

May 19, 2008

The Honorable Charles E. Grassley
United States Senate
135 Hart Senate Office Building
Washington, DC 20510-1501

Dear Senator Grassley:

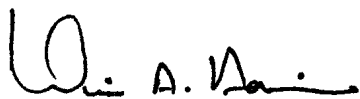
Medtronic has a long history of partnering closely with physicians to bring innovative medical devices to patients. We partner with physicians to provide us with services related to product development, clinical research, training and education on safe and effective use of our products and therapies. To fulfill our Mission of alleviating pain, restoring health and extending life for all patients who could benefit from our products, Medtronic needs to be able to continue to draw on physicians' expertise.

We have a great deal of confidence that any payments we make to physicians are appropriate and represent fair market value for their services, and feel strongly that the entire healthcare infrastructure benefits from industry-physician collaboration. That being said, we recognize that relationships among industry and physicians have come under scrutiny recently on a number of fronts, and we recognize that the Physician Payment Sunshine Act is intended to address even the appearance of inappropriate relationships or conflicts of interests between industry and physicians.

Thank you for your willingness to consider the comments of Medtronic and our trade association, AdvaMed, during the drafting process. We specifically appreciate the following changes: (1) expanding the reporting obligation to require all companies to report, regardless of size and specifically including physician-owned companies; (2) requiring companies to provide context for various payments so the nature of the payment is clear; and (3) your very clear commitment that this legislation will preempt state law.

Medtronic supports the Physician Payment Sunshine Act as reintroduced in the Senate, and we urge that it be enacted in precisely that form. We believe the new bill to be a fair and balanced approach, and that the reporting required will accurately reflect the appropriateness of our relationships with physicians in a way that stands to benefit all parties and the health care system.

Sincerely,

A handwritten signature in black ink, appearing to read "W. A. Hawkins".

William A. Hawkins
President and Chief Executive Officer