Representatives from the Council of the AHA Section for Small or Rural Hospitals met June 7-8, 2018 in Phoenix. Agenda items for the meeting include a discussion of price transparency for status and future policy, a disruptive innovation and transformation conversation and an update on drug pricing and policy proposals. Members were updated on AHA Board activities and were briefed on the political environment, legislative advocacy and regulatory policy for the Administration and Congress. There was an open forum where members identified their most pressing issues. They also reviewed The Value Initiative, which is an effort by AHA to address issues of affordability. A roster of the Section’s council is available www.aha.org.

Washington Legislative Update: The political environment is focused on interventions for the opioid crisis and dozens of bills have come forward. They were briefed on the Rural Emergency Medical Center Act and a recent hearing by the Senate Finance Committee on rural hospital issues. Members received an early political update looking at the midterm primaries and elections. Members endorsed the importance of the AHAPAC and the work of the Coalition to Protect America’s Health Care to take our message to the public.

Washington Regulatory and Policy Update: Proposed cuts by CMS to the 340B drug savings program remain an issue. AHA is addressing the problem legally, legislatively and through regulatory comment. High priorities in the IPPS proposed rule focus on price transparency and CAR T-Cell therapy. AHA’s efforts to relieve the regulatory burden for hospitals continue with meaningful measures and EHR changes. State marketplace stabilization and ACA mandates continue to be issues of concern.

Price Transparency Current Status and Future Policy: The current Administration has identified price transparency as one of its major health care initiatives and CMS has asked for input on ways to make more useful pricing information available to consumers. The objective of this discussion is to examine the current focus on price transparency and identify opportunities to improve patient access to accurate and timely pricing information. Members researched transparency of charges for local services and tests and the components of those charges. They discussed possible policy options to improve price transparency in health care such as websites, cost estimates for most frequent services, and mediation options for surprise bills.
Disruptive Innovation and Transformation: The current health care environment is changing dramatically, fueled by disruption and innovation both by hospitals and health systems and from new entrants in the health care field. This discussion continues one began in February 2018. Members shared strategies they are exploring to respond to disruptive forces in their markets and provide feedback on what else AHA can do to support the field during these changing times. Moreover, AHA has launched a “Disruptive Innovation: Opportunities and Challenges” website at https://www.aha.org/disruptive-innovation-opportunities-and-challenges.

The Value Initiative (TVI) will provide hospital leaders with the education, resources and tools that they need to advance affordable health care and promote value within their communities. AHA will gather data, stories and hospital experiences necessary to develop and support federal policy solutions. In addition, TVI will serve as a platform for the AHA to engage in dialogue and foster change on this issue with key stakeholders, policy makers, think tanks and advocacy groups. Members identified factors they consider when determining affordability and resources AHA can provide to assist with board discussions on issues of affordability, value, health care cost or quality.

Drug Pricing Policy Proposals: Last month the U.S. DHHS issued a policy statement and request for information on ways to lower drug prices and reduce out-of-pocket costs for consumers. Members were oriented to and provided input on three federal ideas that seek to reduce drug pricing through changes to the Medicare program:

- Site-neutral Payments for Drugs
- Transitioning Part B Drugs to Part D Benefit
- Competitive Bidding for Part B Drugs.

The AHA Leadership Summit offers strategies and tools to help organizations better serve their patients and communities while improving financial and operational goals. Hospital leaders from the nation’s foremost hospitals and health systems attend this unique forum to discuss the critical issues facing their organizations and network to find the solutions they need to be more successful. For more information, go to the AHA Leadership Summit homepage.

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.