



**HIGHLIGHTS**  
**GOVERNING COUNCIL MEETING**  
**AHA Section for Small or Rural Hospitals**  
**March 2-3, 2006 – Dallas, TX**

The governing council of the AHA Section for Small or Rural Hospitals met March 2-3, 2006, in Dallas, TX. Governing council members and nine guest executives from rural hospitals in Texas received reports on legislative, regulatory, and policy initiatives. They discussed several AHA policy priorities including price transparency, hospital accountability, and *Community Connections*. The Section's governing council roster may be found on the AHA Web site at [www.aha.org/aha/key\\_issues/rural/section/council.html](http://www.aha.org/aha/key_issues/rural/section/council.html).



**Federal Legislative and Regulatory Update:** Governing council members and guests were briefed by staff on the current political environment, the President's budget proposal for federal fiscal year 2007 including appropriations, and AHA's advocacy agenda for 2006 specifically for small or rural hospitals and CAHs. Staff also reviewed the final outcome of the Deficit Reduction Act (DRA) of 2005 and its implications for small or rural hospitals. AHA's advocacy agenda for 2006 is at <http://www.aha.org/aha/advocacy-grassroots/advocacy/06agenda.html>.

Members were updated on regulatory changes including rules for the occupational mix survey and payment under Medicare Advantage (MA). Members received an update on how CMS's subregulatory guidance effecting relocation of CAHs has expanded these rules to include new definitions for mountainous terrain and secondary roads as well as the 75% test, and AHA's strategy for a fix. In addition, members were informed of MedPAC's recommendations from its March report to Congress as well as the upcoming MedPAC report on rural provisions contained in the MMA that is due December 2006. AHA's January 10 statement on MedPAC recommendations may be found at [http://www.aha.org/aha/press\\_room-info/archive.jsp](http://www.aha.org/aha/press_room-info/archive.jsp)

Members expressed the need to support physicians' interests and were anxious about any federal policies that cut payments to physicians and that may force them to either reduce their practices or relocate. Members were very concerned about MA contracts and payment of CAHs under MA and the recent guidance on CAH relocation and were pleased with AHA's focus and strategy.

**Price Transparency:** Public calls for "transparency" in the ongoing operation of business, politics, and governance continue to grow and more recently, calls for transparency in health care pricing are coming from many quarters. AHA supports making meaningful information about hospital prices available to the public and sought advice from members on how best to accomplish greater transparency. Members were asked to participate in a pre-meeting assignment to help understand the challenges for consumers trying to access hospital price information and guide the Association's views on federal policy for making hospital price information more transparent. They were asked to place anonymous calls to their hospital or health system to ask for the price of a hospital service and take notes on the process and response received. In small group discussions, Governing Council members shared their experiences in obtaining pricing information and discussed what types of price information they believed would be most useful to consumers. Members were also asked to share their thoughts on how the

hospital field could best respond to the public call for price transparency and what types of information on hospital prices should be shared. For information on hospital charity care, billing, and collection practices visit [http://www.aha.org/aha/key\\_issues/bcp/index.html](http://www.aha.org/aha/key_issues/bcp/index.html)



**Hospital Accountability Act Initiative:** Governing Council members were asked to provide input and advice on legislative options to address hospital billing, collection, and tax-exempt status concerns. Members were asked to review a discussion document that outlines four key issues and options for addressing each: reducing hospital prices for uninsured patients of limited means; addressing unfair debt collection practices, reporting community benefit and increasing financial accountability. For more information on hospital billing and collection practices visit [http://www.aha.org/aha/key\\_issues/bcp/index.html](http://www.aha.org/aha/key_issues/bcp/index.html).



**Community Connections:** Members were briefed on an AHA initiative called *Community Connections*, which builds on the old Reality ✓ but expands it to include an array of AHA activity. A featured product of the initiative includes a book of best practices and case examples. The initiative is a process that includes short- and long-term efforts in this area. Members had fond memories of Reality ✓, which reflected very favorably on rural hospitals. Members were supportive of the initiatives and appreciated the *Community Connections* case examples. For more go to <http://www.caringforcommunities.org/caringforcommunities/index.html>.

**AHA Board Liaison Report:** George N. Miller, Jr., AHA Board liaison and president and CEO, Provena St. Mary's Hospital, Kankakee, IL, updated members on the November 2005 AHA board meeting and the January 2006 Board retreat. At the November meeting, the Board deliberated on physician gainsharing, response to pandemic flu, Medicaid reform, principles for information technology, and established a Task Force on Mental Health. At the January meeting, the Board focused on broad-based health care reform and a "Unified Health Care Policy" project. Discussions continue with respect to accessible patient health information and standardized transactions. The Board remains committed to leading health care reform.

**Case Example, Quest for Quality:** Palo Pinto General Hospital decided, "Good, is not good enough." The Quest for Quality goal is to enable outpatients to become accountable for their disease management, thereby improving their health status. The goal is also to reduce their visits to the emergency department and to position the hospital for approaching pay for performance methodology. Patricia Dorris, CEO, Palo Pinto General Hospital, Mineral Wells, TX, described her hospital's initiatives and projects.

**Other Business:** The Governing Council recommended three members for nomination as at-large candidates to the AHA Board of Trustees. The candidates were Rebecca Brewer, FACHE, CEO, Colleton Medical Center, Walterboro, SC; Susan Fitzgibbon, President, Annie Penn Hospital, Reidsville, NC; and Ray Hino, CEO, Tehachapi Valley Healthcare District, Tehachapi, CA. Members were encouraged to join the AHA Political Action Committee. Members were also encouraged to join the Institute for Diversity (<http://www.diversityconnection.org/>) in Health Management and sponsor a preceptor for the 2006 summer enrichment program.

**For more information about the topics covered in these highlights or on the AHA Section for Small or Rural Hospitals, contact John T. Supplitt, senior director, at 312-422-3334 or [jsupplitt@aha.org](mailto:jsupplitt@aha.org).**