

The 2020 election presents an opportunity to interact with presidential candidates, members of Congress and other candidates to highlight the many issues confronting the hospital community. Legislators and candidates may request to visit and meet with hospital leaders and employees over the coming months. The following issues and questions are suggested “conversation starters” for hospital and health system leaders to use in developing agendas and messages for such meetings. Hospital leaders are always encouraged to tell the stories of their organizations and communities.

Please contact the American Hospital Association (AHA) for assistance and to provide feedback from any meetings during the campaign season by emailing wecarewewote@aha.org.

Affordability:

Affordability of health care is one of the most important issues facing Americans. Hospitals and health systems have strategies to address this issue, including limiting price growth, improving quality outcomes, and implementing strategies to promote value and health for their patients and communities – such as addressing social determinants by providing non-medical services like transportation and nutrition services.

What Medicare and Medicaid payment changes do you support that would create an environment that allows hospitals to promote value in health care?

Drug Pricing:

The rapid increase in the price of prescription drugs has become a growing problem with the cost of some specialty medications exceeding \$1,000 per dose. But, significant price increases are not limited to the most costly medicines featured in the media. The problem affects patients and hospitals across our state. According to a recent report commissioned by the AHA, the Federation of American Hospitals (FAH) and the American Association of Health System Pharmacists, and undertaken by NORC at the University of Chicago, the average total drug spending per hospital admission increased 18.5% between fiscal years 2015 and 2017. Outpatient drug spending per admission increased 28.7%, and inpatient per admission spending increased 9.6% during the same time.

What role do you think Congress should play in dealing with the rapid increase in the cost of drugs, including those administered in the hospital? What specific policy approaches would you support?

Medicare for All:

Meaningful health care coverage is critical to living a productive, secure and healthy life. While the AHA shares the objective of achieving health coverage for all Americans, we do not agree that a government-run, single-payer model is right for this country. Such an approach would upend a system that is working for the vast majority of Americans, and throw into chaos one of the largest sectors of the U.S. economy. Payments under existing public programs, including Medicare and Medicaid, historically reimburse providers at less than the cost of delivering

services. Candidate interest in other proposals under the umbrella of “Medicare for All,” including the public option, would continue to utilize government-set rates to providers, and, according to an AHA/FAH study, one model of this plan would cut hospital payments by more than \$800 billion over 10 years.

What is your position on Medicare for All, including the public option, buy-in and other proposals?

Rural Health:

Federal policies place an undue burden on America’s small and rural hospitals. From the 96-Hour Rule for critical access hospitals to limited opportunities to “co-locate” and coordinate services, these providers face a unique set of challenges. Additionally, rural hospitals’ patient mix makes them more reliant on public programs and, thus, particularly vulnerable to Medicare and Medicaid payment cuts. As of October 2019, the North Carolina Rural Health Research Program reported 119 rural hospitals have closed since 2010, and several of these closures have resulted in a complete loss of local access to care.

What steps would you take to provide relief for small and rural hospitals to ensure they can continue to provide health care services to their communities?

Medicare:

The future of the Medicare program is of concern to all Americans, regardless of political ideology. Many candidates talk about the need to “rein in spending” and “save the Medicare Trust Fund.” While Medicare’s solvency does need to be addressed, recent data show that hospital and spending price growth has been very slow in recent years. Efficiencies that hospitals have introduced have taken hold at a time when beneficiaries are being added to the program at a record pace. More than 10,000 Baby Boomers turn 65 every single day.

Congress often has looked to Medicare payments to hospitals as a means to offset other unrelated spending and budget bills. Hospitals have been forced to manage multiple rounds of payment cuts in recent years, including “site-neutral” payment cuts to hospitals. Total cuts to hospitals following the Affordable Care Act projected over the next decade are estimated to be \$252.6 billion.

What are some of the key considerations [for Congress] related to the financial sustainability of the Medicare program? For example, should Congress raise the Medicare payroll tax, increase beneficiary cost-sharing, raise the eligibility age or consider other approaches?

Coverage:

According to Gallup, the percentage of uninsured Americans rose to 13.7%, a four-year high, during the fourth quarter of 2018. That compares to a high of 18% in 2012. The percentage of uninsured Americans had dropped to 10.9% in 2016 due to expansions of coverage. While there have been important improvements in services delivered and opportunities remain for more preventive care and management of chronic diseases, this trend is disturbing.

Many ideas exist for providing affordable health insurance to those who don’t have it. Some advocate for eliminating employer-sponsored health insurance, which covers more than half of all Americans, and replacing it with a government-run plan. Others support a better path by continuing to build on progress that has been made.

Can you share your views on the appropriate role of the federal government in ensuring access to affordable coverage for all Americans? What approach do you favor to ensure more Americans have access to affordable health insurance?

Regulatory Burden:

Hospitals support reasonable efforts from the government to ensure that our resources are used wisely. However, hospitals have been forced to devote an increasing portion of their budgets and staff resources to respond to an unwarranted expansion of burdensome regulatory requirements that do not improve patient care.

A recent report on the regulatory burden revealed that health systems, hospitals and post-acute care providers must comply with 629 discrete regulatory requirements across nine domains and spend nearly \$39 billion a year solely on the administrative activities related to regulatory compliance.

Please share your thoughts on the appropriate level of federal oversight and regulation that providers encounter. Specifically, do you believe the regulatory burden on hospitals needs to be reduced? What specific actions would you recommend to accomplish this goal?

Behavioral Health:

Behavioral health disorders affect nearly one in five Americans. One in four Americans experiences a mental illness or substance use disorder each year, and one in eight emergency department visits involves behavioral health conditions. Currently, the United States only fulfills 33% of its need for mental health professionals.

Congress is paying more attention to mental health and substance use disorders and recently passed legislation as a first step to address the issue. What additional legislative proposals do you support?

Self-referral to Physician-owned Hospitals:

Self-referral arrangements in health care are the antithesis of fair competition and lead to overutilization and waste. Since 2003, Congress has supported limiting the ability of hospitals owned by physician investors to bill Medicare. Owners of these facilities provide limited or no emergency care, and they cherry-pick the best insured patients and highest reimbursing cases, jeopardizing the viability of community hospitals, which rely on a mix of services and patients to remain open. We oppose legislation that would weaken current law restrictions on the growth of these arrangements.

What is your position on allowing self-referral hospitals to once again proliferate?