



**NORTHWEST
MEDICAL CENTER**

received
3-31-14

6200 North La Cholla Boulevard ■ Tucson, Arizona 85741 ■ Phone: 520-742-9000 ■ Web: NorthwestMedicalCenter.com

March 24, 2014

Thomas Betlach
Director
Arizona Health Care Cost Containment System
801 E. Jefferson
Phoenix, AZ 85304

Dear Mr. Betlach:

Thank you for the opportunity to provide input on the proposed changes to the 2015 AHCCCS Hospital Assessment. We have reviewed the three proposed options and the impact they would have on Northwest Medical Center.

We support the current assessment model. We believe it is too early in the program to predict the impact of the Medicaid expansion. Changing the assessment parameters at this point would negatively affect our hospital according to the estimated net gain/loss assumptions AHCCCS has published. In our view, a handful of hospitals stand to gain in versions 2 and 3 while the others are negatively impacted—a negative impact to Northwest Medical Center of approximately 52% for version 2 and 50% for version 3. That is significant when there does not seem to be a solid rationale for the change in the assessment methodology.

We understand the hospital assessment cannot remain static over time. However, we highly encourage AHCCCS to stay the course with the current assessment until there is additional data that would demonstrate a need for a change in the assessment methodology and then to develop a version that would not favor some hospitals to the detriment of others as we believe versions 2 and 3 do.

Thank you again for the opportunity to share our feedback. Northwest Medical Center values our relationship with AHCCCS and we look forward to continuing to care for AHCCCS patients.

Sincerely,

Kevin Stockton
CEO