



**American Hospital
Association**

ADVOCACY UPDATE

Action Alert!

October 16, 2008

NEED ACTION FROM	<i>Hospital leaders</i>
ACTION	<i>Urge Congress to consider hospital issues in lame duck session</i>
WHEN	<i>Now</i>
HOW	<i>Call, e-mail your representative, senators</i>
WHY	<i>Economic stimulus bill could become vehicle for important hospital issues</i>

NEW ECONOMIC STIMULUS BILL MAY PRESENT OPPORTUNITY TO ADVANCE KEY HOSPITAL ISSUES

Senate leaders have indicated they will reconvene after the Nov. 4 election, and may consider a second economic stimulus bill. This “lame duck” session will occur the week of Nov. 17. The House also is considering a lame duck session. We need to start acting now so that, if a new stimulus bill is considered, we let legislators know it should include these unresolved hospital priorities:

- An increase in FMAP, the federal Medicaid matching rate, to help offset dramatic cuts states may implement due to the weakened economy.
- A moratorium on a CMS regulation that took effect Oct. 1, which eliminates the indirect medical education adjustment in the inpatient prospective payment system for capital costs. Eliminating the adjustment will cut \$1.3 billion over five years.
- A moratorium on CMS’ proposed cut to Medicaid outpatient services, which would narrow the definition and scope of these services and reduce hospitals’ Medicaid funding by \$2.1 billion over five years, according to the Congressional Budget Office.
- Reauthorization of Section 1011 funds to aid hospitals providing emergency care to undocumented immigrants.
- A ban on self-referral to new physician-owned hospitals, and grandfathering of existing facilities with appropriate growth limitations.

And, in these uncertain economic times, remind your legislators that hospitals are economic engines, whose contribution extends far beyond our role as health care cornerstones. The important role that hospitals play in supporting the economy is highlighted at www.aha.org/aha/trendwatch/2008/twapr2008econcontrib.pdf.

Watch for additional information as we learn more about congressional leaders’ plans. Meanwhile, please urge your senators and representatives to ask their respective leaders to include our items in a possible stimulus package.