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FILE

HIGHLAND DISTRICT HOSPITAL

Caring. Close to Home.

March 19, 2012

Public Utilities Commission
180 East Broad Street
Columbus, OH

PUCO

2012 MAR 23 PM 1:21

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Dear Commission Members,

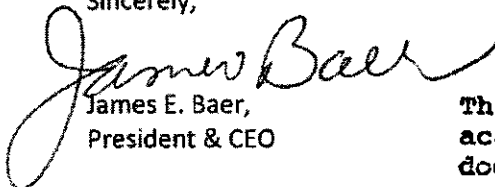
I am Jim Baer, President and CEO of Highland District Hospital; a 25 bed Critical Access Hospital located in Hillsboro, Ohio. I am also a member of the Highland County Chamber of Commerce Executive Committee. I am writing to you because I am deeply concerned about the impact the rising cost of utilities has on Highland County and businesses in the community. In 2009, DHL closed its operation in Wilmington; this left an already impoverished community with a gaping hole in its economic engine. Highland County lost \$54,000,000 in wages and salaries. Highland County businesses along with the hospital were placed in a distressed situation.

Having a hospital in a community is key to community growth and attracting jobs. Businesses that come into a community look for the local hospital to provide treatment and healthcare to their employees, for emergency care, and other treatment and care to ensure a healthy workforce. Over this past year, Highland District Hospital has seen a gradual increase in its rates to a total of 18%. In addition, the rate increase that occurred at the beginning of 2012 caused a much greater increase in our electric rates. This has an operating impact on the organization as we face ever tightening and declining Medicare and Medicaid reimbursements. It is critical that the hospital run and operate its facilities and diagnostic equipment. An increase in rates makes it difficult for the hospital to operate and serve the residents of this community.

Therefore, I urge the Commission to take a close and careful look at the AEP rate increase. Also to look closely at allowing businesses within the community to shop for and purchase utilities from alternate providers. This is important to a community that is working together and working hard to attract new jobs, grow businesses, and have a business friendly environment to help grow a community hit by the loss of jobs and businesses. In addition, I request working with Rick Sites, OHA representative, to reduce energy rates for hospitals.

I appreciate your efforts and would like to see us work together to grow Highland County and Southwest Ohio.

Sincerely,


James E. Baer,
President & CEO

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