



JAMES L. MADARA, MD
EXECUTIVE VICE PRESIDENT, CEO

ama-assn.org
t (312) 464-5000

October 8, 2015

The Honorable Sam Johnson
U.S. House of Representatives
2304 Rayburn House Office Building
Washington, DC 20515

Dear Representative Johnson:

On behalf of the physician and student members of the American Medical Association (AMA), I am writing to offer our support for your bill, H.R. 2513, the “Promoting Access, Competition, and Equity Act of 2015,” which would allow certain physician-owned hospitals to expand their facilities.

Physician-owned hospitals have been shown to provide the highest quality care and substantial net community benefits through uncompensated care costs and taxes paid. Under current law, however, existing physician-owned hospitals are not allowed to expand capacity unless certain restrictive exceptions can be met. Limiting the viability of physician-owned hospitals reduces access to high-quality health care and has a destructive effect on the economy in communities these hospitals serve. Limits on existing physician-owned hospitals also put them at a competitive disadvantage, making it difficult for them to respond to the health care needs of their local communities.

Your bill would suspend these limitations with respect to applications for expansion filed before October 1, 2019. By doing so, your bill would allow certain high-quality, low-cost physician-owned hospitals to meet the community demand for health care services, remain competitive, continue their solid record of providing the highest quality health care to patients, and contribute significantly to the communities they serve. Physician-owned hospitals also represent the type of coordinated care being proposed for the future of health care delivery. We applaud your leadership on this critical matter, and look forward to working with you to enact H.R. 2513.

Sincerely,

A handwritten signature in black ink that reads "James L. Madara". The signature is written in a cursive, flowing style.

James L. Madara, MD