



Liberty Place, Suite 700  
325 Seventh Street, NW  
Washington, DC 20004-2802  
(202) 638-1100 Phone  
[www.aha.org](http://www.aha.org)

June 12, 2006

The Honorable Jerry Lewis  
Chairman  
House Appropriations Committee  
H-218 Capitol Building  
Washington, DC 20515-6015

The Honorable David Obey  
Ranking Member  
House Appropriations Committee  
H-218 Capitol Building  
Washington, DC 20515-6015

Dear Chairman Lewis and Ranking Member Obey:

The American Hospital Association (AHA), which represents more than 4,800 member hospitals, health systems, and other health care organizations, appreciates the committee's past support for health care programs under your jurisdiction. As you begin to deliberate funding for the programs within the Departments of Labor, Health and Human Services (HHS), Education and Related Agencies for Fiscal Year (FY) 2007, we urge you to consider the potential effect your committee's decisions will have on hospitals' ability to meet the many challenges facing them – challenges such as workforce shortages, maintaining emergency readiness, coordinating care for the chronically ill, and facilitating information technology to improve safety and quality of care. Accordingly, we offer the following funding recommendations for programs under your jurisdiction:

## **HEALTH CARE WORKFORCE**

Severe workforce shortages threaten hospitals' fundamental promise of being open at full capacity to care for their communities. Some hospitals have been forced to reduce access to care, including reducing the number of inpatient beds available, postponing or canceling elective surgeries, and having ambulances bypass their overflowing emergency departments because they don't have an adequate number and mix of personnel to care for patients. Shortages are severe among both clinical and non-clinical workers, including nurses, radiology technicians, pharmacists, and a myriad of other service personnel.

The demand for registered nurses (RNs) and other health care personnel will continue to rise with the growing health care needs of the 78 million "baby boomers" who will begin



June 12, 2006

Page 2

to retire in 2010. The Department of Health and Human Services estimates that by 2020, our nation will need 2.8 million nurses – 1 million more than the projected supply.

While hospitals are undertaking steps to tackle the workforce shortage within their own organizations, this complex problem cannot be solved by hospitals alone. The federal government has a critical role to play in supporting and funding an adequate health care workforce.

**The AHA strongly recommends at least \$175 million for FY 2007 for nursing programs within Title VIII to help deal with the critical nursing shortage.** The Labor-HHS subcommittee and the President's FY 2007 budget recommend \$150 million for nursing programs, the same level as the previous fiscal year.

**In addition, the AHA supports the restoration of funding for Health Professions Training for FY 2007, including Allied Health, under the jurisdiction of the Health Resources and Services Administration.** The AHA is disappointed that the President's budget request eliminated federal support for health professions training. An adequate, diverse, and well-distributed supply of health care professionals, including allied health care workers, is indispensable to our nation's health care infrastructure. Health Professions programs help address problems associated with maintaining primary care providers in rural areas. These programs also support recruitment of individuals into allied health professions.

**The AHA is pleased that the subcommittee recommends increased funding totaling \$131.5 million for the National Health Service Corps (NHSC) for FY 2007.** The Administration recommended \$126 million, the same as for FY 2006. The NHSC awards scholarships to health profession students and assists graduates of health professions programs with loan repayment in return for an obligation to provide health care services in underserved rural and urban areas. This program is vitally important to many of our citizens. In many areas of the country, the NHSC provides the only source of health care to medically underserved Americans.

## **BIOTERRORISM AND HOSPITAL PREPAREDNESS**

**The AHA strongly urges the committee to increase funding for hospital bioterrorism to at least \$520 million in FY 2007 to help hospitals meet their obligations as "first responders."** The Labor-HHS subcommittee funds this program at \$487.6 million, the same as the President's 2007 budget proposal. The hospital preparedness program was initiated to help states, territories and municipalities develop and implement biological and chemical preparedness plans for hospitals which train their clinical and laboratory staff to recognize the symptoms of biological terrorism. They need personal protection equipment for health care workers, who often are the first responders to a biological terrorism attack. And they need dedicated decontamination facilities. Funding provided to hospitals will help meet those needs.

**The AHA also urges funding of \$2.6 billion to protect our nation from the threat of pandemic influenza.** Among the activities these funds would support is the establishment of high-volume domestic surge capacity in hospitals dealing with a flu epidemic, increasing supplies needed in a pandemic, such as ventilators, and intensified surveillance.

### **CHILDREN'S HOSPITALS GRADUATE MEDICAL EDUCATION**

**The AHA recommends full funding of \$330 million in FY 2007 for Children's Hospitals Graduate Medical Education (GME).** This program provides critically needed federal support to independent children's teaching hospitals which receive no Medicare support. The Labor-HHS subcommittee funds the program at \$300 million in FY 2007. Children's hospitals serve a unique role in our nation's health care system, taking care of some of the most vulnerable populations. Because Medicare is the largest single payer of GME funds, and because our nation's children's hospitals typically treat very few Medicare patients, these hospitals receive no significant federal support for GME. Between 2000 and 2004, there would have been a net decline in the number of general pediatricians trained but for the federal support from this program. During that time, children's hospitals were responsible for training 68 percent of all of the additional pediatric subspecialty fellows. These pediatricians are vitally needed in the face of growing shortages throughout the nation.

### **HEALTH CARE INFORMATION TECHNOLOGY**

**The AHA urges you to support \$116 million FY 2007 for the Office of the National Coordinator for Health Information Technology within the Agency for Healthcare Research and Quality (ONCHIT). This amount is the same as the President's recommendation. In addition, the AHA strongly supports \$50 million for health information technology.** These funds will assist in improving the safety, quality, and cost-effectiveness of health care through rapid implementation of secure and interoperable electronic health records. Funding for the ONCHIT will enable it to meet its mission of promoting the use of information technology in health care to improve the quality of care.

### **RURAL HEALTH CARE**

**The AHA is pleased that the subcommittee has restored funding for rural health care programs and urges appropriators to support this increase.** Programs such as the Medicare Rural Hospital Flexibility Grant Program, Rural Health Outreach and Network Development, Rural Telehealth, Rural Policy Development, and others have played a significant role in ensuring that needed services remain available to America's rural communities. The administration's proposal to cut rural health care programs by \$133 million has the potential to further impede access to health care for rural Americans.

June 12, 2006

Page 4

We urge you to support the subcommittee's recommended level of funding to these programs, including \$10 million for telehealth under the Health Resources Services Administration.

## **PUBLIC HEALTH AND OTHER HEALTH CARE PROGRAMS**

**The AHA urges you to reject any reductions to the Maternal and Child Health Block Grant (MCHBG), which the subcommittee has funded at \$700 million for FY 2007.** The MCHBG enables states and territories to address their unique needs and remains in great need of increased funding. Each year, this program serves more than 26 million pregnant women, infants and children nationwide. Of the nearly 4 million mothers who give birth annually, almost half receive some prenatal or postnatal service through MCHBG.

**The AHA also recommends increased funding for the Healthy Start program. The subcommittee and the administration recommend "flat funding" of \$102 million for FY 2007.**

**The elimination of funding for Trauma Care-EMS Program is troubling and the AHA urges restoration of funding of \$3.5 million.** Each year, more than 161,000 people die in the U.S. from traumatic injury. Numerous studies have demonstrated over the past two decades that organized systems of trauma care – pre-hospital emergency response coordinated with hospitals – can enhance a patient surviving with the best possible function. Unfortunately, not all states are covered by trauma systems. Restoration of funding would help states develop and implement effective programs.

**The AHA strongly supports the President's recommendation to increase funding for the Ryan White CARE Act for HIV/AIDS activities in FY.** The CARE Act is an important safety net program, providing health care services and treatments to people with HIV/AIDS. Among the services provided by the CARE Act are dental care, medications, home-based care, case management, and support services.

## **MEDICARE SURVEY AND CERTIFICATION**

**The AHA supports \$284 million for Medicare Survey and Certification activities, as recommended by the President in his FY 2007 budget request, and also by the subcommittee. In addition, we strongly urge the committee to reject a Medicare survey and certification user fee.** Survey and certification ensures that institutions and agencies providing care to Medicare and Medicaid patients meet federal health, safety, and program standards. On-site surveys are conducted by state survey agencies, with a pool of federal surveyors performing random monitoring surveys.

The AHA appreciates and is grateful for the support you have provided us over the years, and hopes that the committee will continue to support funding for these valuable

June 12, 2006

Page 5

programs in FY 2007. We look forward to working with you as the Committee undertakes its difficult task of setting funding priorities for the next fiscal year.

Sincerely,

Rick Pollack  
Executive Vice President