



Maryland
Hospital Association

November 30, 2017

The Honorable Lawrence Hogan
Governor
State of Maryland
100 State Circle
Annapolis, Maryland 21401-1925

Dear Governor Hogan:

As the hospital field and your Administration continue to work together to secure an Enhanced Total Cost of Care Model and continue our state's four-decade tradition of innovation in hospital quality and payment, we, the leaders of Maryland's 47 not-for-profit hospitals and health systems, ask you to reduce the state's \$365 million Medicaid "sick tax" by \$35 million in your fiscal year 2019 budget submission. The enhanced model promises to further our shared goal of improving care while also stemming the growth in the cost of care across the state, and reducing and eventually eliminating that tax, as you know, will contribute to our shared efforts in achieving the goals of this model.

Two years ago, a bipartisan state agreement was reached to reduce the tax annually by \$25 million; after a "pause" last year because of budget constraints, a \$35 million spend-down in the upcoming budget was enacted in the Budget Reconciliation and Financing Act of 2017. While we continue to recognize the state's budget challenges, we believe this spend down – our field's top legislative priority for the coming General Assembly – is a critical first step in the elimination of a tax that increases taxpayers' hospitals bills and artificially inflates health care spending in the state – making it harder to meet the terms of the enhanced model and putting at risk the additional \$2 billion in federal funds our model brings into the state.

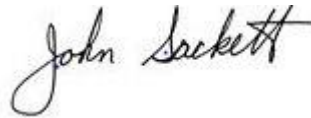
Our hospitals continue to invest in our communities and collaborate with community partners to get people the right care, at the right time, in the right setting. We appreciate the Administration's continued support for the enhanced model, and for the mission of all of Maryland's community hospitals. We look forward to continuing this partnership as we together keep Maryland at the forefront of innovation at the national level, and of compassion and creativity across the state.

Sincerely,

(see CEO signatures attached)



Terry Forde, President & CEO
Adventist HealthCare



John Sackett, President
Adventist HealthCare Shady Grove Medical Center



Erik Wangsness, President
Adventist HealthCare Washington Adventist Hospital



Victoria Bayless, President and Chief Executive Officer
Anne Arundel Medical Center



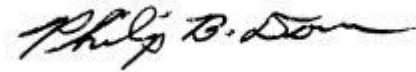
Michael A. Franklin, FACHE
President/CEO
Atlantic General Hospital



Samuel L. Ross, M.D., M.S.
Chief Executive Officer
Bon Secours Baltimore Health System



Dean Teague, FACHE
President and CEO
CalvertHealth Medical Center



Philip B. Down, FACHE
Chief Executive Officer
Doctors Community Hospital



Reginald Jones, Interim President & Chief Executive Officer
Fort Washington Medical Center



Thomas A. Kleinhanzl, President and CEO
Frederick Regional Health System



Mark Boucot, President/Chief Executive Officer
Garrett Regional Medical Center



John Chessare, M.D., MPH, FACHE
President & Chief Executive Officer
Greater Baltimore Medical Center



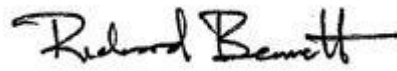
Norvell "Van" Coots, M.D., President & CEO
Holy Cross Health
Holy Cross Germantown Hospital
Holy Cross Hospital



Ronald R. Peterson, President
The Johns Hopkins Health System



Steven C. Snelgrove, President
Howard County General Hospital



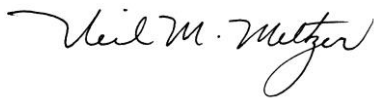
Richard G. Bennett, M.D., President
Johns Hopkins Bayview Medical Center



Redonda Miller, M.D., President
The Johns Hopkins Hospital



Jacqueline Schultz, President
Suburban Hospital



Neil Meltzer, President and Chief Executive Officer
LifeBridge Health



Leslie Simmons, R.N.,BSN, President
Carroll Hospital Center



Brian White, President
Northwest Hospital



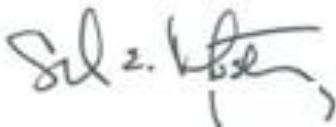
Jonathan Ringo, M.D., FACOG
President & COO
Sinai Hospital of Baltimore



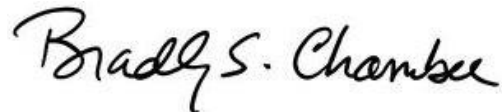
Kathleen Harrison, Chief Executive Officer
McCready Health



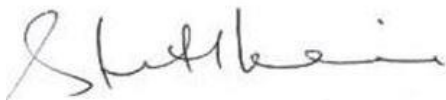
Kenneth A. Samet, FACHE, CHE
President & CEO
MedStar Health



Samuel E. Moskowitz, President
MedStar Franklin Square Medical Center



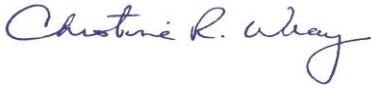
Bradley S. Chambers, President
MedStar Good Samaritan Hospital
MedStar Union Memorial Hospital



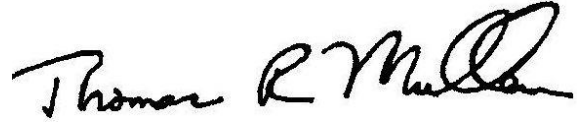
Stuart M. Levine, M.D., President
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MedStar Montgomery Medical Center



Christine R. Wray, FACHE, President
MedStar Southern Maryland Hospital Center
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Thomas R. Mullen, President & CEO
Mercy Medical Center



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University of MD Shore Medical Center at Dorchester
University of MD Shore Medical Center at Easton
University of MD Shore Regional Health



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