

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Jeff Sessions
U.S. Senator
326 Russell Senate Office Building
Washington, DC 20510

Dear Senator Sessions:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Alabama is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$7.7 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Richard Shelby
U.S. Senator
304 Russell Senate Office Building
Washington, DC 20510

Dear Senator Shelby:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

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We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

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Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Jeff Flake
U.S. Senator
368 Russell Senate Office Building
Washington, DC 20510

Dear Senator Flake:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

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We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$6.7 million more, according to the FY 2014 proposed rule.

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Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable John McCain
U.S. Senator
241 Russell Senate Office Building
Washington, DC 20510

Dear Senator McCain:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

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Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable John Boozman
U.S. Senator
320 Russell Senate Office Building
Washington, DC 20510

Dear Senator Boozman:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

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As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$5.0 million more, according to the FY 2014 proposed rule.

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Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Thomas R. Carper
U.S. Senator
513 Hart Senate Office Building
Washington, DC 20510

Dear Senator Carper:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

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We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$2.3 million more, according to the FY 2014 proposed rule.

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Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Christopher A. Coons
U.S. Senator
127A Russell Senate Office Building
Washington, DC 20510

Dear Senator Coons:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

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We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

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Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Bill Nelson
U.S. Senator
716 Hart Senate Office Building
Washington, DC 20510

Dear Senator Nelson:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

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We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$29.6 million more, according to the FY 2014 proposed rule.

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Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Marco Rubio
U.S. Senator
283 Russell Senate Office Building
Washington, DC 20510

Dear Senator Rubio:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

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Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Saxby Chambliss
U.S. Senator
416 Russell Senate Office Building
Washington, DC 20510

Dear Senator Chambliss:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

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Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Johnny Isakson
U.S. Senator
131 Russell Senate Office Building
Washington, DC 20510

Dear Senator Isakson:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

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Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Mazie K. Hirono
U.S. Senator
330 Hart Senate Office Building
Washington, DC 20510

Dear Senator Hirono:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

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U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Brian Schatz
U.S. Senator
722 Hart Senate Office Building
Washington, DC 20510

Dear Senator Schatz:

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As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$1.2 million more, according to the FY 2014 proposed rule.

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Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Mike Crapo
U.S. Senator
239 Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Crapo:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Idaho is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$1.0 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable James E. Risch
U.S. Senator
483 Russell Senate Office Building
Washington, DC 20510

Dear Senator Risch:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Idaho is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$1.0 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Richard J. Durbin
U.S. Senator
711 Hart Senate Office Building
Washington, DC 20510

Dear Senator Durbin:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Illinois is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$26.8 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Mark Kirk
U.S. Senator
524 Hart Senate Office Building
Washington, DC 20510

Dear Senator Kirk:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Illinois is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$26.8 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Daniel Coats
U.S. Senator
439 Russell Senate Office Building
Washington, DC 20510

Dear Senator Coats:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Indiana is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$12.9 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Joe Donnelly
U.S. Senator
720 Hart Senate Office Building
Washington, DC 20510

Dear Senator Donnelly:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Indiana is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$12.9 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Tom Harkin
U.S. Senator
731 Hart Senate Office Building
Washington, DC 20510

Dear Senator Harkin:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Iowa is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$4.2 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Rand Paul
U.S. Senator
124 Russell Senate Office Building
Washington, DC 20510

Dear Senator Paul:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Kentucky is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$7.6 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Mary L. Landrieu
U.S. Senator
703 Hart Senate Office Building
Washington, DC 20510

Dear Senator Landrieu:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Louisiana is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$6.5 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Susan M. Collins
U.S. Senator
413 Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Collins:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Maine is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$2.4 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Angus S. King, Jr.
U.S. Senator
188 Russell Senate Office Building
Washington, DC 20510

Dear Senator King:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Maine is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$2.4 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Carl Levin
U.S. Senator
269 Russell Senate Office Building
Washington, DC 20510

Dear Senator Levin:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Michigan is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$22.1 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Debbie Stabenow
U.S. Senator
133 Hart Senate Office Building
Washington, DC 20510

Dear Senator Stabenow:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Michigan is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$22.1 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Thad Cochran
U.S. Senator
113 Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Cochran:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Mississippi is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$5.1 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Max Baucus
U.S. Senator
511 Hart Senate Office Building
Washington, DC 20510

Dear Senator Stabenow:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Montana is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$0.4 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Jon Tester
U.S. Senator
706 Hart Senate Office Building
Washington, DC 20510

Dear Senator Tester:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Montana is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$0.4 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Deb Fischer
U.S. Senator
825 Hart Senate Office Building
Washington, DC 20510

Dear Senator Fischer:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Nebraska is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$2.5 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Mike Johanns
U.S. Senator
404 Russell Senate Office Building
Washington, DC 20510

Dear Senator Johanns:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Nebraska is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$2.5 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Martin Heinrich
U.S. Senator
720 Hart Senate Office Building
Washington, DC 20510

Dear Senator Heinrich:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of New Mexico is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$1.5 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Tom Udall
U.S. Senator
110 Hart Senate Office Building
Washington, DC 20510

Dear Senator Udall:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of New Mexico is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$1.5 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Kirsten E. Gillibrand
U.S. Senator
478 Russell Senate Office Building
Washington, DC 20510

Dear Senator Gillibrand:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of New York is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$46.5 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Charles E. Schumer
U.S. Senator
322 Hart Senate Office Building
Washington, DC 20510

Dear Senator Schumer:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of New York is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$46.5 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Heidi Heitkamp
U.S. Senator
G55 Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Heitkamp:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of North Dakota is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$0.9 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable John Hoeven
U.S. Senator
338 Russell Senate Office Building
Washington, DC 20510

Dear Senator Hoeven:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of North Dakota is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$0.9 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Ron Wyden
U.S. Senator
221 Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Wyden:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Oregon is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$4.5 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Robert P. Casey, Jr.
U.S. Senator
393 Russell Senate Office Building
Washington, DC 20510

Dear Senator Casey:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Pennsylvania is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$21.8 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Patrick J. Toomey
U.S. Senator
248 Russell Senate Office Building
Washington, DC 20510

Dear Senator Toomey:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

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We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

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Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Lindsey Graham
U.S. Senator
290 Russell Senate Office Building
Washington, DC 20510

Dear Senator Graham:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

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We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

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Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Tim Scott
U.S. Senator
167 Russell Senate Office Building
Washington, DC 20510

Dear Senator Scott:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

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Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Tim Johnson
U.S. Senator
136 Hart Senate Office Building
Washington, DC 20510

Dear Senator Johnson:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

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We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$1.0 million more, according to the FY 2014 proposed rule.

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Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable John Thune
U.S. Senator
511 Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Thune:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

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Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Lamar Alexander
U.S. Senator
455 Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Alexander:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Tennessee is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$7.6 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Bob Corker
U.S. Senator
425 Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Corker:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

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We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

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Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable John Cornyn
U.S. Senator
517 Hart Senate Office Building
Washington, DC 20510

Dear Senator Cornyn:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

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We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$31.9 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Ted Cruz
U.S. Senator
B40B Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Cruz:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

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Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Orrin G. Hatch
U.S. Senator
104 Hart Senate Office Building
Washington, DC 20510

Dear Senator Hatch:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

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As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$2.0 million more, according to the FY 2014 proposed rule.

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Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Mike Lee
U.S. Senator
316 Hart Senate Office Building
Washington, DC 20510

Dear Senator Lee:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

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Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Patrick J. Leahy
U.S. Senator
437 Russell Senate Office Building
Washington, DC 20510

Dear Senator Leahy:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

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As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$0.8 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Bernard Sanders
U.S. Senator
332 Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Sanders:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Vermont is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$0.8 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Maria Cantwell
U.S. Senator
311 Hart Senate Office Building
Washington, DC 20510

Dear Senator Cantwell:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Washington is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$3.6 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Patty Murray
U.S. Senator
154 Russell Senate Office Building
Washington, DC 20510

Dear Senator Murray:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Washington is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$3.6 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Joe Manchin III
U.S. Senator
306 Hart Senate Office Building
Washington, DC 20510

Dear Senator Manchin:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of West Virginia is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$2.3 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable John D. Rockefeller, IV.
U.S. Senator
531 Hart Senate Office Building
Washington, DC 20510

Dear Senator Rockefeller:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of West Virginia is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$2.3 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable Ron Johnson
U.S. Senator
328 Hart Senate Office Building
Washington, DC 20510

Dear Senator Johnson:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Wisconsin is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$7.3 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

United States Senate

WASHINGTON, D.C.

June 13, 2013

The Honorable John Barrasso
U.S. Senator
307 Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Barrasso:

As original sponsors of the Hospital Payment Fairness Act of 2013, we are writing to you to invite you to cosponsor our common-sense, bipartisan legislation which addresses a payment disparity in Medicare's hospital wage index system.

As you may know, Section 1886(d)(3)(E) of the Social Security Act requires that the U.S. Department of Health and Human Service must adjust the standardized amounts "for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level." This wage adjustment factor is a key federal calculation that has a direct impact on Medicare reimbursements to hospitals.

Many of the challenges and disparities of the current wage index are well known. However, Medicare's current hospital wage index disproportionately benefits a minority of states at the expense of the many. In fact, according to page 1302 of CMS's Proposed Rule for FY 2014 Acute Care and Long-Term Care Hospital payments, the current wage index on net benefits only nine states, while 40 see a negative impact from the provision (one state sees no net impact). Your state of Wyoming is negatively impacted by this provision.

We understand stakeholders' desire to comprehensively address the many problems associated with area wage index. However, for any legislative solution to have credibility within Congress, we believe that solution (1) must be reflective of the current federal budgetary challenges in a timely manner; (2) should be balanced and represent the majority interests of states; (3) reduce, rather than perpetuate or exacerbate, distortions in the funding formula.

As the sponsors of the Hospital Payments Fairness Act of 2013, we are proud to say our legislation achieves these three goals. The legislation is budget neutral and adjusts current law in a manner that benefits the vast majority of states. In fact, under our bill, your state would on net receive \$0.2 million more, according to the FY 2014 proposed rule.

Finally, our legislation is viable within the current environment in Congress. Our bill enjoys 24 cosponsors, and the amendment version of our legislation received overwhelming support during the recent budget debate, passing by a 2-to-1 margin for a final vote of 68 to 31.

Given the interests of your state and so many others, we would welcome your support for our legislation. To cosponsor, please contact Colleen_Bell@mccaskill.senate.gov. Thank you for your consideration. We look forward to working with you to ensure hospital wage index payments are more equitable and fair.

Sincerely,

Claire McCaskill
U.S. Senator

Tom Coburn, M.D.
U.S. Senator

