



**SCOTTSDALE  
HEALTHCARE**

April 25, 2013

The Honorable Jan Brewer  
Executive Tower  
1700 West Washington Street  
Phoenix, AZ 85007

Dear Governor Brewer,

As a locally owned, nonprofit healthcare system with three hospitals in Scottsdale, our first priority is our patients and the community we serve. We take our fiduciary responsibilities very seriously as the largest employer in Scottsdale and healthcare provider of choice for our community.

Scottsdale Healthcare supports Medicaid restoration in Arizona and applauds you for taking a leadership role in this effort. Scottsdale Healthcare is continuing to work closely with your leadership team and AHCCCS to address our concerns regarding the formulation of the hospital provider assessment to offset the State's cost for the program. Our recently announced intentions to affiliate with John C. Lincoln Health Network, also a supporter of your restoration efforts, has not changed our supportive position or our engagement with your team to strengthen the statutory bill draft.

AHCCCS is an important safety net program for patients and hospitals in Arizona. AHCCCS has always been at the forefront of innovation in covering medically needy and vulnerable adults within available resources. Scottsdale Healthcare does provide services to AHCCCS patients but provides services to a greater number of patients covered under Medicare. We also provide charity care and financial assistance. At the end of the day, Scottsdale Healthcare must be able to provide the highest-quality care to the community we serve in the most cost-effective manner.

As you know, Scottsdale Healthcare has been historically opposed to hospital provider assessments because of its redistributive nature and very complex federal CMS requirements. The creation of a successful and sustainable provider assessment formula for Arizona will take a significant amount of work. Scottsdale Healthcare is committed to working with the Governor's Office and AHCCCS on a hospital provider assessment model that fulfills your mission while ensuring that costs associated with any hospital provider assessment are not passed on to our patients now or in the future.

The future of the AHCCCS Childless Adult program and enhanced FMAP are important considerations for our State's fiscal health and ultimately the health of our medically needy and vulnerable adults. We appreciate your continued support of Scottsdale Healthcare as we seek to support the residents of our State while also continuing to provide the highest quality care in the most cost-effective manner to the community we call home.

Sincerely,

Tom Sadvary  
President & CEO