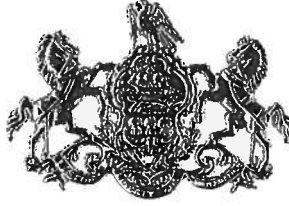


State Senator
Don White
41st Senatorial District

DEC 09 2010

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TO: All Senators
FROM: Senator Don White *DW*
DATE: 12/9/10
RE: Co-sponsorship - Medical Assistance Payments for Rural Hospital Services

Small and rural hospitals are key providers of health care throughout Pennsylvania acting as anchors for a broad range of health and human services in their communities. Moreover, they are major contributors to local economies and often are one of the largest employers. Therefore, I will be re-introducing SB981 which would provide funds to ensure access to hospital services in rural Pennsylvania.

Pennsylvania's Medical Assistance (MA) program currently pays hospitals significantly below the actual costs of procedures. Under my legislation, certain rural community hospitals serving areas with a high concentration of eligible MA populations would be reimbursed at new rates for services provided by these hospitals that are adequate to maintain patient access to high quality care at cost-effective rates.

In order to qualify for the new payment established under my legislation a hospital must be located within a county of the 6th, 7th or 8th class, have no more than two hospitals and be defined as having a high concentrated population of MA eligible individuals.

If you would like to co-sponsor this legislation, please contact Allison Dutrey of my office at adutrey@pasen.gov or 7-8724

Thank you.