



**American Hospital
Association**

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April 23, 2012

The Honorable Tom Harkin
Chairman
Appropriations Subcommittee on Labor
Health and Human Services, Education
And Related Agencies
United States Senate
Washington, D.C. 20510

The Honorable Richard Shelby
Ranking Member
Appropriations Subcommittee on Labor
Health and Human Services, Education
And Related Agencies
United States Senate
Washington, D.C. 20510

Dear Chairman Harkin and Ranking Member Shelby:

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) 2013, the American Hospital Association (AHA) urges 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.

The AHA represents more than 5,000 member hospitals, health systems and other health care organizations, and 40,000 individual members.

Our nation faces serious fiscal challenges this year and in the future as Congress attempts to address our deficit while still ensuring our national needs are met. While AHA recognizes the fiscal constraints imposed upon the committee, we ask you to give strong and favorable funding consideration to the following health care programs that have proven successful in improving access to quality health care. They have served to greatly improve the health of our citizens and we ask that you make funding these programs a priority in your FY 2013 appropriations measure:

Children's Hospitals GME. The Children's Hospitals Graduate Medical Education (CHGME) program funds independent children's teaching hospitals to support the training of pediatric and other medical residents in GME programs. 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. Currently, independent children's hospitals train more than 40 percent of general pediatricians, 43 percent of all pediatric specialists and the majority of pediatric researchers. 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. The AHA is dismayed that the President's FY 2013 budget proposes to drastically reduce funding for CHGME, from the current level of \$265 million to \$88 million. Such a steep reduction to CHGME will be detrimental to the mutual goals of strengthening the primary care workforce and ensuring timely access to critical, high-quality specialty care. **We urge the committee to reject the President's proposal to reduce funding for this vital program in FY 2013. We further urge that the current level of funding of \$265 million be continued in the FY 2013 appropriations measure.**

Health Professions Education and Workforce Challenges. The AHA supports funding at the maximum level possible within the 302(b) allocation for the following Health Resources and Services Administration (HRSA) discretionary programs that seek to address workforce challenges:

- **Nursing Workforce Development under Title VIII of the Public Health Service Act.** While the recession has temporarily eased workforce vacancies in some areas, as the economy improves, severe shortages will return. The demand for registered nurses will continue to rise as the "baby boomers" begin to retire and as expanded coverage increases the demand for care. The Department of Health and Human Services (HHS) estimates that by 2020, our nation will need 2.8 million nurses – at least 1 million more than the projected supply. In addition, the Bureau of Labor Statistics projects severe shortages for many allied health professions. Hospitals and health care systems must maintain a vibrant workforce in the educational pipeline. **The AHA supports \$251 million for these programs, as recommended by the Administration's FY 2013 budget proposal.**
- **Health Professions Programs.** 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.
- **National Health Service Corps (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.

- **Training for Diversity, including the Centers of Excellence and the Health Careers Opportunity Programs.** These 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.

Rural Health Programs. Rural Health Programs, such as the Medicare Rural Hospital Flexibility Grant Program, Rural Health Outreach and Network Development, State Offices of Rural Health, Rural Telehealth, Rural Policy Development, and other health care programs are vital to ensuring that needed services remain available in America's rural communities. The President's FY 2013 budget proposes a cut of \$15 million to rural programs. **The AHA urges the subcommittee to reject efforts to cut funding below current levels for these programs.**

Disaster/Emergency Preparedness. As part of America's health care infrastructure, hospitals play a key role in disaster readiness and response. Hospitals, as vital community resources, must be among the best prepared to provide crisis services, alongside police, fire, rescue and other public safety services. To help achieve that aim, **the AHA urges the subcommittee to reject the significant funding reduction for this program proposed in the President's FY 2013 budget and instead recommends funding of at least \$378 million for the hospital preparedness program for FY 2013, consistent with the amount authorized in the House and Senate legislation, the *Pandemic and All Hazards Preparedness Act Reauthorization of 2011*.** The President's budget proposes \$255 million for hospital preparedness, a reduction of 32 percent from the FY 2012 amount. Such a severe cut would undermine the ambitious emergency preparedness agenda upon which HHS has just embarked to advance all-hazards preparedness and national health security by aligning the hospital and the public health emergency preparedness programs and building an effective medical surge response through the development of robust hospital-based systems and strong, resilient and effective health care coalitions. Over the next five years, hospital preparedness funding will be used to enhance health care system preparedness, health care system recovery, medical surge, emergency operations coordination, fatality management, information sharing, responder safety and health and volunteer management. These capabilities are necessary to facilitate preparedness planning and response at the local level. They cannot be successfully achieved if hospital preparedness program funding is significantly reduced.

In addition, the AHA urges sufficient funding to support an increase in production capacity for vaccines and antiviral agents, and the stockpiling of supplies needed in a pandemic, such as ventilators and personal protective equipment, and the development of rapid diagnostic tests and enhanced surveillance.

Agency for Healthcare Research and Quality (AHRQ). The AHA supports \$409 million for AHRQ, an increase of \$4 million over current levels. However, we believe it is imperative that AHRQ research be directed specifically at the question of what systemic interventions are likely to provide the greatest improvements in the safety and quality of care, the coordination of care to best meet the needs of patients, and improvements in the efficiency of the care delivery system that can be made without damaging the safety or quality of care. For example, AHRQ has provided more than \$20 million for the "Comprehensive Unit-Based Safety Program" or CUSP initiative for reducing healthcare-associated infections. This research has enabled hospitals and their improvement partners to identify new strategies for improving the consistency and effectiveness of care through systemic changes. The AHA strongly supports the need for similar projects that focus not only on how to help patients with a specific condition, but also helps us understand how to make the entire system work more safely and effectively. This type of research provides system leaders with valid and reliable information about the changes they can make that will improve the care for many patients.

Public Health and other health care programs. The AHA advocates increased funding over current levels for the following 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.
- **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.
- **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.
- **Substance Abuse and Mental Health Services Administration (SAMHSA).** 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.

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- **Medicare Survey and Certification. The AHA supports the Administration's FY 2013 recommendation of \$387 million for this activity.** 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 2013. 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