

Annual Appropriations

Background

Every year, Congress considers a dozen appropriations measures that fund various discretionary programs, such as health care (excluding Medicare and Medicaid), national defense and education, as well as general government operations like the administration of federal agencies. One of those measures is particularly important to hospitals: The appropriations bill that funds the departments of Labor, Health and Human Services (HHS) and Education.

With a fiscal year (FY) 2009 operating budget of \$737 billion, HHS administers more than 300 programs and is responsible for numerous federal health care programs. Because many of these programs support hospitals' mission of caring and curing, the AHA urges lawmakers to approve an FY 2010 Labor, HHS and Education appropriations bill that bolsters the health care workforce, improves access to care for vulnerable Americans, enhances hospitals' disaster readiness and helps hospitals harness the power of information technology to provide safer, more effective and efficient care.

AHA View

Workforce Challenges. While the recession temporarily has eased workforce vacancies in some areas, once the economy improves, severe shortages will return. The demand for registered nurses (RNs) and other health care personnel will continue to rise when the "baby boomers" begin to retire next year. HHS estimates that by 2020, our nation will need 2.8 million nurses – 1 million more than the projected supply. In addition, the Bureau of Labor Statistics projects severe shortages for many allied health professions. We must maintain a vibrant workforce in the educational pipeline. Without decisive intervention, workforce shortages threaten hospitals' ability to care for patients and communities.

Given these critical challenges, **the AHA seeks to increase federal funding for Nursing Workforce Development programs to \$215 million.** These programs are currently funded at \$171 million. **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.** 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.

The AHA recommends additional funding to the National Health Service Corps (NHSC), which received \$134.9 million in the FY 2009 *Omnibus Appropriations Act*. 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.

The AHA requests funding for the Centers of Excellence and the Health Careers Opportunity programs be restored 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. Such federal support can help hospitals to build a thriving hospital workforce that leads to a better system of care.

Children's Hospitals GME. The Children's Hospitals Graduate Medical Education (GME) program funds independent children's teaching hospitals to support the training of pediatric and other medical residents in GME programs. Funding under the program is critical to the success of these hospitals. While Medicare is the largest single payer of GME programs, children's hospitals typically treat very few Medicare patients and so receive little Medicare funding. They rely on the Children Hospital GME program for critical support. In addition to training the next generation of pediatricians and pediatric sub-specialists, these hospitals care for many vulnerable children. **The AHA urges Congress to provide \$330 million for the Children's Hospitals GME program.**

Disaster Preparedness. As part of America's health care infrastructure, hospitals play a key role in disaster readiness. Hospitals, as vital community resources, must be among the best prepared, alongside police, fire, rescue and other public safety services. The AHA supports at the national level what our members are working to achieve in their communities: the readiness of people and resources.

To help achieve that aim, **the AHA calls on Congress to increase FY 2010 funding for hospital emergency preparedness under the *Pandemic and All Hazards Preparedness Act of 2006* to help hospitals meet their obligations to provide surge capacity in the event of a public health emergency or other disaster.** The program is currently funded at \$387.6 million. The program enhances hospitals' ability to prepare for and respond to terrorism 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. The program must be adequately funded to allow hospitals to meet those needs.

In addition, the AHA seeks 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 development of rapid diagnostic tests and enhanced surveillance.

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 (AHRQ). 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.

Rural Health Programs. On other issues of importance to hospitals, **the AHA recommends increased funding for rural health care programs**, such as the Medicare Rural Hospital Flexibility Grant Program, Rural Health Outreach and Network Development, State Offices of Rural Health, Rural Telehealth and Rural Policy Development. The programs are currently funded at \$119.5 million. These and other HHS programs play a significant role in ensuring that needed services remain available to hospitals and residents in America's rural communities.

Quality and Comparative Effectiveness. In addition, **the AHA supports adequate funding to improve hospital quality-improvement research through AHRQ.** 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. Additionally, AHRQ and the National Institutes of Health received \$300 million and \$400 million, respectively, in the *American Recovery and Reinvestment Act* to conduct or support comparative effectiveness research. The AHA strongly supports this research, which will provide clinicians, hospitals, patients and others with valid and reliable information about the relative effectiveness of various treatment alternatives so that they can make better decisions.

Other Health Care Programs. Hospitals play an important role in coordinating efforts to improve the public's health. Federal funding should reflect both the hospital commitment and the challenge of preventing and managing chronic conditions, dealing with life-threatening or changing injuries and improving access to care for underserved residents. **The AHA urges Congress to increase funding of the Maternal and Child Health Block Grant, Healthy Start, Ryan White HIV/AIDS and Emergency Services for Children programs.** Further, the AHA seeks full funding for the Substance Abuse and Mental Health Services Administration and the Trauma-EMS Systems program.

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 Congress 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.