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April 24, 2008

The Honorable David Obey  
Chairman  
Appropriations Subcommittee on Labor,  
Health and Human Services, Education  
and Related Agencies  
United States House of Representatives  
2314 Rayburn House Office Building  
Washington, D.C. 20515

Dear Chairman Obey:

The American Hospital Association (AHA), which represents nearly 5,000 hospitals, health systems, networks, and other providers of care, greatly appreciates your committee's past funding support for the many programs that result in improved health care for our nation's population. As you begin to deliberate funding for programs within the Departments of Labor, Health and Human Services (HHS), Education and Related Agencies for Fiscal Year (FY) 2010, the AHA asks you to give strong and favorable consideration to health care programs that have proven successful in improving access to quality health care. Accordingly, we offer the following recommendations for the FY 2010 programs under your jurisdiction:

### **HEALTH CARE WORKFORCE**

**The AHA strongly urges you to increase funding to \$215 million for Nursing Workforce Development Programs under Title VIII of the Public Health Service Act for FY 2009.** These programs are currently funded at \$171 million. Severe workforce shortages threaten hospitals' fundamental promise of being able to operate at full capacity to care for their communities. While the recession has slightly eased workforce vacancies in some areas, 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 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.



**In addition, the AHA supports increased funding for Health Professions Training for FY 2010, including allied health, under the jurisdiction of the Health Resources and Services Administration.** 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. Our nation must maintain a vibrant workforce in the educational pipeline. Without decisive intervention, workforce shortages threaten hospitals' ability to care for patients and communities.

**The AHA recommends additional funding for to the National Health Service Corps (NHSC) which received \$134.9 million in the FY 2009 Omnibus Appropriations Act (P.L. 111-8).** The NHSC awards scholarships to health professions 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 individuals.

**The AHA supports the restoration of funding for the Centers of Excellence and the Health Careers Opportunity programs to the FY 2008 level of \$68 million.** Both programs focus on recruiting and retaining minorities into the health professions to build a more diverse health care workforce. The Centers of Excellence grants strengthen the national capacity to train students from minority groups that are under-represented in allopathic and osteopathic medicine, dentistry and pharmacy, and graduate programs in behavioral or mental health. The Health Careers Opportunity program provides support for increasing the number of individuals from disadvantaged backgrounds in the health and allied health professions.

## **HOSPITALS PREPAREDNESS FOR DISASTER**

**The AHA strongly urges the committee to increase funding for hospital emergency preparedness for FY 2010 to help hospitals meet their obligation to provide surge capacity in the event of a public health emergency or other disaster.** *The Pandemic and All Hazards Preparedness Act of 2006* (Public Law 109-417) made significant changes to the hospital preparedness program, including broadening and strengthening its goals and expanding the types of entities eligible from just states to partnerships that include hospitals, other health care providers and government. The hospital preparedness program enhances the ability of hospitals and health care systems to prepare for and respond to bioterrorism and other public health emergencies and includes priorities such as improving bed and personnel surge capacity, decontamination capabilities, isolation capacity, pharmaceutical supplies, and supporting training, education, and drills and exercises. Funding provided to hospitals will help meet those needs. The AHA supports the restoration of funding to the FY 2008 level of \$419 million for this program.

The AHA also urges the Committee to fund efforts to protect our nation from the threat of pandemic influenza. Among the activities additional funding would support is increased production capacity for vaccines and antiviral agents, increasing the stockpile of supplies needed in a pandemic, such as vaccines and antiviral agents, ventilators, and personal protective equipment, improving pandemic preparedness and response capabilities, acceleration of research and development of rapid diagnostic tests, and enhanced surveillance.

### **CHILDREN'S HOSPITALS GRADUATE MEDICAL EDUCATION (GME)**

**The AHA urges the Committee to provide full funding of \$330 million for the Children's Hospitals GME program.** This program provides critically needed federal support to independent children's teaching hospitals which receive no Medicare support. Children's hospitals serve a unique role in our nation's health care system. In addition to training our next generation of pediatricians and pediatric sub-specialists, they care for 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. The pediatricians educated in children's hospitals are vitally needed in the face of growing shortages throughout the nation.

### **HEALTH CARE INFORMATION TECHNOLOGY**

**The AHA is pleased that Congress provided funds in the American Recovery and Reinvestment Act for the Office of the National Coordinator for Health Information Technology (ONCHIT) within the Agency for Healthcare Research and Quality.** 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.

### **INVESTMENTS IN IMPROVING QUALITY AND COMPARATIVE EFFECTIVENESS**

**The AHA urges Congress to substantially increase funding for the Agency for Healthcare Research and Quality (AHRQ).** A major initiative of Congress for the past decade and of this administration as it moves forward on health reform has been to achieve cost reductions by improving the quality and timeliness of care delivery. Until now, significant federal resources have been invested in helping to develop the science that leads to new drugs, new technologies and new treatment strategies, but far less has

been spent on understanding how to effectively and efficiently incorporate this new science into practice. For example, AHRQ has so far provided \$3 million for the “Comprehensive Unit-Based Safety Program” or CUSP initiative for reducing healthcare-associated infections. The CUSP program is being implemented in at least 100 hospitals across the country. Funding from AHRQ is a vital lifeline to hospitals’ ability to improve infection rates.

The National Institutes of Health (NIH) has been the source of funding for much of innovation in the science of medicine, and AHRQ has been the locus of the scientific studies aimed at helping organizations and providers learn how to use that innovation. The AHRQ budget has been dwarfed by the NIH budget, and as a result our understanding of how to effectively incorporate innovation falls short of what is needed for today’s health care delivery. Congress should respond by significantly increasing the AHRQ budget to:

- Make permanent the investment in comparative effectiveness research that was begun in the ARRA
- Significantly increase federal investment in the science of learning how to deliver care in the most effective, efficient, and patient centered manner (\$150 million)
- Significantly increase the federal investment in the development of measures and measurement systems that will enable providers and the public to know how well providers are performing and what impact their work is having on patient outcomes (\$150 million annually).

## **RURAL HEALTH CARE**

**The AHA urges you to provide full funding of rural health care programs.** 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 hospitals and citizens in America’s rural communities.

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

**The AHA recommends increasing funding over the FY 2009 levels for the following public health and other health care programs:**

- **Maternal and Child Health Block Grant (MCHBG).** The MCHBG enables states and territories to address their unique needs, and is in great need of increased funding. On an annual basis, 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 supports \$850 million for MCHBG.

- **Healthy Start program.** The Healthy Start program provides services in 37 states, the District of Columbia and Puerto Rico for high-risk pregnant women, infants and mothers in communities with exceptionally high rates of infant mortality. The AHA urges \$120 million for this program.
- **Ryan White HIV/AIDS activities.** The Ryan White CARE Act addresses the health care needs of more than 500,000 low-income and uninsured people living with HIV disease. Among the services provided by the CARE Act are dental care, medications, home-based care, case management and support services.
- **Emergency Medical Services for Children.** This valuable program is designed to provide specialized emergency care for children through improved availability of child-appropriate equipment in ambulances and emergency departments. In addition, the program supports training programs to prevent injuries to children and to educate emergency medical technicians, paramedics and other emergency medical care providers. The AHA urges \$25 million for this program.
- **Substance Abuse and Mental Health Services Administration (SAMSHA).** Providing adequate substance abuse and mental health services are essential to increasing productivity and economic well-being for individuals, families, and communities. The AHA supports full funding for these programs.
- **Trauma-EMS Systems Program.** This program facilitates the development of effective and comprehensive statewide trauma systems. Trauma is the leading cause of death of Americans between the ages 1 and 44. The program provides federal support for planning, implementation, and development activities for statewide trauma care systems and improving emergency medical services, with particular emphasis on strengthening communication and coordination in rural areas.

## **MEDICARE SURVEY AND CERTIFICATION**

**The AHA supports increased funds for Medicare Survey and Certification Activities, currently funded at \$293.1 million. 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.

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The AHA appreciates and is grateful for the support you have provided to vital health care programs, and hopes the committee will continue to support these funding priorities in FY 2010. We look forward to working with you as the committee begins the appropriations process for the next fiscal year.

Sincerely,

Rick Pollack

Executive Vice President