

Public Hospitals



Public and safety-net hospitals play a vital role in our nation's health care system, delivering care and providing access to essential health and social services in underserved communities. In more than 29 cities, public hospitals provide all levels of trauma care and operate 44 percent of the nation's burn care units. This is especially striking considering public hospitals represent just 2 percent of the nation's hospitals. In addition, more than half of public hospital patients are racial and ethnic minorities, and a majority of patients are uninsured or qualify for

Medicaid. Public hospitals have long led the health care field in providing quality care to diverse and vulnerable communities. They are especially committed to helping reduce racial, ethnic, linguistic and socioeconomic health care disparities.

Working for Public Hospitals

As the Trump administration and the 115th U.S. Congress take shape, AHA will continue to advocate on behalf of all public hospitals for high-quality, affordable and accessible health care for all Americans. Recent key advocacy and policy initiatives that AHA worked on are highlighted below.

- **Supporting HOPD.** AHA successfully urged CMS to provide fairer and more equitable payment to hospitals for the services they provide when implementing the Bipartisan Budget Act of 2015, which requires site-neutral payments to be made to new off-campus hospital outpatient departments (HOPDs).
- **Improving 'Two-midnight' Policy.** AHA helped persuade CMS to finalize several positive changes to its burdensome two-midnight policy. In addition, AHA successfully challenged through the courts CMS's interpretation of its 0.2% payment reduction for inpatient services, convincing the agency to restore the resources that hospitals are lawfully due, restoring \$3.1 billion in unjustified cuts.
- **Eliminating ALJ Appeals Backlog.** A federal judge ordered the Department of Health and Human Services (HHS) to eliminate the backlog of Medicare claims appeals pending at the administrative law judge (ALJ) level within four years, granting summary judgement to AHA and three member hospitals in their case challenging HHS for failing to meet statutory deadlines for processing Medicare claims appeals.
- **Shaping MACRA Implementation.** The Medicare Access and CHIP Reauthorization Act (MACRA) of 2015 created a new physician payment and performance measurement system, and AHA is working with CMS to shape implementation by ensuring the regulations make sense, are aligned with other Medicare programs and do not overburden providers. Opportunities remain to further align hospital and clinician performance measurement, and we will work to make that happen. Resources can be found at www.aha.org/macra.
- **Protecting Consumers from Insurer Consolidation.** At the urging of AHA and others, the Department of Justice (DOJ) took action to stop the mergers of four of the five largest health insurers. AHA worked to ensure that the proposed acquisitions received the highest level of scrutiny from regulators and Congress and both mergers were successfully stopped although one insurer is still considering an appeal.
- **Expanding Access to Medicaid.** AHA continues to support state hospital associations in non-expansion states to make the case for Medicaid expansion. Montana and Louisiana expanded their Medicaid programs in 2016.
- **Fighting Escalating Drug Prices.** As a member of the steering committee of the Campaign for Sustainable Rx Pricing, AHA has raised awareness with legislators, policymakers and the media of how rising prescription drug prices are putting a strain on the entire health care system. These efforts have included a report on the impact of high and rising drug prices on the inpatient setting and briefings on Capitol Hill and for the media.

- **Supporting Medical Innovation.** The 21st Century Cures Act is primarily designed to advance the development of medical treatments and cures through investments in research and updates to how new therapies are developed and approved. The major components of the legislation fund new initiatives at the National Institutes of Health (NIH) and the FDA. Specifically, it authorizes \$4.8 billion for the NIH to fund new initiatives around precision medicine, cancer, neuroscience, and regenerative medicine.
- **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.

Engaging Public Hospital Executives

AHA fosters dialogue among public hospital CEOs and offers many opportunities to take an active role in shaping AHA policies and setting direction for the association and the field. CEOs may have a formal role in association governance and/or policy formation by serving with other AHA members on AHA's Board of Trustees, Committee on Health Care Strategy and Innovation or one of nine Regional Policy Boards. In addition, CEOs may participate on:

- **Metropolitan or Small/Rural Hospitals Councils** that advise AHA on policy and advocacy activities of great importance to public hospitals in rural, suburban and urban markets as well as the field as a whole.
- **Committee on Clinical Leadership** where clinical leaders advise on policy and advocacy issues to advance excellence in patient care.
- **Advocacy Alliances** including the [Advocacy Alliance for Coordinated Care](#), the [Advocacy Alliance for the 340B Drug Pricing Program](#), and the [Advocacy Alliance for Rural Hospitals](#).
- **Leadership Briefings** for small groups of executives to discuss public hospital delivery and financing approaches, pilots, demonstrations and initiatives. In addition, public hospital CEOs are individually contacted to share their views with AHA several times a year.

Providing Key Resources for Public Hospitals

Based on member input, AHA, often in partnership with others, develops and offers resources to support public hospital leaders. Examples include:

- **Task Force on Ensuring Access in Vulnerable Communities Report.** *This November 2016 AHA taskforce report outlines nine emerging strategies that can help preserve access to health care services in vulnerable communities.*
- **Trends in Hospital Inpatient Drug Costs: Issues and Challenges.** This October 2016 study was commissioned by the AHA and the Federation of American Hospitals to better understand how drug prices are changing in the inpatient hospital setting and to inform policymakers and stakeholders.
- **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.



For information about the overall value of membership at AHA, please see <http://www.aha.org/about/membership/value.shtml>.