



## Sen. Grassley Keeps Pressure on Non-Profit Hospitals

Posted By [Alicia Mundy](#) On September 5, 2008 @ 4:33 pm In [Congress](#), [Hospitals](#) | [39 Comments](#)

Sen. Chuck Grassley is pounding on two non-profit hospitals demanding to know whether they restrict the care they give patients based on their ability to pay.

As ranking Republican on the Senate Finance Committee, the Iowa senator has been bearing down on hospital tax breaks worth millions of dollars, saying he is concerned that non-profits are "losing sight of the public service that comes with tax-exempt status."

One of Grassley's missives went to the M.D. Anderson Cancer Center, subject of a front-page Wall Street Journal story in April that infuriated Grassley. The [story described the case of leukemia patient Lisa Kelly](#) who was told by the hospital she would have to pay cash upfront before treatment.

At a hearing in June on health insurance, Grassley [unexpectedly unloaded on M.D. Anderson](#), calling its policy "outrageous."

At the time, M.D. Anderson said in a statement, "Patients who have personal resources and income do not qualify for our free care programs, which must be given to Texans with the most need."

But that didn't satisfy Grassley. In a press release this week, he said the hospital "made it into the limelight for reportedly requiring a critically ill patient to come up with exorbitant amounts of cash upfront and badgering her for cash during medical treatment."

He also released an [11-page letter that he sent to M.D. Anderson Clinic in July](#), asking if Kelly's case represented the exception or the rule. The letter demands that M.D. Anderson reveal a slew of financial details; as a non-profit under the umbrella of a state institution, the University of Texas, the hospital hasn't been required to file IRS 990 forms.

M.D. Anderson said this week it would cooperate and answer Grassley. In a statement the cancer center said, "The problem of meeting the health care needs of uninsured and under-insured Americans demands immediate attention. ... It is especially challenging for cancer centers like M. D. Anderson because cancer is a catastrophic illness, is very expensive to treat and is rising in incidence as our population ages and grows."

Grassley has been tearing into the financial relationships between drug companies and researchers at universities around the nation, looking at potential conflicts of interest, and at whether profitable entities are springing up at tax-exempt universities that have taken research funds from industry.

The second letter went to the University of Chicago Medical Center, after the [Washington Post ran a story](#) about ties between the Obama campaign and the hospital, where Michelle Obama is an executive. Grassley raised questions about whether as a cost-saving measure, the hospital had funneled some patients from their emergency room into local free clinics.

The hospital defended that program, spearheaded by Michele Obama, telling the Post: "An ER visit for something that's not an emergency costs the medical center \$1,200. That's sucking up dollars in health care that we don't all have to just blow through carelessly."

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