

May 7, 2020

The Honorable Lisa Murkowski  
United States Senate  
522 Hart Senate Office Building  
Washington, DC 20510

Dear Senator Murkowski:

On behalf of our nearly 5,000 member hospitals, health systems and other health care organizations, our clinician partners – including more than 270,000 affiliated physicians, 2 million nurses and other caregivers – and the 43,000 health care leaders who belong to our professional membership groups, the American Hospital Association (AHA) is pleased to support the Rural Community Hospital Demonstration Extension Act of 2020.

The Medicare Rural Community Hospital (RCH) Demonstration Program was established under the Medicare Prescription Drug, Improvement and Modernization Act and further extended in 2010 under the Affordable Care Act. In 2016, the 21st Century Cures Act directed an additional 5-year extension period for the demonstration and prioritized participation for hospitals located in one of the 20 states with the lowest population densities. The RCH demonstration tests reasonable cost reimbursement for inpatient services in rural hospitals that have fewer than 51 acute-care beds, provide 24-hour emergency care services and are not designated or eligible for designation as a critical access hospital.

The October 2018 evaluation of the RCH program by the Centers for Medicare & Medicaid Services provides further evidence to support the model's success. Overall, RCHs have reported that participating in the demonstration has allowed them to continue providing care in their communities; prevented them from having to make dramatic alterations in their operations; and facilitated their continued support of their local economies.

Rural hospitals are the cornerstones of their communities. They provide access to care for patients close to home and support the local economy. However, many of these hospitals struggle to address the increasing challenges of providing health care in rural America. By extending the demonstration for five more years, your legislation will ensure that the RCH program continues to help maintain access to care for patients by allowing hospitals to expand and improve the services their communities need.



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Page 2 of 2

Again, we are pleased to support this legislation and look forward to working with you and your colleagues to achieve its passage.

Sincerely,

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Thomas P. Nickels  
Executive Vice President