



AMERICAN ACADEMY OF
ORTHOPAEDIC SURGEONS

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March 3, 2021

The Honorable Vincente Gonzalez
United States House of Representatives
Washington, DC 20515

The Honorable Michael Burgess, MD
United States House of Representatives
Washington, DC 20515

Dear Congressmen Gonzalez and Burgess:

On behalf of the American Association of Orthopaedic Surgeons, I wish to express my support for the “Patient Access to Higher Quality Health Care Act of 2021.” This common-sense legislation would repeal the controversial moratorium on expansion and new construction of physician-owned hospitals (POH).

The Affordable Care Act (ACA) included a provision that strictly prohibits any new POH from participating in Medicare or Medicaid. Furthermore, the ACA also prohibits existing POHs from expanding unless they meet a very complicated set of criteria as part of a long application process. These hospitals provide some of the highest quality care in the country and help meet a growing demand for health care services, especially in rural areas.

Concerns that POHs could have an incentive to serve only the most profitable patients have been proven baseless. A comprehensive, peer-reviewed study published by the British Medical Journal recently found that overall, “physician-owned hospitals have virtually identical proportions of Medicaid patients and racial minorities and perform very similar to other hospitals in terms of quality of care.”ⁱ

This arbitrary ban on new and expanded POHs will negatively impact our entire health care system and penalizes patients who deserve the right to receive care at the hospital of their choice. POHs inject much-needed competition into the hospital marketplace, incentivizing traditional hospitals to improve and innovate. Finally, POHs allow doctors, who know patient care best, to be more involved in some of the day-to-day decision-making of the hospitals.

I urge Congress to put patients first and pass the “Patient Access to Higher Quality Health Care Act of 2021.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Bosco, MD". The signature is fluid and cursive, with a large initial "J" and "B".

Joseph A. Bosco, III, MD, FAAOS
President, American Association of Orthopaedic Surgeons

cc: Daniel K. Guy, MD, FAAOS, AAOS First Vice-President
Felix H. Savoie, III, MD, FAAOS, AAOS Second Vice-President
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¹ Blumenthal Daniel M, Orav E John, Jena Anupam B, Dudzinski David M, Le Sidney T, Jha Ashish K et al. Access, quality, and costs of care at physician owned hospitals in the United States: observational study *BMJ* 2015; 351 :h4466