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May 17, 2023

The Honorable Dick Durbin U.S. Senate 711 Hart Senate Office Building Washington, DC 20510 The Honorable James Lankford U.S. Senate 316 Hart Senate Office Washington, D.C. 20510

Dear Senators Durbin and Lankford,

On behalf of Vizient, Inc., I am pleased to offer our endorsement for S. 1571, the Rural Hospital Closure Relief Act of 2023. Your important legislation would restore a critical option for rural hospitals to gain eligibility to Critical Access Hospital (CAH) status and reimbursement rates and preserve access to care for many rural communities.

Vizient is the nation's largest healthcare performance improvement company. Vizient provides solutions and services that improve the delivery of high-value care by aligning cost, quality, and market performance for more than 60% of the nation's acute care providers, which includes 97% of the nation's academic medical centers and more than 25% of ambulatory providers. Vizient provides expertise, analytics, and advisory services, as well as a contract portfolio that represents more than \$130 billion in annual purchasing volume, to improve patient outcomes and lower costs. Headquartered in Irving, Texas, Vizient has offices throughout the United States.

Hospitals are facing enormous challenges across the country with increased costs due to higher staffing costs and inflation. Those difficulties have been amplified in rural America, leaving a record number of facilities facing severe financial distress, with a risk of closure. These challenges are unsustainable and threaten access to care for many Americans. Your important legislation would offer financially struggling hospitals serving low-income communities in health professional shortage areas flexibility to qualify as a CAH. Currently, hospitals can only qualify as a CAH if they are 35 miles from another hospital and have fewer than 25 inpatient beds, among other requirements. Your legislation would restore the ability of states to certify a hospital that does not necessarily meet these requirements as a "necessary provider" to obtain the CAH designation and be eligible for CAH reimbursement rates. This important policy improvement would offer an important lifeline for many struggling hospitals and preserve healthcare access in many communities.

Rural hospitals are vitally important for communities across the country. Not only do these facilities offer critical options for high-quality, life-saving care in small towns across the country, they are economic anchors critical to maintaining vibrant rural communities. Vizient appreciates your commitment to supporting these hospitals and is proud to support this important legislation.

Thank you again and please do not hesitate to contact me at <u>shoshana.krilow@vizientinc.com</u> or 202-354-2607 if you have any questions about Vizient or if there is any way we can be of assistance in advancing your important legislation.

Sincerely,

Shedhoma Kula

Shoshana Krilow Senior Vice President, Public Policy & Government Relations