

United States Senate
WASHINGTON, DC 20510

June 3, 2026

The Honorable Mehmet Oz
Administrator
Centers for Medicare & Medicaid Services (CMS)
7500 Security Boulevard
Baltimore, MD 21244

Dear Mehmet,

I write regarding the recent decision by the Centers for Medicare & Medicaid Services (CMS) to terminate the Sole Community Hospital (SCH) designation for Mount Nittany Medical Center (MNMC) in State College, Pennsylvania. Given the significant implications this determination may have for healthcare access in Central Pennsylvania, I respectfully request that CMS conduct additional review and reconsideration of this decision.

MNMC has long served as the primary provider of inpatient care for the region and remains an essential healthcare resource for Medicare beneficiaries and the broader community. Based on information provided to my office, there appear to be substantial legal, regulatory, and factual questions regarding CMS's determination that Penn Highlands State College constitutes a "like hospital" sufficient to terminate MNMC's SCH designation.

The Medicare statute establishes SCH designation to protect hospitals that serve as the primary source of inpatient care within a community.¹ CMS regulations further provide that a hospital loses SCH designation only where another "like hospital" exists within the applicable geographic area.² Questions remain, however, as to whether Penn Highlands State College satisfies the applicable regulatory criteria necessary to qualify as a "like hospital."

First, available information suggests the Penn Highlands State College does not satisfy the applicable "8 percent test," which requires the comparison hospital's inpatient days to exceed eight percent of the inpatient days of the existing SCH.³ Based on FY2025 utilization data, Penn Highlands State College reportedly accounts for only 1.73 percent of MNMC's inpatient days using licensed bed counts, or approximately 5.2 percent using advertised bed counts. If accurate, these figures would appear insufficient to satisfy the threshold necessary to qualify as a "like hospital" under CMS regulations.

¹ 42 U.S.C. § 1395ww(d)(5)(D)(iii)

² 42 C.F.R. § 412.92(c)(2)

³ 42 C.F.R. § 412.92(c)(2)

702 HART SENATE OFFICE BUILDING
WASHINGTON, DC 20510-3808
(202) 224-6324

310 GRANT STREET
SUITE 2415
PITTSBURGH, PA 15219
(412) 803-7370

200 NORTH THIRD STREET
SUITE 14A/14TH FLOOR
HARRISBURG, PA 17101
(717) 231-7540

2000 MARKET STREET
SUITE 610
PHILADELPHIA, PA 19103
(215) 405-9660

329 INNOVATION BOULEVARD
SUITE 226
STATE COLLEGE, PA 16803
(814) 357-0314

17 SOUTH PARK ROW
SUITE B-150
ERIE, PA 16501
(814) 240-5213

840 WEST HAMILTON STREET
SUITE 301
ALLENTOWN, PA 18101
(610) 782-9470

417 LACKAWANNA AVENUE
SUITE 303
SCRANTON, PA 18503
(570) 941-0930

Second, Penn Highlands State College facility may not qualify as a “hospital” under federal or Pennsylvania law. Federal law defines a hospital as an institution “primarily engaged” in providing inpatient hospital services⁴ and further requires that the institution be licensed pursuant to⁵ According to Pennsylvania Department of Health data, Penn Highlands State College reportedly maintains only six inpatient beds and primarily functions as an outpatient and ambulatory facility. Pennsylvania law, however, requires a micro-hospital to maintain at least ten inpatient beds. Given these circumstances, my office would appreciate additional clarification regarding CMS’s interpretation and application of the relevant statutory and regulatory requirements.

Third, CMS’s determination reportedly relies on treating Penn Highlands State College as a provider-based remote location of Penn Highlands Huntingdon, despite the facilities being located more than 30 miles apart.⁶ My understanding is that CMS relied on the combined inpatient utilization data of Penn Highlands State College and Penn Highlands Huntingdon in concluding that MNMC no longer qualifies for SCH designation. My office would appreciate additional clarification regarding how CMS applies the SCH statute and regulations in these circumstances, including whether the applicable “like hospital” criteria must be satisfied independently.

Beyond the legal and regulatory considerations, I am also concerned about the practical consequences of this decision. MNMC has historically provided the overwhelming majority of inpatient services in the region, including for Medicare beneficiaries. The loss of SCH designation could jeopardize critical federal support for healthcare delivery in Central Pennsylvania and undermine access to care for seniors, rural patients, and families who rely on MNMC for essential inpatient services.

For these reasons, I respectfully request that CMS pause implementation of this determination and conduct an additional review of the legal and factual issues underlying the agency’s decision. Given the importance of maintaining reliable healthcare access in Central Pennsylvania, I believe further consideration is both appropriate and necessary.

Thank you for your attention to this matter. I appreciate your consideration and look forward to your response.

Sincerely,



David H. McCormick
United States Senator

⁴ 42 U.S.C. § 1395x(e)(1)

⁵ 42 U.S.C. § 1395x(e)(7)

⁶ 42 C.F.R. § 413.65

