



American Hospital  
Association

**HIGHLIGHTS**  
**GOVERNING COUNCIL MEETING**  
**AHA Section for Metropolitan Hospitals**  
**June 8-9, 2015 ★ Phoenix, AZ**

The Governing Council of the AHA Section for Metropolitan hospitals met June 8-9, 2015 in Phoenix, AZ. Agenda items for the meeting included a legislative and regulatory update; discussion of new payment and care delivery models; the Institute of Medicine's report on quality metrics; principles and priorities for sharing health information; transparency and the impact of narrow networks, and a case example on patient centered optimal health care. A **roster of the Section's governing council** is available on our Web site.



**Washington Legislative Update:**

Members received a briefing on the political environment and fiscal cliffs. They were shared the outcome of the [Medicare Access and CHIP Reauthorization Act](#) (MACRA) to fix

physician payments. Among other things, MACRA extended several Medicare payment programs; delayed Medicaid DSH cuts and delayed implementation of the two-midnight short stay policy. A

number of priorities remain such as permanent fixes for Medicare extenders; a recovery audit contracting fix, equity in readmissions, and the SMARTER Act. Members were apprised of new issues pertaining to the 340B drug discount pricing program, physician owned hospitals, and the Supreme Court decision on King vs. Burwell. Members endorsed the importance of the **AHAPAC** and the work of the **Coalition to Protect America's Health Care** to communicate our message.



**Washington Regulatory and Policy Update:** Governing Council members reviewed and discussed the CMS inpatient prospective payment system (IPPS) proposed rule for fiscal year 2015 including the inpatient update, Medicare DSH payments and hospital acquired condition criteria. Members were briefed on how MACRA replaced the sustainable growth rate formula with a 0.5 percent update and a merit-based incentive payment system for professionals paid under the physician fee schedule except those participating in advanced payment models. They were alerted to the recommendations to CMS to withdraw the two-midnight policy and address short stays. In addition, AHA announced it is organizing a task force to address access to care for vulnerable populations and communities.

**New Payment and Care Delivery Models:** The focus of AHA's [Committee on Research](#) (COR) and [Committee on Performance Improvement's](#) (CPI) work in 2015 is on new payment and care delivery models. Because of the variety of care models that are developing, rather than describe an ideal model the CPI developed seven principles

for redesign of what a delivery system should include. Members commented on the principles and on the payment models identified by the COR and which models could support the design principles.

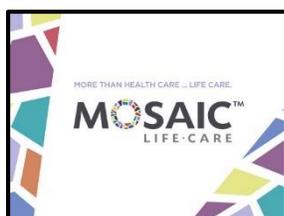


**“Vital Signs: Core Metrics for Health and Health Care Progress”:**

The Institute of Medicine’s (IOM) new report addresses the major opportunities and current problems related to health care measurement. Members reviewed and commented on the IOM’s streamlined set of 15 standardized measures, with recommendations for their application at every level and across sectors.

**Principles and Priorities for Sharing Health Information:** Members discussed the principles and priorities on electronic sharing of health information as proposed by the AHA Interoperability Advisory Group. They offered insight into the infrastructure necessary to support electronic transfer of information and what can be done to reduce information blocking.

**Transparency of Out-of-Network Services:** The media has featured cases of patients receiving “surprise bills” from providers who have had a role in treating a patient, but who were not acknowledged at the outset as part of the care team including surgical consultants, pathologists and radiologists. Members discussed how they are informing consumers about the provision of out-of-network services and working to resolve misunderstandings. They also discussed the movement toward narrow networks and its effect on coverage.



**Mosaic Life Care:** Mosaic Health of St. Joseph Missouri took focus on a new vision, but ultimately the changes looming in reimbursement made the direction straightforward to identify. The team transformed the organization in to a “patient-centered optimal health model,” and spent 12 to 18 months developing the concept. Heartland Health adopted a new brand, Mosaic Life

Care, to encompass the transformation.



**AHA and the Health Forum Leadership**

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