



**Children's hospitals play a critical role in the nation's health care delivery system** by enhancing the continuum of care, providing specialized care for children, and training the majority of the nation's pediatricians.

*Below are just some of the ways the AHA provides value for children's hospitals.*

## Working for Children's Hospitals

*Outdated regulations, duplicative or conflicting rules, unworkable timelines – all of these increase the burden on children's hospitals, and draw much-needed resources away from patient care. The AHA has repeatedly demonstrated the need for streamlined regulations, common sense rules and manageable timelines, as outlined below.*

- **Affordable Care Act (ACA) Implementation.** The AHA and other national hospital groups urged the Supreme Court in June 2012 to rule ACA's individual mandate and Medicaid expansion constitutional. Although the court struck down the penalty for a state declining to expand its Medicaid program, states that do participate in the Medicaid expansion will receive the federal financial supports included in the ACA. The AHA continues to follow the development of state Medicaid expansion and exchanges – and the impact on children's hospitals.
- **Medicaid Disproportionate Hospital (DSH) Payments.** Worked with Congress to delay scheduled cuts to Medicaid DSH payments for the next three years.
- **Medicaid Coverage Through Hospital-based Presumptive Eligibility.** The ACA provides hospitals with a new opportunity to help potentially eligible Medicaid patients gain health coverage by allowing hospitals to temporarily enroll patients into Medicaid coverage with a few pieces of information, such as income and household size, at the point of service. For patients, this provides Medicaid coverage in the hospital as well as after they are discharged. The AHA has been actively engaged in educating members on this new opportunity through tools and resources that can be found on AHA's webpage at [aha.org/GetEnrolled](http://aha.org/GetEnrolled). The AHA has also been actively working with member hospitals and state associations to address implementation issues with the Centers for Medicare & Medicaid Services (CMS). At the AHA's request, CMS in early 2014 issued a clarification that allows hospitals to continue to use service vendors to assist them in making Medicaid presumptive eligibility determinations.
- **340B Program.** The 340B Drug Pricing Program creates valuable savings on outpatient drug expenditures, thereby allowing eligible children's hospitals to reinvest the funding in patient care and health services to benefit the communities they serve. The AHA opposes all efforts to scale back or significantly reduce the benefits of the 340B program. The AHA, however, supports program integrity efforts to ensure this vital program remains

available to safety-net providers and encourages the Health Resources and Services Administration (HRSA) to develop a process to help providers meet new program integrity provisions. In 2013, HRSA issued guidance that disproportionate share, children's and free-standing cancer 340B hospitals are prohibited from using group purchasing organizations (GPOs) to purchase any outpatient drugs. However, these hospitals may purchase all inpatient drugs through a GPO. Based on feedback from AHA and its 340B member hospitals, HRSA extended the implementation deadline to allow additional time for stakeholders to make the necessary changes to comply with the guidance. In addition, AHA filed an amicus brief supportive of HRSA's interpretation of the orphan drug exclusion final rule and in opposition to the Pharmaceutical Research and Manufacturers of America's lawsuit to stop implementation of the rule.

- **Medicaid and Children with Chronic Conditions.** The AHA supported the ACA provision to establish pediatric accountable care organizations (ACOs), which will test new models for coordinating care and reducing cost of care to children covered by Medicaid. The pediatric ACO provisions were included in the ACA but have not been funded. Among children, the top 10% of enrollees account for 72% of total Medicaid/CHIP spending on children. At the same time, 30% of children enrolled in Medicaid/CHIP receive little or no care – in some cases despite having special health care needs or chronic conditions.
- **Children's Hospitals Graduate Medical Education (CHGME) Funding.** Worked with members of Congress to pass the Children's Hospital GME Support Reauthorization Act (S. 1557), which reauthorizes the CHGME program through fiscal year (FY) 2018. Enacted in 1999, the program provides funding to freestanding children's hospitals for direct and indirect expenses associated with operating their medical residency programs, which train 49% of general pediatricians, 51% of all pediatric specialists and the majority of pediatric researchers.
- **Collaboration with National Organizations.** The AHA works closely with many other national organizations to drive positive change in federal policies – including the Children's Hospital Association, Council of Women's and Infants' Specialty Hospitals, March of Dimes, American Congress of Obstetricians and Gynecologists, American Academy of Pediatrics, National Perinatal Information Center, and the Medicaid and CHIP Payment and Access Commission.

## Engaging Children's Hospital Leaders

*Children's hospital leaders have a strong voice in the AHA. They help shape key advocacy activities, policy positions and member services of particular interest to children's hospitals through their active involvement in many forums.*

- **A Role in Governance and Policy-making.** The AHA offers children's hospital leaders many opportunities to take an active role in shaping AHA policies and setting direction for the association. They can play a formal role in association governance and policy formation by serving on the AHA's Board of Trustees, Regional Policy Boards, Governing Councils and committees. In addition, the association creates short-term advisory and work groups where members weigh in on more focused, time-sensitive policy issues.
- **Children's Hospital President Forums.** Small groups of children's hospital member CEOs are invited to meet with the AHA's president in Washington throughout the year to provide their guidance to the AHA on specific and emerging health care issues.
- **AHA Section for Maternal and Child Health.** The AHA Section for Maternal and Child Health has more than 1,900 members from across the country and is composed of executives from general and freestanding specialty hospitals that serve women and children. The

Section links members with shared interests and missions to advise the AHA on policy and advocacy activities and to discuss issues of great importance to providers offering women and children's services. These efforts are led by the Maternal and Child Health Governing Council, which meets at least three times a year.

- **The Allied Advisory Committee on Medicaid.** The committee, in its ongoing work, focuses on the future of Medicaid, critical reform issues for hospitals, and the role of state and regional hospital associations in leading reform efforts.
- **Advocacy Alliances.** The AHA's Advocacy Alliances, which includes the **340B Alliance**, provide members with another way to engage on the specific issue or issues that have a direct impact on their ability to continue providing quality health care services in their communities.
- **Member Outreach.** Several times throughout the year, children's hospital member CEOs are individually contacted by the AHA staff and/or are invited to participate in small group conference calls to discuss key AHA initiatives. During the calls, members contribute their perspectives and often receive additional tools and resources to address key challenges shared during the discussions.

## Providing Key Resources for Children's Hospital Leaders

*Membership in the AHA means more than representation on critical regulatory and legislative issues. We offer children's hospital leaders the tools and resources to navigate today's changing landscape of health care delivery and to support the efforts to improve quality of care for the communities served.*

- **Best Practices that Improve Quality and Outcomes.** The AHA's Hospitals in Pursuit of Excellence (HPOE) initiative is a conduit for providers to share best practices that accelerate performance improvement and support delivery system transformation. In addition, best practices and research developed and implemented by children's hospital leaders are presented during interactive conference calls hosted by the Section for Maternal and Child Health. Recent topics included pediatric ACOs, infant abductions, predictive safety and quality models, and pediatric palliative care programs.
- **Strong Start Initiative.** Upon the recommendation of the Section for Maternal and Child Health, dialogue with AHA members, and collaboration with national health care organizations, the AHA Board of Trustees took a position urging hospitals to eliminate non-medically necessary deliveries prior to 39 weeks gestation. The AHA held conference calls featuring hospitals that eliminated early-term, non-medically necessary deliveries and encouraged hospitals without a policy on this issue to learn more. The hospital field's efforts resulted in the reduction in the national rate of maternal early elective deliveries for the third year in a row and hit the target rate of less than 5%. The national average of 4.6% in 2013 is down from a 17% rate in 2010.
- **The Joint Commission Perinatal Care Measures.** The AHA facilitated member calls with The Joint Commission to learn more about the perinatal care core measure set that became mandatory Jan. 1, 2014 for hospitals with 1,100 or more births per year. Members discussed their preparations and challenges in getting ready for the new data set requirements. Follow-up

calls are planned this summer to address hospitals questions and implementation challenges.

- **Newborn Screening.** Reports of delays in screening newborns for genetic disorders prompted the AHA to issue a Quality Advisory encouraging all hospitals to examine their policies on newborn screening and communication with their state labs. The AHA Section for Maternal and Child Health sponsored a member conference call featuring hospitals with strong newborn screening programs and fielded questions from the field on process improvement and timely testing practices.
- **Health Care Transformation.** *Your Hospital's Path to the Second Curve: Integration and Transformation* from the AHA's Committee on Research outlines must-do strategies, organizational capabilities to master and 10 strategic questions that every organization should answer to begin a transformational journey. The report's "guiding questions" will help hospitals and care systems reflect and gain new perspectives on the benefits and value of integration.
- **Population Health.** *The Second Curve of Population Health* HPOE guide builds upon prior AHA reports that outline a road map for hospitals and care systems to use as they transition to the second curve of population health. The tactics described in this guide provide a framework for initiatives that hospitals and care systems could pursue to develop an institutional infrastructure that supports population health.
- **AHA Resource Center.** Highly trained information specialists assist members in accessing timely and relevant health services articles and data.
- **Advocacy Action Center.** This Web-based kit provides a set of resources and materials tailored to help you effectively communicate key messages. They will help you explain your concerns to legislators, your hospital family and your community at large.