

ADVOCACY AGENDA 2023



American Hospital
Association™

Advancing Health in America

TABLE OF CONTENTS

Introduction	3
Executive Summary of Key Priorities	4
Ensuring Access to Care and Providing Financial Relief	4
Strengthening the Health Care Workforce	5
Advancing Quality, Equity and Transformation	5
Enacting Regulatory and Administrative Relief	6
Detailed Advocacy Priorities	7
Ensuring Access to Care and Providing Financial Relief	8
<i>Costs of Caring</i>	8
<i>Financial Stability of Health Care System</i>	9
<i>Care Delivery</i>	9
<i>Coverage</i>	9
<i>Rural Hospitals</i>	10
<i>Post-Acute Care</i>	10
<i>Behavioral Health</i>	11
<i>Commercial Insurer Accountability</i>	11
<i>Sustainability</i>	12
<i>Health Care Infrastructure and Access to Supplies</i>	12
Strengthening the Health Care Workforce	13
<i>Support the Current and Future Health Care Workforce</i>	13
<i>Providing a Safe Environment to Care</i>	14
<i>Licensure Standards</i>	14
Advancing Quality, Equity and Transformation	15
<i>Quality and Equity</i>	15
<i>Public Health Emergency Preparedness and COVID-19 Response</i>	16
<i>Innovation and Technology</i>	16
Enacting Regulatory and Administrative Relief	17
<i>Regulatory Relief and Reducing Unnecessary Administrative Burden</i>	17

INTRODUCTION

America's hospitals and health systems are dedicated to providing high-quality care to all patients in every community across the country. The commitment to caring and devotion to advancing health has never been more apparent than during the last three years battling the greatest public health crisis in a century.

At the same time, hospitals and health systems are dealing with unprecedented challenges as they manage the aftershocks and aftermath of COVID-19. These include historic workforce shortages, soaring costs of providing care, broken supply chains, severe underpayment by Medicare and Medicaid, and an overwhelming regulatory burden, just to name a few.

The American Hospital Association has been working to educate policymakers and the public about the significant challenges facing our field. The AHA in 2023 will work with Congress, the Administration, the regulatory agencies, the courts and others to positively influence the public policy environment for patients, communities and the health care field for years to come.

Building on the [critical support obtained for hospitals and health systems in 2022](#), our 2023 Advocacy Agenda is focused on:

- ◆ **Ensuring Access to Care and Providing Financial Relief**
- ◆ **Strengthening the Health Care Workforce**
- ◆ **Advancing Quality, Equity and Transformation**
- ◆ **Enacting Regulatory and Administrative Relief**

We will work hand-in-hand with our members, the state, regional and metropolitan hospital associations, national health care organizations, and other stakeholders to implement our advocacy strategy and fulfill our vision.

The following includes a summary of the 2023 AHA Advocacy Agenda and key priorities that we will advocate for under each category. We also include a detailed list of our advocacy priorities for 2023. Please visit our [website](#) for more resources and information on the priorities included in this document, as well as our latest advocacy campaigns.

EXECUTIVE SUMMARY OF KEY PRIORITIES

Ensuring Access to Care and Providing Financial Relief

Patients and communities rely on the wide range of critical health care services that only hospitals and health systems can provide, including 24/7 emergency and other higher-acuity care. This is uniquely true for the uninsured and otherwise historically marginalized populations for which hospitals and health systems are often the only source of care.

However, access to this care is jeopardized by the unprecedented financial challenges hospitals and health systems face due in part to skyrocketing expenses for labor, supplies and prescription drugs. Meanwhile, government payers continue to pay below the cost of care, and commercial insurers are erecting barriers to payment. An analysis conducted by Kaufman, Hall & Associates projects that 2022 will be the most difficult financial year for the hospital field since the beginning of the COVID-19 pandemic and two-thirds of hospitals could end the year operating in the red.

We urge Congress and the Administration to enact policies to preserve access to care and protect the financial stability of the field, including:

- ◆ **Improve federal funding for Medicare, Medicaid and other programs** to ensure health care services are available in local communities.
- ◆ **Rein in the rising costs of drugs and protect the 340B drug pricing program.**
- ◆ Establish a **temporary payment targeted to hospitals to address the issues of hospitals not being able to appropriately discharge patients** to post-acute or behavioral health care facilities.
- ◆ Pursue a **new designation of “metropolitan anchor hospitals”** to ensure sufficient funding to certain hospitals that provide critical health care and social services to marginalized and underrepresented urban communities.
- ◆ Hold **commercial insurers accountable** to their enrollees and network providers by preventing inappropriate barriers to care and coverage.
- ◆ Enact policies to provide tailored support for **rural hospitals, academic medical centers, post-acute care providers, children’s hospitals, and behavioral health facilities** that will support patient access to care.
- ◆ **Pursue a policy to create a “trigger” that would provide additional Medicare funding to hospitals when they experience an extraordinary inflationary environment or other extraordinary circumstance**, like a once in a century pandemic, including a fix to the hospital market basket update to correct for lag times.

Strengthening the Health Care Workforce

Hospitals and health systems exist and function because of the doctors, nurses, technologists, facilities management specialists and many other professionals who work in them. We cannot take care of patients without these caregivers and team members who are always there ready to care.

Yet hospitals face profound and accelerating workforce challenges. Across the country, hospitals continue to report critical shortages of nurses, physicians and other vital health care professionals. Furthermore, many health care workers are suffering from stress and trauma from the last three years of the pandemic.

We urge Congress and the Administration to enact policies to support today's health care workforce and ensure a future pipeline of health care professionals to meet the nation's demands for care, including:

- ◆ Enhance workplace safety for all team members, including by **enacting federal protections for health care workers against violence** and intimidation.
- ◆ Continue to **increase the number of residency slots eligible for Medicare funding to address physician shortages**, including shortages of behavioral health providers.
- ◆ Address nursing shortages, including by **advancing solutions to nursing faculty shortages** that constrain the ability to meet future nursing needs.
- ◆ Support efforts to **increase the diversity of the health care workforce**.

Advancing Quality, Equity and Transformation

Every individual deserves access to the highest quality care, regardless of personal or community characteristic or geographic location. Hospitals and health systems are dedicated to delivering high quality and equitable care to all their patients, and they recognize that more must be done in particular to address longstanding inequities and health disparities.

To advance quality and equity, hospitals and health systems are forming strategic partnerships and implementing solutions to both better coordinate care across the continuum, as well as focus on prevention and wellness. And they are continuing to advance education, technology and research efforts to improve health.

We urge Congress and the Administration to support a public policy environment that allows hospitals and health systems to advance the health of patients, including:

- ◆ Support policies that advance hospitals' efforts **to deliver higher quality and safer care to all patients**.

- ◆ Ensure certain **flexibilities and innovations made possible by the public health emergency (PHE) declaration are made permanent** to best transform care delivery.
- ◆ Pursue strategies and support public policies aimed at **improving maternal and child health outcomes** with a particular focus on eliminating racial and ethnic inequities.
- ◆ Assist in **protecting health care services, data and patients from cyberattacks**.

Enacting Regulatory and Administrative Relief

Every day, hospitals, health systems and post-acute care providers confront the daunting task of complying with a growing number of federal regulations and commercial insurer administrative requirements. They are constantly challenged to understand and implement new or revised requirements, while maintaining their core mission of providing high-quality patient care. This burden contributes to clinician burnout and drives up the cost of delivering care.

We urge Congress and the Administration to enact policies to relieve the field of unnecessary regulatory and other administrative burdens, including:

- ◆ Streamline **commercial health insurer prior authorization practices**.
- ◆ **Streamline and coordinate quality measures** in national programs to focus on the “measures that matter” most to improving health and outcomes while reducing unnecessary burden on providers.
- ◆ **Revise and refresh the Centers for Medicare & Medicaid Services’ (CMS) conditions of participation**.
- ◆ **Ensure public policies are aligned across government regulatory bodies**, so hospitals are not held to conflicting regulations.
- ◆ **Ensure health plans’ deals and conduct receive adequate oversight from federal antitrust and other officials** to protect patients and providers.



**DETAILED
ADVOCACY
PRIORITIES**



Ensuring Access to Care and Providing Financial Relief

Costs of Caring

- ◆ Establish a **temporary payment targeted to hospitals to address the issues of hospitals not being able to appropriately discharge patients** to post-acute or behavioral health care facilities due to staffing shortages.
- ◆ Pursue a **new designation of “metropolitan anchor hospitals”** to ensure sufficient funding to certain hospitals that provide critical health care and social services to marginalized and underrepresented urban communities.
- ◆ **Rein in the rising cost of drugs**, including by taking steps to increase competition among drug manufacturers, improve transparency in drug pricing and advance value-based payment models for drugs.
- ◆ **Protect the 340B drug pricing program** to ensure communities have access to more affordable drug therapies by reversing harmful policies and holding drug manufacturers accountable to the rules of the program, especially as it relates to community pharmacy arrangements.
- ◆ Protect **not-for-profit hospitals’ tax-exempt status**.
- ◆ Protect **access to clinical laboratory services in hospital outreach laboratories** by supporting legislation to reduce and delay payment cuts for Medicare clinical laboratory services and reduce burdensome private payer reporting requirements for hospital outreach laboratories.
- ◆ Continue to **press various government agencies to monitor anticompetitive conduct by health care staffing agencies** that have contributed to skyrocketing costs and personnel shortages.
- ◆ **Pursue a policy to create a “trigger” that would provide additional Medicare funding to hospitals when they experience an extraordinary inflationary environment or other extraordinary circumstance**, like a once in a century pandemic, including a fix to the hospital market basket update to correct for lag times.
- ◆ **Support legislation that would place a floor on the area wage index**, effectively raising the area wage index for hospitals below that threshold with new money.

Financial Stability of Health Care System

- ◆ Ensure that essential health care services are available in all communities by **improving vital federal funding** for Medicare, Medicaid, the Children’s Health Insurance Program and the Health Insurance Marketplaces.
- ◆ **Ensure that Medicaid hospital supplemental payments**, including Medicaid Disproportionate Share Hospital (DSH), Upper Payment Limits (UPL), Directed Payments and other payment options, as well as the financing sources that support them, **continue to be available to help hospitals serve the Medicaid, uninsured and structurally marginalized populations in their communities.**
- ◆ **Prevent further reductions in physician payments** which may have a negative impact on patients’ access to certain services and support adjustments for inflation and rising input costs.
- ◆ Ensure patient access to primary care and other outpatient services by **rejecting additional payment cuts that do not recognize legitimate differences among provider settings (also known as so-called site-neutral payment policies)**, as well as policies that restrict patient access to certain sites of care (also known as site-of-service policies).
- ◆ Ensure that **regulations to implement surprise medical billing protections for patients do not inadvertently restrict patient access to care.**

Care Delivery

- ◆ Explore creation of a **permanent hospital-at-home program.**
- ◆ Make permanent **coverage of certain telehealth services** made possible during the pandemic, including lifting geographic and originating site restrictions, allowing Rural Health Clinics and Federally Qualified Health Centers to serve as distant sites, expanding practitioners who can provide telehealth, and allowing hospital outpatient billing for virtual services, among others.
- ◆ Support the move to **value-based care** through advanced investments to offset up-front expenditures, and better incentives and shared savings to support adoption.
- ◆ Protect access to care by **preserving the existing ban on the growth and expansion of physician-owned hospitals.**
- ◆ Ensure **access to care for veterans** by working with hospitals and health systems and the Department of Veterans Affairs as they implement the next generation of comprehensive community care for veterans.

Coverage

- ◆ **Preserve and build upon the gains in health coverage** made over the past decade, including by **expanding Medicaid in states that have not yet expanded** and working to **mitigate any potential losses at the end of the PHE.**
- ◆ **Ensure patients do not face financial barriers to care** because of unaffordable deductibles or otherwise “skinny coverage,” such as health sharing ministries and short-term limited duration coverage products.
- ◆ Ensure patients can access all the services necessary to get and stay healthy by **protecting access to a minimum set of essential health benefits.**

Rural Hospitals

- ◆ Building on the recent extensions, protect **rural communities’ access to care by making permanent critical programs**, including the Medicare-dependent Hospital (MDH) designation, Low-volume Adjustment, ambulance add-on payment and Conrad State 30 Program.
- ◆ **Improve rural health programs** by reopening the necessary provider designation for Critical Access Hospitals (CAHs), reversing cuts to Rural Health Clinic payments, removing the 96-hour condition of payment for CAHs and further strengthening MDHs and Sole Community Hospitals by allowing participating hospitals to choose from an additional base year when calculating payments.
- ◆ Advance rural health care alternatives to ensure sustainable care delivery and financing by supporting and refining the **Rural Emergency Hospital model.**

Post-Acute Care

- ◆ Ensure that **any effort to reform post-acute care payments reflect new insights from the pandemic**, recognize the complexity and distinct challenges in payment reform for long-term care hospitals, rehabilitation hospitals, skilled nursing facilities, home health agencies, and preserve patient access to the entire continuum of care.
- ◆ Ensure that **long-term care hospital site-neutral cases are reimbursed in alignment with the actual cost of treating this high-acuity patient population.**
- ◆ Ensure **stability for providers by avoiding new payment reductions or administrative burdens** that would magnify the challenges of managing the COVID-19 response in addition to the major payment reforms currently underway.

- ◆ Establish appropriate **network adequacy requirements** for all post-acute sites of care.
- ◆ Encourage CMS to **reduce the scope of its proposed Review Choice Demonstration for inpatient rehabilitation facilities (IRFs)** by using a more targeted approach to auditing providers and implementing oversight.
- ◆ Continue to **fight for improvements to Office of Inspector General audits**, including audits of IRFs, which routinely contain significant errors and inaccurate recommendations.

Behavioral Health

- ◆ Implement policies to **better integrate and coordinate behavioral health services with physical health services**, like developing alternative payment models and bundled payments that incorporate behavioral and physical health services and financially supporting implementation of team-based care models.
- ◆ **Eliminate Medicare’s 190-day lifetime limit** for inpatient behavioral psychiatric admissions.
- ◆ **Repeal the Medicaid Institutions for Mental Disease (IMD) exclusion**, which prohibits the use of federal Medicaid funds to cover inpatient mental health services for patients aged 21 to 64 in certain freestanding psychiatric facilities.
- ◆ Increase **targeted funding for facilities that provide pediatric mental health services** and invest in the **pediatric behavioral health workforce**.

Commercial Insurer Accountability

- ◆ Hold **commercial health insurers accountable for ensuring appropriate patient access to care**, including by reducing the excessive use of prior authorization, ensuring adequate provider networks, ensuring prompt payment, and stopping policies like specialty pharmacy “white-bagging” that create patient safety risks and limit patient access to certain medications in hospital settings.
- ◆ Ensure patients can rely on their coverage by **disallowing health plans from inappropriately delaying and denying care**, including by making unilateral mid-year coverage changes.
- ◆ **Improve the enforcement of existing federal parity laws to ensure coverage for physical and behavioral health benefits**, including substance use disorder treatment, and enhance the oversight of the adequacy of commercial plans’ networks as well as their use of administrative barriers to care.

- ◆ Ensure that **health plans educate their enrollees about their coverage**, including their cost-sharing obligations.
- ◆ Continue to press the Department of Justice’s Antitrust Division to **challenge anticompetitive deals and conduct by large commercial health insurance companies**.
- ◆ Advocate for **appropriate oversight of health plan vertical integration and anticompetitive business practices** to prevent inappropriate barriers to hospital care and improper manipulation of pricing regulations (e.g. Medical Loss Ratio).

Sustainability

- ◆ **Support efforts to reduce hospitals’ impact on the environment and produce financial savings**, including taking advantage of the provisions of the Inflation Reduction Act to create incentives for certain actions aimed at improving environmental sustainability.

Health Care Infrastructure and Access to Supplies

- ◆ Secure federal help in **preventing and addressing shortages of critical medical drugs, devices and supplies and ensuring the availability** of critical supplies, such as personal protective equipment, breathing support devices, treatments and other resources needed to fight the pandemic.
- ◆ **Invest in health care infrastructure** by expanding access to virtual care technologies and rural broadband, strengthening the capacity and capability for emergency preparedness and response, assisting hospitals in “right-sizing” to meet the needs of their communities, and ensuring adequate financing mechanisms are in place for hospitals and health systems, including for training the workforce.

Strengthening the Health Care Workforce

Support the Current and Future Health Care Workforce

- ◆ Address physician shortages, including shortages of behavioral health providers, by **increasing the number of residency slots eligible for Medicare funding while rejecting cuts to Medicare graduate medical education (GME).**
- ◆ Address nursing shortages by **reauthorizing nursing workforce development programs** to support recruitment, retention and advanced education for nurses and other allied health professionals and **investing in nursing schools, nurse faculty salaries and hospital training time.**
- ◆ **Reduce administrative burdens that take clinicians away from the bedside and contribute to burnout**, such as excessive and unnecessary use of prior authorization, as well as inappropriate coverage denials that require substantive clerical rework by staff.
- ◆ Support **apprenticeship programs for nursing assistants and other critical support staff positions.**
- ◆ **Support the National Health Service Corps and the National Nurse Corps**, which award scholarships and assist graduates of health professions programs with loan repayment in return for an obligation to provide health care services in underserved rural and urban areas.
- ◆ Support **expedition of visas for foreign-trained nurses and continuation of visa waivers for physicians in medical underserved areas.**
- ◆ Support the health care field in eliminating racism and fostering inclusive approaches to care delivery for all patients by **incentivizing cultural humility training in medical training programs and in-service training for health care professionals.**
- ◆ Support efforts to **increase the diversity of the health care workforce**, including through **funding for GME and federal scholarship programs.**
- ◆ **Adopt policies to substantially expand loan repayment** and other incentive-based programs to retain existing talent and attract new talent.

Providing a Safe Environment to Care

- ◆ **Enhance workplace safety for all team members, including by enacting federal protections for health care workers against violence and intimidation**, and providing hospital grant funding for violence prevention training programs, coordination with state and local law enforcement, and physical plant improvements.

Licensure Standards

- ◆ **Support state efforts to expand scope of practice laws**, allowing non-physicians to practice at the top of their licenses.
- ◆ **Allow for non-physician licensed practitioners to provide and be paid for certain clinical services**, including behavioral health services, by expediting licensure processes, allowing for general rather than direct supervision, and removing unnecessary practice restrictions as clinically appropriate.
- ◆ Promote medical licensure reciprocity to **allow practitioners to work across state lines**.



Advancing Quality, Equity and Transformation

Quality and Equity

- ◆ Advocate for **improved conditions of participation, interpretive guidance and Joint Commission standards** that hold hospitals accountable for taking actions that lead to higher-quality and safer care.
- ◆ Urge CMS to issue clear and actionable interpretive guidance related to **unique conditions of participations for psychiatric facilities**, including ligature risk abatement and responsibilities under EMTALA.
- ◆ Pursue strategies and support public policies aimed at **improving maternal and child health outcomes** with a particular focus on eliminating racial and ethnic inequities.
- ◆ Advance policies that support the development **of coordinated systems of care**.
- ◆ **Enhance the effectiveness of the physician quality payment program** by advocating for more accurate and meaningful cost measures and appropriately pacing the implementation of new program approaches such as the Merit-based Incentive Payment System Value Pathways.
- ◆ Promote approaches to **account for social risk factors in quality measurement programs** where appropriate to ensure equitable performance comparisons and payment adjustments, and promote **alignment and standardization of approaches to collecting, analyzing and exchanging demographic and health-related social need data across federal agencies**.
- ◆ Promote cross-sector and interagency coordination to address the impact societal factors that influence health have on patient outcomes, and **support investments to provide accountable care for structurally marginalized communities**.
- ◆ **Optimize the value of health equity-related quality measures** by ensuring they align with best practices, are field-tested, and have clear implementation guidance.
- ◆ **Increase funding for the federal health equity infrastructure** to better research and improve the health status of people of color and address the needs of communities dealing with sustained hardship.

Public Health Emergency Preparedness and COVID-19 Response

- ◆ Ensure certain **critical 1135 waivers are made permanent and others extended beyond the COVID-19 PHE** to allow for appropriate transitions and improvements in patient care.
- ◆ Ensure every individual, regardless of insurance status, **has coverage for COVID-19 vaccination, prevention, testing and treatment** to remove any financial barriers to care.
- ◆ Provide **flexibility in quality measure programs**, including waiving reporting, as needed given the continued PHE.
- ◆ Partner with the Centers for Disease Control and Prevention and other stakeholders to ensure hospitals and health systems are empowered and have resources to participate effectively in the **national effort to vaccinate Americans against COVID-19**.
- ◆ Continue to advocate on behalf of hospitals in response to the CMS **vaccination mandate** and Occupational Safety and Health Administration **COVID-19 healthcare emergency temporary standard**.
- ◆ **Advocate for increased annual appropriations for the Hospital Preparedness Program (HPP)** to ensure that the health care infrastructure is ready to respond to future crises and continue efforts to ensure that the majority of the HPP funding is awarded to hospitals and health systems in order to better enhance their emergency preparedness and surge capacity.

Innovation and Technology

- ◆ Allow providers to determine how best to utilize electronic health records (EHRs) and other technologies while **promoting interoperability and access to health information for clinical care and patient engagement**.
- ◆ Provide **robust incentives to ensure electronic communication between acute care hospitals and psychiatric hospitals and providers**, and to encourage psychiatric hospitals and mental health providers to optimally use EHRs.
- ◆ Advance use of innovative technologies and software (e.g., artificial intelligence, clinical decision support algorithms) without increasing regulatory burden by **supporting policies that enable clinicians to have the data they need to treat patients and improve health outcomes**.
- ◆ Advance policies that assist in **protecting health care services, data and patients from cyberattacks** while supporting efforts to increase government cybersecurity assistance, recruit additional cybersecurity workforce, improve medical device security and improve information sharing.

Enacting Regulatory and Administrative Relief

Regulatory Relief and Reducing Unnecessary Administrative Burden

- ◆ Enact technological, legislative and regulatory solutions to **reduce administrative waste**, such as by streamlining prior authorization requirements and processes for hospitals and post-acute care providers, so that clinicians can spend more time on patients rather than paperwork.
- ◆ **Support price transparency efforts** by ensuring patients have access to the information they seek when preparing for care, including cost estimates when appropriate, and creating alignment of federal price transparency requirements to **avoid patient confusion and overly burdensome duplication of efforts**.
- ◆ Reduce regulatory burden **by identifying Conditions of Participation (CoPs) that are unnecessary or could be amended** to allow more effective and efficient health care operations.
- ◆ Continue to **streamline and coordinate quality measures in national programs** to focus on the “measures that matter” most to improving health and outcomes while reducing unnecessary burden on providers.
- ◆ Prevent **unreasonable changes to the False Claims Act**.
- ◆ Preserve the ability of hospital and health system **clinical laboratories to develop new and innovative diagnostic tests** to address unmet patient needs and to improve existing diagnostic tests for a wide variety of diseases **without imposing overly burdensome and unnecessary FDA regulatory oversight**.
- ◆ Continue to encourage **regulatory relief for hospitals and health systems that suffer a cyberattack** but have certain recognized cybersecurity practices in place.
- ◆ Support **application of the Public Readiness and Emergency Preparedness (PREP) Act** immunity from liability in Congress and the courts for measures taken by hospitals and other caregivers during the PHE attributable to the virus that causes COVID-19.
- ◆ **Ensure public policies are aligned across government regulatory bodies**, so hospitals are not held to conflicting regulations.
- ◆ **Ensure health plans’ deals and conduct receive adequate oversight from federal antitrust and other officials** to protect patients and providers.
- ◆ Support efforts to **“level the playing field” with non-traditional providers** (i.e., EMTALA).



Please visit www.aha.org/advocacy/action-center to get involved and learn more about the American Hospital Association's 2023 public policy advocacy agenda.



**American Hospital
Association™**

Advancing Health in America

www.aha.org