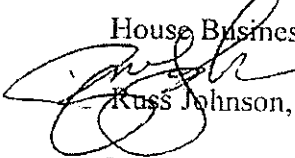




To: House Business Affairs and Labor Committee

From:  Russ Johnson, CEO, San Luis Valley Regional Medical Center

Subject: Letter of Support for HB 09-1143
Concerning the Authority of a Health Maintenance Organization to Offer
Basic Health Services Through A Limited Benefit Plan

Date: February 2, 2009

Dear Members of the Business Affairs and Labor Committee:

I am writing you in support of the above Bill which I understand you will be considering soon. I am unable to attend but wanted to provide this note of support for your consideration.

I have been CEO for San Luis Valley Regional Medical Center over the past eight years and in health administration for almost 25 years. During this tenure, I have come to know the complexities of health care delivery nationally and more specifically for rural Colorado. I have become ever more convinced of the need for us to provide flexible programs that will enable us to meet the needs of diverse populations. I believe this bill will be a meaningful way that we can further those efforts and provide health coverage to more individuals and families who otherwise cannot afford them.

I am particularly interested in supporting plans to meet these needs because of the challenges we face every day in the San Luis Valley. Our service area has an uninsured rate of 25% which is 12,000 people. Our hospital struggles every day to balance the provision of services to these people with the need to remain solvent. If we can add individuals to insurance plans and other programs that enable them to have some level of coverage that is an important step.

The proposed bill will enable HMOs to offer benefit plans that will be more affordable to low income workers. This will add to their portfolio of products and enable a business to choose health coverage that otherwise may not. In the Valley, this is especially important because we have relatively few choices for our employers. Rural markets just don't have the concentration of population that make them attractive to insurers and so we are often left out. Enabling HMOs that provide coverage in rural areas to offer these more flexible products will create more options for our employers.

I appreciate the committee members for their consideration of this Bill and urge your support so that we can continue to improve health services for rural Coloradoans.

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