



Association of
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Darrell G. Kirch, M.D.
President and Chief Executive Officer

February 27, 2009

The Honorable David Obey
Chair, Committee on Appropriations
United States House of Representatives
Washington, DC 20515

The Honorable Harry Reid
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Henry Waxman
Chair, Committee on Energy & Commerce
United States House of Representatives
Washington, DC 20515

The Honorable Daniel Inouye
Chair, Committee on
Appropriations
United States Senate
Washington, DC 20510

The Honorable Charles Rangel
Chair, Committee on Ways & Means
United States House of Representatives
Washington, DC 20515

The Honorable Max Baucus
Chair, Committee on Finance
United States Senate
Washington, DC 20510

The Honorable Jerry Lewis
Ranking Member, Committee on Appropriations
United States House of Representatives
Washington, DC 20515

The Honorable Thad Cochran
Ranking Member, Committee on
Appropriations
United States Senate
Washington, DC 20510

The Honorable Dave Camp
Ranking Member, Committee on Ways & Means
United States House of Representatives
Washington, DC 20515

The Honorable Charles Grassley
Ranking Member, Committee on
Finance
United States Senate
Washington, DC 20510

Dear Conferees:

On behalf of the Association of American Medical Colleges (AAMC), I write to personally thank you and applaud your continued leadership and strong commitment to teaching hospitals and medical schools through the issues included in the American Recovery and Reinvestment Act (ARRA) signed into law by President Barack Obama. The AAMC is a not-for profit association representing all 130 accredited U.S. and 17 accredited Canadian medical schools, nearly 400 teaching hospitals and health systems,

including 98 affiliated health systems and 68 Veterans Affairs medical centers; and 94 academic and scientific societies. Through these institutions and organizations, the AAMC represents 109,000 faculty members, 67,000 medical students, and 104,000 resident physicians.

The nation's medical schools and teaching hospitals thank you for the bold and visionary funding level provided for the National Institutes of Health (NIH). As you know, this capacity building effort has multiplicative benefits, by creating and preserving jobs now while advancing the nation's long term health and competitiveness. We are tremendously grateful for this critical investment in the world's leading biomedical research enterprise, and we eagerly welcome this first step in fulfilling a long-term commitment to sustained growth in medical research funding. The nation is indebted to you for your foresight and perseverance in improving the health and well-being of the American people.

Further, the AAMC is particularly thankful for the inclusion of language reversing the 50% reduction in the Fiscal Year (FY) 2008 Indirect Medical Education (IME) adjustment made under Medicare's capital reimbursement system. We believe this is an important first step toward stopping the full elimination of the capital IME adjustment (a loss of \$375 million in annual support for teaching hospitals) effective October 1, 2009. As you know this adjustment helps teaching hospitals maintain several unique missions and the related jobs, including making the capital investment necessary to train the next generation of physicians and provide the highest level of care available. We look forward to continuing to work with you and your colleagues to prevent the upcoming elimination of the IME adjustment.

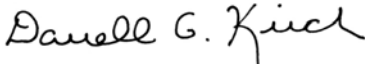
Likewise, the \$300 million provided for the National Health Service Corps, and the \$200 million provided for the Title VII and Title VIII health professions training programs will help reverse chronic underfunding of these programs recently characterized by the Institute of Medicine as an "undervalued asset." We thank you for the inclusion of this additional funding, which will provide a much-needed boon to the health care workforce while improving the health of the country.

We thank you for the significant financial resources established by the ARRA intended to promote widespread Health Information Technology (HIT) adoption. Additionally, we appreciate that the final legislation recognizes the impact of additional privacy provisions on vital health care operations, including ongoing quality assessment and improvement, public health and research, and philanthropic activities. We are committed to work through the regulatory process with the goal of assuring that the new health information privacy restrictions will safeguard patients' protected health information without having an unintended negative effect on the day-to-day operations of all providers.

Many communities in all regions of the country rely heavily on AAMC-member institutions for job creation and new business development in addition to the education, research, and patient care missions. The AAMC thanks you for your leadership and tireless efforts to stabilize the nation's economy in passing the American Recovery and

Reinvestment Act into law and acknowledging the vital role the academic community and nation's teaching hospitals play in the strength of our country.

Sincerely,


Darrell G. Kirch, M.D.