

The Governing Council of the AHA Section for Small or Rural Hospitals met June 6-7, 2016 in Denver. Agenda items for the meeting included discussions of drug pricing, streamlining quality measures, advancing health in America, Medicare physician payment reform, and alternative Medicare reforms. In addition, members reviewed the progress of the AHA Task Force on Ensuring Access in Vulnerable Communities and were briefed on legislative advocacy and regulatory policy in a new political environment. 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 in this election year as well as the Congressional Calendar and possible action on a "Hospital Bill." Members reviewed AHA's current legislative [advocacy agenda](#) as well as potential action on targeted issues such as site neutral payments, 340B, opioids and behavioral health, the Zika virus, appropriations and more. Members endorsed the importance of the **AHAPAC** to advance our priority interests.

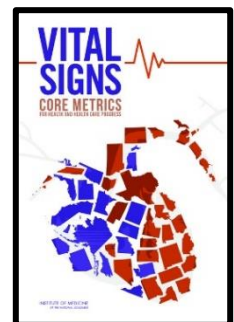
**Washington Regulatory and Policy Update:** Governing council members were briefed on and discussed AHA's efforts to relieve the regulatory burden for small or rural hospitals. Members reviewed the inpatient PPS proposed rule and a proposed Part-B drug payment model. They deliberated on changes to Medicaid managed care, insurance marketplace stability and Medicare hospital star ratings. Members were reminded of the need to increase diversity in hospital leadership and sign the [Pledge to Eliminate Health Care Disparities](#).

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Equity of Care  
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**Reining in Rising Drug Prices:** Achieving fair and sustainable drug pricing is a priority for the AHA. Earlier this year, the Governing Council provided input to the AHA on an initial set of five policy proposals to stem high and rising drug prices. Many will require federal legislation or regulation. In the meantime, the AHA will continue working with a number of stakeholders including the [Campaign for Sustainable Rx Pricing](#), collecting data on the impact of high drug prices on hospitals, generating awareness through a targeted media campaign, and finalizing our policy platform. Members provided their insights on policy priorities to advance solutions to rising drug prices while still supporting innovation. They also weighed in on communication and public awareness.

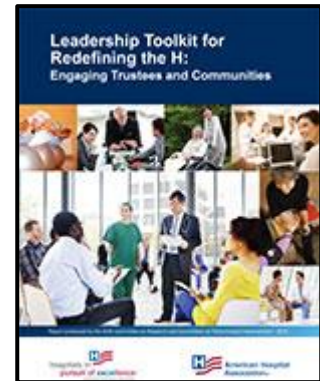
**Streamlining Quality Measures:** Hospitals and health systems have significant concerns that the explosion in measure reporting requirements is limiting the effectiveness of efforts to improve quality and causing confusion for the public. Members offered input to confirm or amend a set of eleven measurement priority areas and on a set of strategic principles for improving program measures. The principles will be used in conjunction with the priority areas to engage CMS and other key stakeholders to seek agreement on the set of quality measures to be used in reporting and pay-for-performance programs.





**Advancing Health in America: The Path Forward:** To support our members on their journey to redefine the “H”, AHA is redefining the “A” to ensure the AHA is influential, relevant and offers high engagement through advocacy and representation; thought leadership; knowledge transfer while serving as an agent of change. Members commented on the framework and themes for AHA’s Advancing Health in America effort that outlines a path forward for the field including hospitals and associations.

**My Hospital: Advancing Health in America Campaign:** In 2015, we launched the Advancing Health in America website ([www.advancinghealthinamerica.org](http://www.advancinghealthinamerica.org)) and began to build an audience on social media spreading the positive sentiment about hospitals. The AHA has also created a [toolkit](#) for hospitals to use in their communities. AHA has planned a series of community events to help localize the campaign and provide members with turn-key material to promote in their communities. Members provided input on new and enhanced materials that hospitals could use with their communities as part of the AHA’s multi-year campaign.



**Planning for Changes to Physician Payment:** On April 27, CMS released its long-awaited proposed rule that would implement significant changes to physician payment under Medicare as mandated by Medicare Access and CHIP Reauthorization Act of 2015 (MACRA). The rule proposes most of the key policies to implement the Merit-based Incentive Payment System and the alternative payment models incentives. Members provided input on how to shape implementation of and educate physicians on changes to physician payment.



**Alternative Medicare Reforms:** During the spring Governing Council meetings, the AHA solicited members’ reaction to the idea of moving Medicare from a defined benefit program to a defined contribution program (also referred to as “premium support”). At that time, members expressed caution about further embracing a defined contribution program under Medicare. They appreciated that AHA must prepare for a potential policy discussion of changes to the structure of the Medicare program in 2017 and at this summer meeting suggested the AHA participate in that conversation, using existing principles as a guide.

**Ensuring Access in Vulnerable Communities:** The [AHA Board of Trustees Task Force](#) has met several times and has engaged members in listening sessions across the country. To date the Task Force has identified nine emerging strategies, delivery models, and payment models to ensure access. The Task Force is currently developing its report and members offered insight on the alternatives to ensure access in vulnerable communities as well as identification of federal barriers to consider when implementing the alternative models.

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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 312-425-6306 or [jsupplitt@aha.org](mailto:jsupplitt@aha.org).