



American Hospital
Association®

2019 Advocacy Agenda

In the 2018 mid-term elections, voters made it clear that health care is an important issue to them. And near the top of their list of concerns was the affordability of health care services.

Likewise, government and payers are seeking greater value for their health care dollars. And concerns around the affordability of health care will only grow as overall health care spending continues to rise to meet the needs of an aging America.

The court's December 2018 ruling that the entire Affordable Care Act is unconstitutional only adds to consumers' concerns. Although nothing will change as the case is appealed, the uncertainty about the ACA's fate could cause further instability in the health insurance market.

America's hospitals and health systems understand – and share – consumers' concerns. We will not shy away from this challenge; instead, we have been tackling it head on, taking steps to redesign care and implement operational efficiencies. But we can't do it alone. Every stakeholder – hospitals, other providers, insurers, drug companies, device makers, the government and patients – have a role to play in this effort.

The American Hospital Association's 2019 public policy advocacy agenda seeks to continue to positively influence the public policy environment for patients, communities and the health care field. We will work hand in hand with our members; the state, regional and metropolitan hospital associations; national health care organizations; and other stakeholders to develop and implement an advocacy strategy to fulfill our vision.

Specifically, we will urge Congress and the Administration to ...

SUSTAIN THE GAINS IN HEALTH COVERAGE

- Preserve the gains in **affordable health coverage** made in this decade and further expand coverage. In light of the December court decision on the constitutionality of the ACA, it is more important than ever that we promote options to expand coverage. While we believe the ruling will not be upheld on appeal, we will continue to actively defend the constitutionality of the ACA in the courts and promote its benefits in the halls of Congress and in the public arena.
- Ensure the stability and affordability of the **Health Insurance Marketplaces** by fully funding the cost-sharing reduction subsidies,

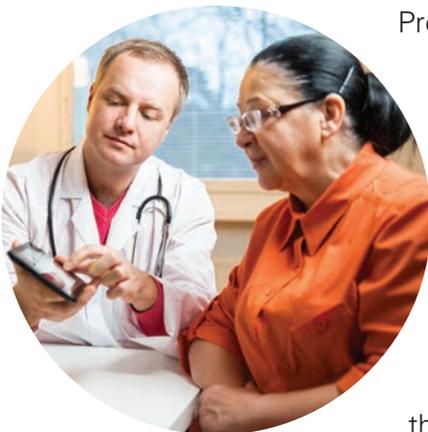


implementing a reinsurance program, ensuring accurate risk adjustment, ensuring sufficient federal outreach and enrollment efforts, and protecting consumers from health plans that do not meet all of the consumer protections established in federal law.

- Ensure patients can access all of the services necessary to get and stay healthy by protecting access to a minimum set of **essential health benefits** and enforcing existing federal parity laws to ensure coverage for physical and behavioral health benefits, including substance use disorder treatment.
- Encourage states to extend coverage and care to their population through the expansion of Medicaid and private insurance. Such coverage expansions could be advanced using **innovative state waivers** (section 1115 and 1332 waivers) with appropriate safeguards against eligibility reductions and cost-sharing increases as well as better integration of social and health services.
- Protect against reductions in the number of insured by advancing solutions to improve the sustainability of public coverage programs, and eliminate **Medicaid Disproportionate Share Hospital cuts**.
- Ensure that our **veterans** are cared for by working with hospitals and health systems as they contemplate the next generation of a comprehensive community care plan for veterans.

PROTECT PATIENT ACCESS TO CARE

- Ensure that essential health care services are available in all communities by protecting **vital federal funding** for Medicare, Medicaid, the Children’s Health Insurance Program and the Health Insurance Marketplaces. This includes discontinuing Medicare sequestration, which bluntly cuts payments to hospitals and critical access hospitals.



- Ensure patients and providers can access critical drug therapies by establishing fair and sustainable **drug pricing** and reimbursement.
- Restore vital funding and prevent further cuts to the **340B drug savings program**, which allows hospitals to provide programs that improve access to care in their communities.

- Protect **rural communities' access** to care by preserving and improving Medicare rural hospital designations; advancing new payment and delivery models; and promoting regulatory relief efforts, such as clarifying and facilitating co-location policy compliance and passing a permanent enforcement moratorium on the direct supervision policy for CAHs and small rural hospitals.
- Ensure patient access to the highest quality primary care and other outpatient services by rejecting additional payment cuts that don't recognize legitimate differences among provider settings (also known as **site-neutral payment policies**). Additionally, stop any cuts that will result in long-term care hospital site-neutral payments falling even further below the cost of providing care, which will jeopardize access for these medically-complex patients.
- Preserve not-for-profit hospitals' **tax-exempt status**.
- Ensure stability of providers in **post-acute care settings** by rejecting any new policies that would reduce payments or increase administrative burden for post-acute care services, thus allowing providers time to effectively implement the complex reforms already mandated by Congress and the Centers for Medicare & Medicaid Services.
- Fight against erroneous denials of **medical necessity** of inpatient rehabilitation facility stays made by the Office of Inspector General and other auditors due to "hospital compliance reviews" and similar audits.
- Preserve the ban on physician self-referral to new **physician-owned hospitals** and retain the restriction on the growth of existing facilities.
- Prevent cuts to **Medicare bad debt**.
- Ensure states have sufficient resources to fund their Medicaid programs by protecting their ability to use **provider assessments**.
- Pursue strategies to improve **maternal health** and child health outcomes.



ADVANCE HEALTH SYSTEM TRANSFORMATION

- Remove barriers to care transformation, such as modernizing the Anti-kickback Statute and Stark Law regulations to foster and protect arrangements that promote **value-based care**.



- Pass the Standard Merger and Acquisition Reviews through Equal Roles (SMARTER) Act, which would help **rebalance the merger review process** to support the ability of hospitals to become more integrated, aligned, efficient and accessible to patients.
- Test new approaches to delivering higher-quality care at lower cost through **alternative payment models**, including the use of resources for health-related, non-medical services and experimenting with using technology in new and innovative ways.
- Promote voluntary rather than mandatory payment and care delivery models through the **Center for Medicare and Medicaid Innovation** to advance high-value care that improves quality and efficiency.
- Expand access to care through the use of **telehealth** and other technologies by providing Medicare coverage and reimbursement for such services and including telehealth waivers in all new care models.
- Allow providers to determine how best to utilize **electronic health records** and other technologies while promoting exchange of health information for clinical care and patient engagement. And advance **interoperability** without increasing regulatory burden by pursuing development of a secure, efficient and useable infrastructure to connect across networks, including a common set of “rules of the road” for information sharing, widely accessible provider directories, more consistent use of standards (including application programming interfaces), better testing of health IT and a national approach to matching patients to their records.
- Invest in **health care infrastructure** by expanding the digital infrastructure and rural broadband, strengthening the capacity and capability for emergency preparedness and response, assisting hospitals in “right-sizing” to meet the needs of their communities and ensuring adequate financing mechanisms are in place for hospitals and health systems.
- Promote integrated, comprehensive strategies to reform care delivery and payment in **vulnerable rural and inner-city urban communities**.
- Implement policies to better integrate and coordinate **behavioral health services** with physical health services.



- Protect critical infrastructure from **cyberattacks** while supporting efforts to increase information sharing among care providers and advancing policies that support providers, such as U.S. Food and Drug Administration oversight to advance improved security of medical devices.
- Highlight the changing health care landscape and promote the value of **coordinated systems of care**.

ENHANCE QUALITY AND PATIENT SAFETY

- Continue to streamline and coordinate quality measures to focus on the **“measures that matter”** most to improving health and outcomes while reducing burden on providers.
- Advance integrated and coordinated care by modifying standards and the **conditions of participation** and ensuring the regulations are clear, well-vetted and consistent.
- Support effective **care integration** through research and policies that support systems as they reinvent care delivery.
- Modify the **post-acute care value-based payment** program so it is more equitable and less complex.
- Monitor the impact of the implementation of the **physician payment programs** on quality and care coordination.
- Promote inclusion of sociodemographic factors affecting health in quality measurement programs to reduce **health care disparities**.
- Promote **advanced illness management** to better honor patients’ wishes at the end-of-life and remove barriers to expanding access to palliative care services.
- Ensure patients’ access to accurate quality information by suspending and modifying the faulty **hospital star ratings**.
- Ensure hospitals, health care providers and communities are continuously prepared to deal with natural and man-made disasters by authorizing at least \$515 million annually for the **Hospital Preparedness Program**, and incorporate competition and innovation into the awarding of HPP funds.



- Prevent and mitigate **drug shortages** by providing incentives for additional manufacturers to enter the market, improving manufacturing quality, and ensuring greater transparency about the cause and expected duration of shortages.
- Enhance care coordination and improve patient safety by aligning the outdated **42 CFR Part 2 regulations** with the Health Insurance Portability and Accountability Act, allowing the responsible sharing of substance use disorder treatment records for purposes of treatment, payment and health care operations.

PROMOTE REGULATORY RELIEF

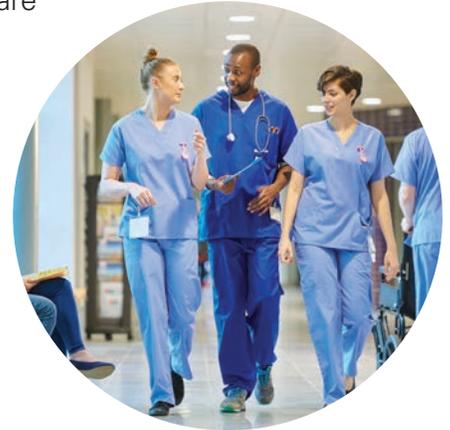
- Reduce administrative activities related to **regulatory compliance** so that clinicians can spend more time on patients rather than paperwork and ensure a level regulatory playing field.
- Examine the **IRF “60% Rule,”** which requires 60 percent of admissions to have one of 13 qualifying medical conditions.



- Safeguard against **unnecessary burden** in billing and other transaction standards related to HIPAA and ensure an achievable roadmap toward greater adoption.
- Advance efforts to minimize the burdens associated with **prior authorization**, such as lack of uniformity on requirements, transparency and regulation, along with improvements in technology and electronic transmission of information.
- Reduce unnecessary costs in the system by passing comprehensive **medical liability reform**, including caps on non-economic damages and allowing courts to limit attorneys’ contingency fees.
- Eliminate the **Recovery Audit Contractor** contingency fee structure and instead direct CMS to pay RACs a flat fee, as every other Medicare contractor is paid. In addition, CMS should rationalize payments to RACs by lowering payments for poor RAC performance due to high rates of incorrect denials.
- Permanently remove the **96-hour** physician certification requirement as a condition of payment for CAHs.

STRENGTHEN THE **WORKFORCE**

- Invest in our physician workforce by rejecting reductions to Medicare funding for **direct and indirect graduate medical education**, along with increasing the number of Medicare-funded residency positions.
- Support state efforts to expand **scope of practice laws**, allowing non-physicians to practice at the top of their licenses.
- Reauthorize **nursing workforce development programs** to support recruitment, retention and advanced education for nurses and other allied health professionals.
- Explore the policy implications associated with the **changing roles of providers** due to advancements in technology, including automation, artificial intelligence, robotics and telemedicine.
- Support efforts to protect the hospital workforce from **violence**, especially in the emergency department, as well as policies to strengthen clinician resiliency.
- Advance **education and training** efforts to minimize clinician shortages and ensure the right mix of providers.
- Support efforts to increase **diversity** in the health care workforce through federal grants to minority-serving institutions for scholarships. Promote **health equity** by encouraging cultural competency training in medical residency programs.



Please visit www.aha.org/advocacy/action-center to get involved and learn more about the American Hospital Association's 2019 public policy advocacy agenda.



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