



October 1, 2013

Medicaid Innovation and Reform Commission
201 North 9th Street
General Assembly Building
Richmond, VA 23219

Dear Commissioners:

I write to you today to strongly encourage you to find a way to expand the Medicaid population in Virginia. As you know, the Affordable Care Act was built around all Americans having health insurance. Expansion of the Medicaid Program across the country was one of the key components, and hospitals and health systems throughout the country agreed to deep cuts that were to be offset, in part, by this expansion.

While our region of the Commonwealth has been hit particularly hard by the downturn in the economy, health care remains a driving force; but possibly not for long without some relief in reimbursements. You may be aware that Southwest Virginia has just witnessed the closing of Lee Regional Medical Center by Wellmont Health System, due in large part to reimbursement cuts associate with the Affordable Care Act. This small, rural hospital served the citizens of Lee County for over seventy years and now those residents will have to drive over an hour in some cases to receive health care. Southwest Virginia is seeing firsthand the effect of the ACA on our health system and I do not want this type of disappointment and frustration to become the status quo.

The Affordable Care Act is the law of the land and we as health care providers are diligently figuring out how to adapt to it, but we need your help as we strive to continue to provide quality care to the people of Southwest Virginia. We estimate that there could be as many as 19,000 Virginians in our service area that could have health care coverage under an expanded Medicaid Program. This could bring in as much as an additional \$18 million in new net revenue to help Mountain States Health Alliance offset \$38 million in bad debt currently recognized and the nearly \$18 million in charity care that MSHA currently writes off.

It is our desire to provide the health care Virginians deserve, please assist us accomplishing this by doing all that you can to expand the Medicaid Program.

Sincerely,

A handwritten signature in cursive script that reads "Ann Fleming".

Ann Fleming
Sr. Vice President, Virginia Operations
Mountain States Health Alliance