



**American Hospital  
Association**

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June 30, 2010

The Honorable Tom Harkin  
Chairman  
Appropriations Subcommittee on Labor,  
Health and Human Services, Education  
and Related Agencies  
U.S. Senate  
131 Dirksen Senate Office Building  
Washington, D.C. 20510

The Honorable Thad Cochran  
Ranking Member  
Appropriations Subcommittee Labor  
Health and Human Services, Education  
and Related Agencies  
U.S. Senate  
156 Dirksen Senate Office Building  
Washington, D.C. 20510

Dear Chairman Harkin and Senator Cochran:

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 your deliberations on funding for programs within the Departments of Labor, Health and Human Services (HHS), Education and Related Agencies for Fiscal Year (FY) 2011, 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 2011 programs under your jurisdiction:

### **HEALTH CARE WORKFORCE**

**The AHA strongly urges you to increase funding to \$267.3 million for Nursing Workforce Development Programs under Title VIII of the Public Health Service Act for FY 2011.** These programs are currently funded at \$244 million. As our nation moves towards health care reform, we will need to make a substantial investment in building a strong nursing workforce in order to ensure access to health care services for all. 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 this year. 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 2011, 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 supports additional funding for the National Health Service Corps (NHSC) which received \$142 million in FY 2010.** The President's budget proposes an increase of \$27 million for the NHSC. 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 urges Congress to increase funding for the Centers of Excellence and the Health Careers Opportunity programs to \$68 million.** The President has recommended \$47 million for these programs for FY 2011. 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 endorses the President's recommendation of \$426 million for hospital emergency preparedness for FY 2011 to help hospitals meet their obligation to provide surge capacity in the event of a public health emergency or other disaster.** 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, improving disaster communications, and supporting training, education, and drills and exercises. Funding provided to hospitals will help meet those needs.

The AHA also urges the Committee to fund efforts to protect our nation from the threat of pandemic influenza, including at least \$200 million directed to hospitals to help improve hospital pandemic preparedness and response capabilities. Although less than 10% (\$90 million) of the \$1.44 billion in the FY 2010 H1N1 influenza pandemic preparedness funds went to hospitals, the nation's hospitals rose to the challenge, providing care to millions of sick patients through the first two waves of the pandemic. This funding was put to good use improving health care workforce protection and optimizing health care during the course of the pandemic. However, the H1N1 influenza virus remains a threat to the U.S.,

particularly given the potential for an anticipated third wave. In addition, the nation remains at risk for an even more severe pandemic in the future. In light of the ongoing threat posed by this virus and other biological agents, hospitals recognize the need to expedite preparations and strengthen resilience wherever possible. Among the activities such funding would support are: increasing hospital stockpiles of supplies needed in a pandemic, such as vaccines and antiviral agents, ventilators, and personal protective equipment; improving pandemic preparedness and response plans; 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 for FY 2011.** 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 supports the administration's FY 2011 request to increase by \$17 million the funding level 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 endorses the President's request for \$611 million for the Agency for Healthcare Research and Quality (AHRQ) for FY 2011.** 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 FY 2010 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 for FY 2011.
- **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 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. The President's FY 2011 budget requests \$22 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 \$362 million, an increase of \$15 million over FY 2010, for Medicare Survey and Certification Activities for FY 2011.** 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 to vital health care programs, and hopes the committee will continue to support these funding priorities in FY 2011. 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