



American Hospital
Association

HIGHLIGHTS
GOVERNING COUNCIL MEETING
AHA Section for Small or Rural Hospitals
June 20-21, 2013 ★ Atlanta, GA

The governing council of the AHA Section for Small or Rural hospitals met June 20-21, 2013 in Atlanta, GA. Governing council members received an update on the recent meeting of the AHA Board and were briefed on the current Washington political, legislative, and regulatory policy environment. Members reviewed and discussed several policy issues including the appropriate use of medical care, Medicaid and Medicare disproportionate share hospital payments, and patient status and rebilling. Members were asked for feedback on an AHA Committee on Research Report, *Value from Integrated Delivery of Care and Financial Systems*. Members also discussed enhancing value through quality and performance improvement. A **roster of the Section's governing council** is available on our Web site.



Washington Update: With the debt ceiling expected to be reached early this fall, members were updated on and discussed deficit reduction activities and areas where hospitals are at risk as well as the political environment, key legislative activities, and AHA's advocacy agenda. Members reviewed and discussed key regulatory challenges, including inpatient hospital payments and proposed changes to the quality performance programs. Members endorsed the importance of the **AHAPAC** and the work of the **Coalition to Protect America's Health Care** to communicate our message to the public.



Appropriate Use of Medical Care: At the spring governance meetings, members discussed [Ensuring a Healthier Tomorrow: Actions to Strengthen Our Health Care System and Our Nation's Finances](#) and chose as a priority area *eliminating non-value added treatments*. The AHA Committee on Clinical Leadership has drafted a white paper that outlines the driving factors for overuse and misuse of care resources, including a "top five list" of hospital-based interventions that should be reviewed and discussed by a patient and physician prior to proceeding. Members shared thoughts on the resources needed to implement the paper's recommendations and how AHA should move forward.

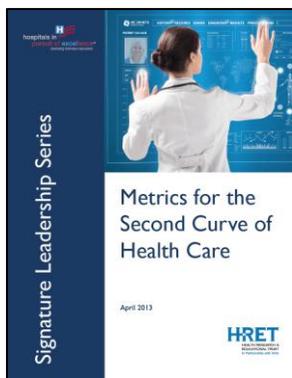
Patient Status/Re-Billing: Recently, CMS issued rules to provide hospitals guidance on when an inpatient hospital admission is appropriate, and the ability of hospitals to rebill claims when issued a payment denial. Members discussed whether the CMS

recently-released policies provide better guidance to the field and how feasible they are to implement as well as their potential impact on hospitals and physicians. AHA submitted its [comments on CMS' two-midnights proposal](#) urging CMS to issue instructions to the RACs and other contractors explaining how to review the medical necessity of Part A inpatient hospital stays.

Medicaid & Medicare DSH

Payments: DSH payment reductions have been premised on coverage growth

under the Patient Protection and Affordable Care Act. Last year's Supreme Court decision allowing states to opt out of Medicaid expansion and the potential that almost half the states will do so puts expanded coverage at risk. AHA has convened a Medicare DSH Payment Advisory Committee to provide advice on strategy. Members were asked to review the policy issues raised by recently-issued Medicare and Medicaid DSH regulations and share reactions and concerns as AHA staff prepares [comments](#) and [advocacy initiatives](#) for the DSH Reduction Relief Act (H.R. 1920).



COR Report: Integrated Delivery: The [AHA Committee on Research's](#) 2013 topic of integrated care delivery looks at best practices, lessons learned, roles, and contributions of different hospital organizations, and evolving roles and obligations of hospitals and health plans. Members shared feedback on the draft report and insights on the critical steps for integration.

Quality and Performance Improvement: The proposition of a value-based payment system demands accelerating quality and performance improvement of clinical outcomes and care practices. The governing council focused attention on how community hospitals can enhance value and transform health care for rural populations with a discussion of "Transforming Health Care: Virginia Mason Medical Center's Pursuit of the Perfect Patient Experience."

The [Shirley Ann Munroe Leadership Award](#) recognizes small or rural hospital CEOs and administrators who have achieved improvements in local health delivery and health status through their leadership and direction. The Award offers professional development and educational opportunities to recipients and includes a **\$1,500 stipend** to offset the cost of attending an AHA educational program. **The 2013 Application can be found [HERE](#).** For more information, please contact Jihan Palencia Kim, Section for Small or Rural Hospitals, at (312) 422-3345.



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 312-422-3306 or jsupplitt@aha.org.