





insured alike, face enormous pressures. In a 2005 survey of hospital leaders, 45 percent responded that they perceive their ED as being at or over operating capacity. And, 69 percent of urban hospitals reported being at or over ED capacity. Staff shortages, lack of critical care beds, a growing elderly population and the demands of the Emergency Medical Treatment and Labor Act (EMTALA) are stretching ED capacity. Hospitals are proud to serve their communities but the regulatory requirements of EMTALA represent an unfunded mandate for hospitals that contributes to the \$25 billion in uncompensated care hospitals provide annually. And the financial pressure of uncompensated care will only grow as the ranks of the uninsured and underinsured swell.

#### **AHA View**

The AHA believes that every American deserves access to basic health care services – services that provide the right care, at the right time, in the right place. Increasing coverage for the uninsured through incremental steps that builds on expanding access to both public coverage and private insurance holds the most promise in the near term. These incremental steps include expansions in Medicaid and SCHIP, refundable tax credits, and pooling mechanisms to make insurance more affordable. Such incremental efforts also are supported by non-legislative strategies – from national public awareness campaigns to community-based outreach initiatives – that increase the enrollment of eligible children in Medicaid and SCHIP.

**Promoting Public Awareness of the Plight of the Uninsured.** Under the leadership and coordination of the Robert Wood Johnson Foundation, the AHA again has joined with a diverse group of national partners that include health care, business, labor and consumer groups, for Cover the Uninsured Week, May 1-8. Nationally organized events in 13 cities and communities will bring to the public’s attention the problems faced by their neighbors who have no health coverage. Hundreds of other events, including health and enrollment fairs, will take place in communities across the country.

More than 8.4 million children lack health care coverage and access to regular medical care. We also will partner again with the Robert Wood Johnson Foundation program Covering Kids and Families on Back to School 2005, which takes place in August, when parents prepare for their children’s return to school – preparations that should include getting their children health coverage.

**Expanding Coverage for Kids.** The AHA and the Catholic Health Association of the United States have developed a legislative initiative that would ensure health care coverage for all children through age 18 by extending eligibility for SCHIP and Medicaid. Our proposal would also assist others in paying for coverage, by allowing small employers to use tax credits to purchase insurance for their employees or allowing low-income people to use tax credits to purchase insurance, either through the workplace or independently.



**Ensuring Access to Essential Services.** As we expand coverage, we must ensure that essential medical services currently available to everyone – insured and uninsured – are sustained. Many hospitals are in financial jeopardy; many are the sole source of care in their communities. Their failure would put communities at risk, because without them, vital medical services and social services would disappear. For many of these hospitals, public funding such as Medicaid is critical.

State governments are facing record budget shortfalls. As a result, the vast majority of states expect to consider proposals to cut Medicaid eligibility, health services and payments to providers – proposals that put safety net hospitals in further financial jeopardy.

The Medicaid program must be protected from cuts, and the AHA opposes federal reductions in Medicaid funding that diminishes the guarantee of coverage for our most vulnerable populations. Reforming the Medicaid program should be conducted through a deliberative process such as a commission or other blue ribbon panel, not simply to meet an arbitrary budget goal.

**Mental Health Parity.** Mentally ill patients seeking treatment are often discriminated against. Mental health services usually require higher copayments, allow fewer doctor visits or days in the hospital, or higher deductibles than those imposed on other medical illnesses. This discrimination results from outdated misconceptions and the stigma surrounding mental illness. If allowed to continue, the financial and human costs of untreated mental illness will far exceed the costs purported by opponents – that covering mental health services will exponentially and unfairly increase premiums for all enrollees. In fact, data have shown that the cost of instituting equal coverage for treatment of mental illnesses is inconsequential.

The AHA is working with the administration, Congress, and more than 350 national organizations to ensure that discriminatory barriers in employer-provided health insurance are no longer allowed to routinely deny Americans needed mental health care.

#### **THE LONGER-TERM VIEW**

Long-term solutions require broad-based discussion and commitment, and the AHA continues to pursue such efforts with our hospital members and other key stakeholders to find acceptable ways to address the plight of the uninsured.

**Defining a Unified Health Policy for America.** Health care in America is a patchwork quilt, mended together over time to address disparate needs. Addressing the uninsured requires a broader debate about health care in our nation. The AHA remains steadfastly committed to health care system reform in America – committed to coverage for all and broader system reform.



The AHA's leadership has charted a course to achieve this goal calling the initiative **The Unified Health Care Policy Project**. The initiative is currently focused on creating a shared vision of a future health care system and on building broad-based support for change. This initiative involved both formal and informal listening sessions with hospital leaders, our communities, and key national stakeholders about their views of our health care "system;" what they like and don't like about the system; and what they believe a vision of a future health care system in America ought to look like. Those conversations yielded a consensus vision of a future health care system captured in the following principles.

**America's health care system should:**

- Provide affordable coverage for everyone's basic health care needs.
- Provide care equitably to all.
- Be based on the premise that health is a shared responsibility.
- Demand better stewardship of limited resources.
- Be sufficiently financed to meet long-term responsibilities.
- Emphasize wellness and center on preventive and primary care.
- Deliver high quality, evidence-based care.
- Be structured to provide more coordinated continuity of care.
- Be simple and easy to understand and navigate.
- Be transparent in sharing information with consumers and clinicians.

The AHA will continue to lead the way toward national discussions about how to develop a unified health care policy for America based on these values.