

An Unpredictable Partner

A Message from America's Hospitals

Keeping the doors open around the clock, through disasters of all kinds while providing care to all who need it whenever they need it, makes operating a hospital one of the most challenging endeavors imaginable. Today, keeping this longstanding commitment to caring is increasingly difficult because of an aging population, changing consumer expectations and a marked increase in chronic illnesses. But most frustrating is a lethal mix of outdated laws, burdensome and ill-conceived regulations and a Congress that repeatedly raids already inadequate federal funding for hospital care to pay for other programs. With nearly 60 percent of hospital revenues coming from government sources, hospitals need government to be a better business partner.

With public attention focused on enrollment, the organizational and cultural changes that have occurred in hospitals over the past decade have been overlooked. Even before passage of the Affordable Care Act, hospitals began to reinvent how they deliver care in order to address three pressing national goals: improved patient quality and satisfaction, improved community health, and reduced per capita cost. Doing their part, hospitals are moving from fee-for-service to value-based payments and taking on accountability for quality and outcomes wherever they can, and they are redesigning delivery systems to reduce fragmented care and increase efficiency.

This massive undertaking has required immense human and capital investment, but hospitals are making excellent progress:

- Patient care quality, as measured by the downward trend in preventable infections, is improving thanks to collaborative, evidence-based processes and investments in information technology.



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- Overall growth in health care spending has moderated for a prolonged period, fueled in part by lower growth in hospital prices.
 - Hospitals are moving from health care to health, forming partnerships to improve the overall health of the communities they serve and eliminate disparities.
- To continue and to accelerate this progress, hospitals must have the ability to predict with some degree of accuracy reimbursement rates for the services they provide. They must be able to dedicate precious health care dollars to providing care to patients rather than to dealing with duplicative audits and reporting requirements.

That's where predictability comes in. To implement the changes needed to serve their communities in the future, hospitals must make plans today:

- They must know whether federal pressure for clinical integration up and down the continuum of care will be matched with removal of outdated regulatory and antitrust barriers to such integration.
- They must look to regulators to fix well-intended but seriously flawed efforts like the recovery audit contractor system that cost hospitals millions of dollars in staff time, diverting resources from patient care.
- And they must ask Congress to break the habit of repeatedly cutting future Medicare funding for hospital services to pay for non-health care programs.

When someone we love urgently needs health care we count on our hospital to be there. Hospitals count on Congress and regulatory agencies to be there, too. Work with us to build a predictable future for America's hospitals and the health of the communities they serve.

America's hospitals are leading the way

To read more, go to: www.AHA.org



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