



Community hospitals are the cornerstone of health and healing in America's communities – large and small, urban and rural.

Hospitals are working not just to deliver quality care, but to improve the patient experience and population health, while reducing the per capita cost of care. This work includes inpatient acute care and also extends far beyond the hospital building to include access to primary care, post-acute care, public health and wellness, housing, job training, back-to-school immunizations, literacy programs and many other resources. A community hospital's efforts are often greeted with little fanfare, as it seamlessly coordinates the community's health delivery system. However, its role is essential to the health and economic well-being of the people it serves.

Below are just some of the ways AHA is:

- Working for community hospitals;
- Engaging community hospital leaders; and
- Providing key resources.

Working for Community Hospitals

AHA demonstrates the need for streamlined regulations, common sense rules and manageable timelines as outlined below.

- **Working to Shape Implementation of MACRA.** AHA worked with Congress to pass bipartisan legislation to replace the flawed Medicare physician sustainable growth rate formula. The Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) created a new physician payment and performance measurement system, and AHA is working with the Centers for Medicare & Medicaid Services (CMS) to shape implementation of the new law. AHA also offers web resources and ongoing education of members; physicians via the Physician Leadership Forum; state, metro and regional hospital associations, and trustees. For more, visit www.aha.org/macra.
- **Urged the Rejection of Additional Site-neutral Payment Policies.** AHA has urged Congress to protect hospital outpatient departments under development and reject calls for any additional site-neutral payment policies. AHA also will urge CMS to implement the existing cut in the most favorable and flexible manner possible.
- **Drove Delay of CMS Release of Star Ratings.** Due to significant concerns raised by AHA and others about whether the hospital quality star rating methodology provides a fair, accurate, and meaningful representation of hospital performance, CMS delayed until at least July 2016 the release of overall hospital quality "star ratings" on its Hospital Compare website. AHA will continue to work with CMS to refine its methodology.
- **"Two-midnight" Refinements.** In an effort to revise policies with burdensome regulations that divert time and resources away from patient care, AHA helped persuade CMS to finalize several positive changes to its two-midnight policy. In addition, the AHA successfully challenged through the courts CMS's interpretation of its 0.2 percent payment reduction for inpatient services,

convincing the agency to restore the resources that hospitals are lawfully due. CMS's recent IPPS proposed rule for FY 2017 proposes two adjustments to reverse the effects of the cut it unlawfully instituted when implementing the policy in FY 2014.

- **Recovery Audit Contractor (RAC) Program Improvements.** AHA worked with CMS to make changes to the RAC program, including limiting the look-back period for patient status reviews to six months after the date of service if the hospital has submitted its claim within three months of the date of service and requiring RACs to provide 30 days for hospitals to discuss denied claims in an effort to avoid appeals. In addition, AHA worked to limit RACs' ability to conduct patient status reviews. CMS recently significantly reduced the amount of claims RACs can audit per hospital from 2 percent of a hospital's Medicare claims volume to 0.5 percent. AHA is urging Congress to pass the Medicare Audit Improvement Act (H.R. 2156), which would eliminate the RAC contingency fee structure and instead direct CMS to pay RACs a flat fee, as every other Medicare contractor is paid, and rationalize payments to RACs by lowering payments for poor RAC performance due to high rates of incorrect denials. The RAC website highlights related AHA efforts, resources and education materials. For more, visit www.aha.org/rac.
- **Helped Improve CMS's Comprehensive Care for Joint Replacement (CJR) Bundled Payment Program.** AHA was pleased that CMS's final rule on the CJR Payment Model made several critical improvements at AHA's urging including reducing the limits it sets on hospitals' repayment responsibility to Medicare and delaying the start date to April 1, 2016 instead of Jan. 1, 2016. In addition, CMS chose not to finalize its proposed requirement that hospitals achieve 30th to 40th percentile of performance on specific quality measures to be eligible for reconciliation payments, favoring a composite quality score instead.

- **Promoted Equity in Hospital Readmissions.** The Hospital Readmission Reduction Program (HRRP) requires CMS to penalize hospitals for “excess” readmissions when compared to “expected” levels of readmissions. America’s hospitals are strongly committed to reducing unnecessary readmissions. However, three years of experience with the HRRP shows that hospitals caring for the poorest patients are disproportionately more likely to incur a penalty. AHA supports the Establishing Beneficiary Equity in the Hospital Readmission Program Act of 2015 (S. 688/H.R. 1343) to ensure that hospitals caring for our nation’s most vulnerable patients are not unfairly penalized under the HRRP.
- **Educating Stakeholders on Insurer Consolidation.** AHA is working to ensure that the proposed acquisitions involving four of the five major national insurers receive the highest level of scrutiny. AHA has provided analysis to the Department of Justice and testified before Congress numerous times, introducing into the record concrete reasoning why the acquisitions would decrease competition and hurt the marketplace, in addition to working to educate the media and public on the potential consequences for patients and providers.
- **Encouraged Support for the 340B Drug Pricing Program.** AHA continues to urge Congress to preserve the 340B Drug Pricing Program. AHA also continues to support the Health Resources and Services Administration’s (HRSA) efforts to improve the 340B program for eligible hospitals and clinics, including discounts for orphan drugs. In response to its detractors, AHA’s “Setting the Record Straight on 340B” fact sheet separates fact from fiction on the 340B program.

- **Urged the Internal Revenue Service (IRS) to Support Community Benefits.** AHA and the Catholic Health Association of the United States (CHA) urged the IRS to formally acknowledge that hospitals’ support for improved housing to enhance community health is a community benefit and should be recognized on page one of Form 990 Schedule H.
- **Collaborated with National Organizations.** AHA works closely with many other national organizations to drive positive change in federal policies and improve care across the continuum. Liaison relationships are maintained with organizations including state and local hospital associations, CHA and America’s Essential Hospitals, to name a few.
- **Guided the Work of The Coalition to Protect America’s Health Care.** The Coalition is a recognized leader in digital advocacy, forming through social media and online ads a grassroots army of more than one million individuals who communicate directly to Congress about the harm cuts in hospital payments could have on patient care.
- **Provided Resources via the Advocacy Action Center.** This web-based kit provides a set of resources and materials tailored to help hospital executives effectively communicate key messages and explain concerns to legislators, the hospital family and the community at large.



A comprehensive list of AHA’s work can be found at www.aha.org/value.

Engaging Community Hospital Leaders

Community hospital leaders have a strong voice in AHA as they help shape key advocacy activities, policy positions and member services.

- **Task Force and Meetings on Ensuring Access to Care in Vulnerable Communities.** The AHA Board created a 30-member task force to focus on ensuring access to care in at-risk communities. The Task Force on Ensuring Access in Vulnerable Communities consists of two subcommittees that are examining the issue from the rural and urban perspectives. The task force has met several times and listening sessions have been conducted with hospitals in the field. A report to the AHA Board of Trustees is expected in mid-2016.
- **Governance and Policy-making Roles.** AHA offers community hospital leaders many opportunities to take an active role in shaping AHA policies and setting direction for the association. These opportunities include serving on 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.
- **Advocacy Alliances.** AHA’s Advocacy Alliances provide members with another way to engage legislators on the specific issue or

issues that have a direct impact on their ability to continue providing quality health care services in their communities. The Advocacy Alliance for the 340B Drug Pricing Program focuses primarily on preventing attempts to scale back this vital program. The Advocacy Alliance for Graduate Medical Education focuses on advocacy related to funding and ensuring an adequate supply of physicians. The Advocacy Alliance for Coordinated Care focuses on ensuring payment rates remain fair and equitable in the hospital outpatient setting for evaluation, management and other services, and for post-acute care providers. The Advocacy Alliance for Rural Hospitals focuses on advocating for appropriate Medicare payments, working to extend expiring Medicare provisions that help rural hospitals maintain financial viability and improving federal programs to account for specialized funding for special circumstances in rural communities.

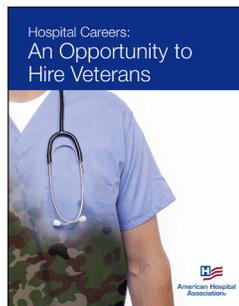


- **Member Outreach.** Several times throughout the year, AHA’s hospital member CEOs are individually contacted by AHA staff and/or are invited to participate in small group CEO conference calls to discuss key AHA initiatives.

Providing Key Resources for Community Hospitals

AHA offers community hospitals myriad tools and resources to support their efforts to improve care for the individuals and communities served.

- **Equity of Care.** Addressing disparities is essential for performance excellence and improved community health. AHA issued goals and milestones from the National Call to Action, launched in 2011 to end health care disparities and promote diversity, and encourages hospitals to take the #123forEquity Pledge to eliminate health care disparities. For more, visit www.equityofcare.org.
- **Cybersecurity Resources.** AHA offers cybersecurity resources for hospitals, including cybersecurity alerts, links to tools to assist with risk assessment and gap analysis, and connections to opportunities for information sharing. For more, visit www.aha.org/cybersecurity.
- **Telehealth Resource.** AHA offers a web resource with comprehensive information on telehealth. The site includes information on federal and state telehealth initiatives, research documenting telehealth value, AHA-member case studies showing telehealth in action and AHA *TrendWatch* reports on telehealth benefits to patients. For more, visit www.aha.org/telehealth.
- **AHA's Enrollment Toolkit.** AHA's enrollment toolkit supports hospitals' efforts to help consumers enroll in the Health Insurance Marketplace. The toolkit contains links to key resources from AHA and other national and local organizations, as well as case examples from hospitals on their enrollment efforts. AHA's "Get Enrolled!" webpage includes resources to help hospitals connect their community to coverage. For more, visit www.aha.org/getenrolled.
- **Veterans Hiring Resource.** *Hospital Careers: An Opportunity to Hire Veterans* is a toolkit for hospitals with guidance on recruiting veterans into hospital careers. The resource aims to assist hospitals in hiring veterans with clinical experience, as well as talent and leadership skills beyond their medical credentials.
- **Policy Reports and Research.** The AHA's Committee on Research (COR) develops the AHA research agenda, studies topics in depth and reports findings to the AHA Board and the field. Together with the Committee on Performance Improvement, COR released a 2016 report, *Care and Payment Models to Achieve the Triple Aim*, that identified seven key principles for creating a care delivery system and reviewed new payment models as the health care field moves to a value-based care system.



- **Telling the Hospital Story.** In national news and traditional and social media, and in print and on television and radio advertising, AHA advocates for hospitals and health care systems. AHA also equips health care system executives with tools and strategies to help respond to media inquiries on difficult and challenging issues. Sign up to follow AHA on Twitter, YouTube and Facebook. AHA also launched a digital campaign to help patients and consumers better understand the evolving role of the nation's hospitals. The website features a video and other resources showing how hospitals are creating partnerships and programs that reach beyond their walls to improve community health and access to care. For more, visit www.AdvancingHealthinAmerica.org.



- **HPOE Guides and Reports.** AHA's Hospitals in Pursuit of Excellence (HPOE) shares action guides and reports to help accelerate performance improvement. For example, *The Second Curve of Population Health* builds upon prior AHA reports that outline a road map for hospitals to use as they transition to the second curve of population health.
- **Physician Leadership Forum (PLF).** AHA's PLF seeks to foster strong collaborative relationships between hospitals and physicians through education, quality and patient safety, leadership development, and advocacy and public policy. Through webinars, seminars and reports, PLF has focused on team-based care, physician competency development and physician practice management.
- **RACTrac.** The AHA RACTrac website provides information on the RAC survey, which collects data from hospitals on a quarterly basis to assess the impact of the Medicare RAC program on hospitals. The site also offers webinars and reports that highlight the survey findings and provides access to the RACTrac analyzer tool that compares similar hospitals' RAC activity. For more, visit www.aha.org/rac.
- **AHA Resource Center.** Highly trained information specialists assist members in accessing timely and relevant health services articles and data.