faculty members.

The moratorium established under H.R. 5613 will prevent until April 1, 2009 any action on the recently issued regulations that propose drastic changes in long-standing Medicaid policy. If implemented, the Administration's regulations will immediately and directly affect Medicaid beneficiaries, as well as the individuals and institutions that serve these vulnerable Americans. Your legislation will allow Congress more time to thoughtfully assess these major policy changes before allowing them to move forward.

Of particular concern to the AAMC is the proposed rule eliminating billions of dollars in federal Medicaid funding for graduate medical education (GME). Such action threatens the ability of teaching hospitals to sustain a core responsibility: training an adequate number of physicians who will care for Medicaid and other patients in the decades to come. These training programs are vitally important, given the numerous studies suggesting a looming physician shortage. Your legislation will extend the current moratorium delaying implementation of the Medicaid GME rule, which expires May 25, 2008.

The AAMC is also concerned about the Medicaid final rule on cost limits and "units of government." The rule threatens the fiscal viability of teaching hospitals because they serve a disproportionately high volume of Medicaid beneficiaries and uninsured Americans. While major teaching hospitals represent just 6 percent of all hospitals, they account for 25 percent of all Medicaid discharges. Any Medicaid cuts will limit the ability of teaching hospitals to maintain critical healthcare services that few other hospitals provide and all citizens rely on, such as Level I trauma units, burn units, and other highly specialized resources. Teaching hospitals also rely on Medicaid payments to help fund valuable community services, including serving as front-line responders in the

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event of a biological, chemical, or nuclear disaster. The current moratorium to delay implementation of this final rule expires May 25, 2008.

The AAMC thanks you for your leadership in recognizing the critical need to secure additional time to review and debate the major policy changes established under the Administration's Medicaid regulations. By establishing a moratorium until April 1, 2009 on any actions related to the Medicaid regulations, Congress can conduct a careful analysis and thoughtful debate before moving forward. We appreciate your commitment and look forward to working with you in support of H.R. 5613.

Sincerely,

A handwritten signature in cursive script that reads "Darrell G. Kirch".

Darrell G. Kirch, M.D.