American Hospital Association

HIGHLIGHTS
GOVERNING COUNCIL MEETING
AHA Section for Metropolitan Hospitals
February 26-27, 2009 ★ San Francisco, CA

The governing council of the AHA Section for Metro Hospitals met February 26-27, 2009 in San Francisco, CA. Governing council members received updates on AHA's recent Board meeting, the AHA strategic plan and the political environment in Washington, DC. Members discussed policy options for the role of government in national health reform, development of a federal health board, hospital readmissions, and comparative effectiveness. A roster of the Section's governing council is at http://www.aha.org/aha/member-center/constituency-sections/Metro/roster.html.

AHA Board Report: Jim Bentley, Ph.D., AHA Sr. Vice President and executive staff liaison to the Metro Governing Council reviewed highlights from the January 2009 meeting of the AHA Board of Trustees. Board members received reports and discussed policy options on national health reform. The Board received reports on AHA legislative, regulatory, and policy initiatives as well as reports from standing and ad hoc committees. Bentley provided members with a detailed review of AHA's national framework for change *Health for Life: Better Health, Better Health Care* and stressed how health reform is emerging as a national policy priority. Governing council members were supportive of AHA's continued leadership in shaping the reform dialogue and being part of the solution to needed change. Visit http://www.aha.org/aha/about/Organization/index.html for information about the AHA Board. Visit http://www.aha.org/aha_app/issues/Health-for-life/index.jsp for Health for Life.

AHA Strategic Plan: Jim Bentley explained that the 2009 – 2011 AHA Strategic Plan provides a roadmap for the organization over the next three years and includes financial plans that support the Association's mission and proposed strategies and priorities. Bentley reviewed the plan including its strategic direction and key priorities. He described the environmental scan used to form the foundation of the strategic plan and its framework. Members identified emerging trends toward mergers, advances in technology and information systems, and discussed the effect of the recession on their institution's operations. The AHA Strategic Plan may be found at http://www.aha.org/aha/about/index.html.

The Role of Government in Health Reform: Most major health care reform proposals under discussion call for a broader government role in making coverage available. Staff explained that several reform proposals look to the government to fund as well as facilitate the selection and purchase of a range of health insurance plans to help individuals and families who do not qualify for public programs and for whom the cost of insurance remains out of reach. "Connectors" or "exchanges" are the common terms used to describe this type of government function modeled after the Massachusetts health care reform plan. Governing council members commented on the development of a governmental program that directly provides coverage and that competes with private sector health plans through an exchange. Members supported competition but requested more information on matters such as benefit design, cost controls, payment, wellness, and end-of-life care before they could commit to accepting the government's role, and questioned who would have the authority to regulate and control an exchange. They commented that limits on costs and benefits are necessary to keep all stakeholders vested. Members said that a national plan should include incentives that would align all providers and achieving equity between public and private plan cost and benefits is important.

Washington Update: Members were briefed on the current political environment, legislative initiatives and AHA's advocacy strategy and policy agenda for Metro hospitals. Members were apprised of the reauthorization of the Children's Health Insurance Program (CHIP) and updated on the status of the American Recovery and Reinvestment Act (ARRA) and the key provisions of each. Members were supportive of AHA's priorities and appreciate AHA's leadership on CHIP and ARRA. Members were anxious about implementation of COBRA, but were excited about the stimulus for HIT. Staff alerted members to the growing importance of labor issues to Congress and the Administration. Members were sensitive to these concerns and supported AHA's advocacy efforts.

Members received a report from staff on the current regulatory environment. They were apprised of the current regulatory freeze imposed by the new Administration and routine regulatory changes and updates anticipated in 2009. Staff updated members on implementation of the Recovery Audit Contractor (RAC) program by CMS and members are uneasy about its implementation. AHA has many RAC tools and resources available to members at http://www.aha.org/aha/issues/RAC/index.html.

Federal Health Board: The concept of creating an independent commission or federal health board has been discussed in the context of health reform proposals. Governing council members discussed the concept, including its potential membership and scope of authority. Members support the concept of a federal health board; however they emphasized the need for accountability and leadership. They supported the need for a depoliticized policy process and using a mix of experts and stakeholders, but had reservations that these objectives could not be met. They also commented that the form and structure of a Board would need to follow its function, however that is defined. Members identified several purposes for a Board including reviewing community rating, portability of benefits, aligning incentives for providers, and emphasis on patient-centered care.

Reducing Hospital Readmissions: At the fall 2008 meeting, members were asked to discuss causes for readmissions as well as strategies and incentives to reduce them. At this meeting members were oriented to a set of principles proposed for use when assessing policies for readmission that included a framework for classifying them and that might be appropriate for inclusion in a readmission policy. Members supported the concept that a readmissions policy should be grounded in the appropriateness of care and not its cost. They believe that evidence-based care and alignment of providers across levels of care could greatly reduce readmissions. Members commented that readmissions need to be matched with claim experience and adjusted for personal accountability and patient compliance. They identified a number of variables that contribute to readmissions including regional differences in practice patterns and cultural norms such as perspectives on end-of-life care. A demonstration to help define terms and measures for performance would be welcome.

Comparative Effectiveness: Comparative effectiveness research evaluates the impact of different medical options for treating a given medical condition for a particular set of patients. Many policy makers have been calling for comparative effectiveness research as a part of health care reform in this country and the ARRA includes funding for comparative effectiveness research. Members were supportive of comparative effectiveness as a means to transcend marketing pressures and identify cost-effective treatment in order to achieve the best outcome. They believe it can be appropriate for both treatment and technology, but the focus must be patient centered. Members said that information on technology must be transparent to achieve the best application and achieve the best results. Data collection should be a requirement of adopting new treatments or technology and meeting minimum standards of competency is appropriate and should be recommended.

For more information about the topics covered in these highlights or on the AHA Section for Metro Hospitals, contact John T. Supplitt, senior director, at 312-422-3334 or jsupplitt@aha.org.