American Hospital Association

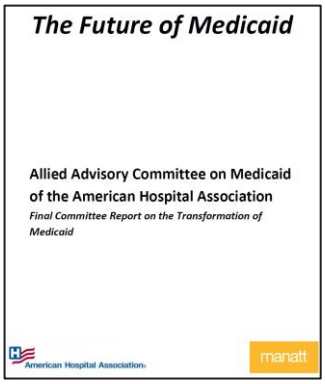
HIGHLIGHTS
GOVERNING COUNCIL MEETING
AHA Section for Small or Rural Hospitals
March 6-7, 2014 ★ Washington, DC

The governing council of the AHA Section for Small or Rural hospitals met March 6-7, 2014 in Washington, DC in conjunction with the AHA Advocacy Day for Rural Hospitals. Agenda items for the meeting included policy discussions on hospitals redefining themselves, the future of Medicaid, price transparency, and quality measures. In addition, members were briefed on the current Washington political, legislative, and regulatory policy environment. A **roster of the Section's governing council** is available on our Web site.

Washington Report: Members reviewed and discussed key regulatory challenges including inpatient admission and review criteria including the two-midnight rule, physician certification of 96-hour stays in a CAH, direct supervision of hospital outpatient therapeutic services, packaging of outpatient prospective payment bundles, recovery audit contractors, and emergency preparedness. Members were alerted to the 2014 work plan for the Office of Inspector General, which includes reports on critical access hospitals (CAHs) and rural health clinics. 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.

AHA Advocacy Day for Rural Hospitals and Legislative Update: Congress raised the debt limit, completed work on a bipartisan budget for 2014 and extended payment to physicians under the Sustainable Growth Rate (SGR) through March 31, 2014. However, advocacy continues for a permanent SGR fix that does not put hospital payments at risk. AHA President and CEO Rich Umbdenstock and AHA staff outlined the key advocacy priorities for rural hospitals and provided insights into the advocacy agenda in preparation for visits with lawmakers in Washington, D.C. The President's FY 2015 budget request was also reviewed. Staff identified advocacy priorities for both rural and critical access hospitals such as eliminating the 96-hour rule, fixing direct supervision of outpatient therapeutic services, outpatient therapy caps, and Medicare extenders.

Redefining the "H:" The Long Term Challenge for Hospitals: The continuing transformation of the healthcare system means that every hospital must decide how it will redefine itself for the future, and will require a new understanding of the term "hospital." Members discussed how hospitals and health systems are "redefining" themselves and identified themes that can help form the AHA governance and policy development agendas while feeding into the development of the 2015-2017 AHA strategic plan.



The Future of Medicaid: In 2013, the AHA initiated a special project to assess the trends shaping the future of the Medicaid program and its interaction with the public and private exchanges, and to help develop approaches for state hospital associations and the AHA to take in shaping this future. As part of this process, the AHA engaged Manatt Health Solutions to develop "taxonomy" of state approaches to Medicaid as a manageable framework from which to identify important Medicaid reform issues for hospitals, predict future reform efforts, and identify opportunities for hospital input and leadership. Members reviewed and commented on taxonomy in a report from the AHA Allied Advisory Committee on Medicaid whom guides the project.

Price Transparency: While the public focus on price transparency is not new, trends in the health care marketplace are heightening its importance. The Healthcare Financial Management Association's Price Transparency Task Force, of which AHA is a member, is designed to create specific guidelines that healthcare organizations can use to improve their performance and transparency as well as make pricing systems more rational. AHA has a position on Hospital Price Transparency and the AHA and its members stand ready to work with policymakers on innovative ways to build on efforts already occurring at the state level, and share information that helps consumers make better choices about their health care. Using the information gleaned from local surveys, members shared the challenges of patients trying to access hospital price information and they advised the AHA on how to move the health care field, as a whole, forward in making meaningful price transparency.

Quality Measures: Last fall, AHA governance members and their quality teams were asked to help prioritize the six categories of the National Quality Strategy and identify a small set of important metrics that the public and private sector could use to assess a hospital's quality and safety and hospitals could use to improve performance. Members were updated on the outcome of that feedback and asked to make further recommendations on a narrower specific list of quality measures that should be included in public reporting and pay for performance programs.

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.

2014 will bring about even more changes for health care, and you'll be part of the action. Please join the country's foremost political, policy, opinion and health care leaders at the 2014 AHA Annual Membership Meeting as we forge paths in the new terrain. REGISTER NOW for the May 4-7, 2014 AHA Annual Membership Meeting in Washington, DC.