



*Advancing Health in America*

# 2024

## ADVOCACY AGENDA



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# INTRODUCTION

America's hospitals and health systems are dedicated to providing high-quality care to all patients in every community across the country.

When people see the blue and white "H" symbol, they think of healing, hope and health. They feel comforted knowing help is there 24/7/365.

While the commitment to caring and advancing health never wavers, unprecedented challenges over the last few years have made it difficult for hospitals and health systems to ensure the care is always there. These include significant workforce shortages, soaring costs of providing care, severe government underpayment for care services, and an overwhelming regulatory burden, just to name a few.

The American Hospital Association continues to educate policymakers and the public about the significant challenges facing our field. The AHA in 2024 will work with Congress, the Administration, regulatory agencies, courts and others to positively influence current public policy to support hospitals' efforts to care for patients. We also will continue our work on securing hospitals' long-term ability to serve communities in the future and advance health and wellness — ranging from developing innovative care models that provide financial sustainability to working with the experts on cracking down on cybercrime.

Building on the [critical support obtained for hospitals and health systems in 2023](#), our 2024 Advocacy Agenda is focused on:

- ◆ **Ensuring Access to Care, Addressing Government Underfunding and Providing Financial Sustainability**
- ◆ **Strengthening the Health Care Workforce**
- ◆ **Advancing Quality, Equity and Innovation**
- ◆ **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 detailed list of our advocacy priorities and key highlights. Please visit our website ([aha.org/advocacy-agenda](https://aha.org/advocacy-agenda)) for more resources and information on the priorities included in this document, as well as our latest advocacy campaigns.

# KEY HIGHLIGHTS

- ◆ 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 as **government programs reimburse providers significantly less than the cost of care.**
- ◆ Ensure patient access to primary care and other outpatient services by **rejecting additional payment cuts** that do not recognize legitimate differences among provider settings (so-called **site-neutral payment policies**) and policies that restrict patient access to certain sites of care (**site-of-service policies**).
- ◆ **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, reducing account receivables and limiting inappropriate denials for services.
- ◆ Strengthen workplace safety by **enacting federal protections for health care workers against violence and intimidation.**
- ◆ **Protect the 340B Drug Pricing Program** to ensure that hospitals can maintain vital patient services and expand access to care.
- ◆ Address **physician shortages** in part by increasing the number of residency slots eligible for Medicare funding, and address **nursing shortages** in part by reauthorizing nursing workforce development programs.
- ◆ Make permanent coverage of certain **telehealth services.**
- ◆ Create a permanent Centers for Medicare & Medicaid Services (CMS) **hospital-at-home program.**
- ◆ **Protect** not-for-profit hospitals’ **tax-exempt status.**
- ◆ Eliminate the proposed **minimum staffing requirements** for **skilled nursing facilities** and **long-term care facilities.**
- ◆ Ensure regulation of **artificial intelligence** enables continued innovation while providing reasonable guardrails to ensure patient safety and improved outcomes for all patients.
- ◆ Advance policies that assist in **protecting health care services, data and patients from cyberattacks.**
- ◆ Extend critical rural programs, including the **Medicare-dependent Hospital designation, Low-volume Adjustment, ambulance add-on payment and Conrad State 30 Program.**
- ◆ Pursue a new designation of “**metropolitan anchor hospital.**”
- ◆ Preserve the existing ban on the growth and expansion of **physician-owned hospitals.**





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# 2024

## DETAILED ADVOCACY AGENDA



# ENSURING ACCESS TO CARE, ADDRESSING GOVERNMENT UNDERFUNDING AND PROVIDING FINANCIAL SUSTAINABILITY

## Financial Stability of the Health Care System

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- ◆ 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**. Government programs currently reimburse providers significantly less than the cost of delivering care.
- ◆ **Support the move to value-based care**, with a particular focus on solutions for the long-term financial viability of hospitals and health systems by **offering some level of predictable, up-front payment**. In addition, continue to advocate for support for hospitals and health systems to **transition to greater risk adoption through advanced investments** to offset up-front expenditures and better incentives and shared savings to incentivize adoption.
- ◆ Ensure that **Medicaid hospital supplemental payments**, including Medicaid Disproportionate Share Hospital, Upper Payment Limits, 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 marginalized populations in their communities**.
- ◆ Pursue a **new designation of “metropolitan anchor hospital”** for certain hospitals that provide critical health care services to marginalized and underrepresented communities.
- ◆ 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.
- ◆ 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**.
- ◆ Ensure the **Federal Emergency Management Agency** follows through on its commitment to **reimburse hospitals** in an appropriate and timely manner for the resources they provided during **public health emergencies and other disasters**. In addition, work to protect these funds from rescission.

- ◆ Support **federal incentives and investments to improve hospitals' cybersecurity** operations.
- ◆ **Improve physician payments** and mitigate Medicare payment reductions to ensure access to physicians.
- ◆ Establish a **temporary payment** targeted for hospitals, long-term care hospitals and inpatient rehabilitation facilities unable to **appropriately discharge patients** to post-acute or behavioral health care facilities due to staffing shortages.
- ◆ **Rein in the rising cost of drugs**, including by taking steps to increase competition among drug manufacturers, improve transparency in drug pricing, and eliminate excessive and opaque costs added by pharmacy benefit managers.
- ◆ **Protect the 340B Drug Pricing Program** to ensure that hospitals can maintain vital patient services and expand access to care 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 beyond 2025.

## Care Delivery

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- ◆ **Create a permanent CMS hospital-at-home program.** Hospital-at-home programs have been and continue to be reliable and impactful vehicles to deliver effective care, lead to high patient satisfaction and, for some patients, result in shorter recovery times.
- ◆ **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.
- ◆ Implement a special registration process to ensure that there is a way to **waive in-person evaluations prior to the prescribing of controlled substances for practitioners who register with the Drug Enforcement Agency** and ensure that the waivers for the in-person visit requirement continue until the special registration process begins.
- ◆ Protect access to care by **preserving the existing ban on the growth and expansion of physician-owned hospitals**. The expansion of physician-owned hospitals would increase overall costs to patients, employers and the federal government and destabilize access to critical and higher acuity hospital-based services in communities across the country.

- ◆ Ensure access to care for veterans by **working with the Department of Veterans Affairs** as they implement the next generation of **comprehensive community care for veterans**.
- ◆ Make care safer by advocating for **funding of important patient and workforce safety research**, urging changes in policy to better **support efforts to improve safety**, and **protecting hospitals and health systems from public policies that would discourage the ongoing safety culture and innovation needed to advance safety**.
- ◆ Support policy and federal oversight changes to **ensure more donated organs reach their intended recipients in time for successful transplantation**.
- ◆ Secure federal help in **preventing and addressing shortages of critical medical drugs, devices, blood and blood products, and supplies**.

## Coverage

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- ◆ **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, working to mitigate any coverage losses resulting from the unwinding of the public health emergency as states resume the Medicaid eligibility renewal process, improving the accountability of commercial insurers to provide promised care and preserving the expanded subsidies for coverage through the health insurance marketplaces.
- ◆ **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

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- ◆ Protect rural communities’ access to care by **continuing expansion of critical programs**, including the **Medicare-dependent Hospital 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 Medicare-dependent 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 care delivery and financing by **supporting and refining the Rural Emergency Hospital model**.
- ◆ Continue **to 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.
- ◆ **Support Medicare Advantage payment parity for CAHs** to ensure the long-term health



of providers and facilities that care for patients in rural areas, which will need to consider the volume of Medicare Advantage enrollment in those communities.

## Post-Acute Care

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- ◆ **Bolster patient access to post-acute care**, including **long-term care hospitals, inpatient rehabilitation facilities, skilled nursing facilities and home health agencies**, to alleviate acute-care hospital discharge backlogs and ensure patients are able to receive the care they need.
- ◆ **Eliminate the proposed minimum staffing requirements for skilled nursing facilities and long-term care facilities**, and instead press for long-term solutions to health care workforce shortages.
- ◆ **Provide stability under the long-term care hospital prospective payment system** through legislative and regulatory reforms that provide **adequate reimbursement for high-cost patients and patients with high acuity levels**.
- ◆ **Establish appropriate network adequacy requirements** for all post-acute sites of care.
- ◆ Advocate **against continued expansion of the Review Choice Demonstration for inpatient rehabilitation facilities** and **encourage a more targeted approach** to auditing providers and implementing oversight.
- ◆ **Pursue changes to CMS' application of behavioral adjustments to the home health prospective payment system** under the new Patient-Driven Groupings Model to improve access to these services for Medicare beneficiaries.

## Behavioral Health

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- ◆ **Implement policies to better integrate and coordinate behavioral health services with physical health services**. This includes 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 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**.
- ◆ **Reauthorize key programs in the SUPPORT for Patients and Communities Act**, which would extend expiring payments, grants and other programs for substance use disorder treatment and prevention.

- ◆ **Reduce regulatory barriers to clinically appropriate use of patient information for the treatment of behavioral health conditions** by aligning requirements under HIPAA and 42 CFR Part 2, or by removing the requirement to separate behavioral health records altogether.
- ◆ **Bolster crisis support networks** through startup funding, sustainable financing mechanisms, and development and dissemination of care and legal standards.

## Commercial Insurer Accountability

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- ◆ **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, limiting inappropriate denials for services that should be covered, and prohibiting certain specialty pharmacy policies, like insurer-mandated “white bagging,” that create patient safety risks and limit patient access to certain medications in hospital settings.
- ◆ **Streamline prior authorization policies and operations** to facilitate patients’ access to timely care, **reduce burdens on health care providers** and **lower health care administrative costs**.
- ◆ **Ensure prompt payment from insurers for medically necessary, covered health care services** delivered to patients.
- ◆ Increase **oversight and accountability of commercial health plans** through increased data collection, reporting and transparency on core plan performance metrics that are meaningful indicators of patient access, such as appeals, denials and grievances.
- ◆ Support **appropriate federal oversight of anticompetitive deals and business conducted by large commercial health insurance companies**.
- ◆ 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.
- ◆ **Enhance the oversight of the adequacy of commercial plans’ networks for behavioral health benefits** 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.
- ◆ Support **appropriate oversight of health plan vertical integration and anticompetitive business practices**, including continuing to press the Department of Justice’s Antitrust Division to challenge anticompetitive deals.
- ◆ **Prevent improper insurer manipulation of oversight tools** designed to ensure premium dollars are spent on patient care (e.g., medical loss ratio requirements).
- ◆ Advocate for **regulatory and legislative solutions to prevent health plans from enacting inappropriate fees for electronic payments**.

# STRENGTHENING THE HEALTH CARE WORKFORCE

## Workforce Shortages

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- ◆ **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.**
- ◆ Encourage the **continuation of visa waivers for physicians in medically underserved areas** and the **recapture of unused employment visas for doctors and nurses.**
- ◆ **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.**
- ◆ Adopt policies to **substantially expand loan repayment** and other incentive-based programs to retain existing talent and attract new talent, including through continued funding of the National Health Service Corps and the National Nurse Corps. These programs award scholarships and assist graduates of health profession programs with loan repayment in return for an obligation to provide health care services in underserved rural and urban areas.
- ◆ Support the continued development of **AI driven speech recognition tools** to help caregivers reduce time writing and reviewing charts so they can spend more time on direct patient care.
- ◆ **Support hospital and health system efforts to eliminate racial, ethnic and other health inequities and foster inclusive treatment for all patients** by promoting 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 graduate medical education and federal scholarship programs.

## Workplace Safety

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- ◆ Strengthen workplace safety by **enacting federal protections for health care workers against violence and intimidation** and **providing hospitals with grant funding** for education and training programs, coordination efforts with state and local law enforcement, and physical plant improvements.
- ◆ Reject **federal workplace violence regulations that would be duplicative of the rigorous accreditation requirements hospitals already face** and that would add administrative burden that outweighs the benefit to patients and the workforce.
- ◆ Protect health care workers against threats against them in their homes by **permanently removing the requirement that practitioners rendering telehealth services from their home report their home address on Medicare enrollment or claims forms.**

## Licensure Standards

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- ◆ Support efforts to **allow 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.**
- ◆ **Remove unnecessary and stigmatizing language around mental health from licensure and credentialing processes.**

## Quality and Equity

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- ◆ Advocate for improved conditions of participation, interpretive guidance and Joint Commission standards **that support hospitals' actions that lead to higher-quality and safer care.**
- ◆ **Revise documentation and staffing requirements unique to psychiatric facilities** to ensure that they are focused only on regulations that **meaningfully contribute to patient safety, satisfaction and quality outcomes.**
- ◆ Pursue strategies and support public policies aimed at **improving maternal and child health access and 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 health-related social needs in quality measurement and value programs where appropriate** to ensure equitable performance comparisons and payment adjustments.
- ◆ **Promote alignment and standardization** of approaches to collecting, analyzing and exchanging **demographic and health-related social need data** across federal agencies.
- ◆ **Remove barriers to cross-sector and interagency coordination to address the social drivers of health** 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 evidence-based practices, are field-tested and have clear implementation guidance.
- ◆ **Increase funding for the federal health equity infrastructure to strengthen research and improve the health status of historically marginalized communities.** Advocate for the use of measures that matter in advancing quality and patient safety and the discontinuation of measures that either fail to provide meaningful, credible information to advance patient quality or safety, or have administrative burdens that outweigh their value to improving care.



- ◆ **Promote greater alignment of measures assessing hospital performance** across federal, state and payer performance assessment programs.
- ◆ **Promote meaningful changes in federal funding of research** to innovate and advance health care delivery organizations' understanding of the structures, processes and innovations likely to improve the delivery of safe, effective care, the efficiency of care, the effective use of care teams, and the leadership and governance processes most likely to yield improvements in patient outcomes, including the patient experience of care.

## Public Health Emergency Preparedness

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- ◆ Work 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 efforts to vaccinate Americans**, particularly for the infant vaccinations that are best administered prior to a newborn's discharge from the hospital.
- ◆ Advocate for **increased annual appropriations for the Hospital Preparedness Program** to ensure that the health care infrastructure is ready to respond to crises and continue efforts to ensure that the majority of this funding is awarded to hospitals and health systems to better enhance emergency preparedness and surge capacity.

## Innovation, Technology and Cybersecurity

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- ◆ Ensure **regulation of artificial intelligence enables continued innovation, while providing reasonable guardrails to ensure patient safety and improved outcomes for all patients**, regardless of age, race, gender, socioeconomic status or what region of the country they live.
- ◆ Advance policies that assist in **protecting health care services, data and patients from cyberattacks** while supporting efforts to deliver broader gains in computer security by shifting the burden of cybersecurity away from individual health systems and ask more of large companies to provide secure software and hardware.
- ◆ Continue to support **federal incentives and investments to improve the security posture of hospitals and health systems**, including regulatory relief for hospitals and health systems that suffer a cyberattack despite having recognized cybersecurity practices in place, and actively push back on any mandatory cybersecurity requirements for participation in federal programs, such as Medicare and Medicaid.
- ◆ Advocate for **HIPAA pre-emption** by ensuring that federal privacy standards for health information are not undermined by conflicting state laws.
- ◆ Advocate for **a national data privacy law** and ensure it accounts for how data is used, shared and created by artificial intelligence.
- ◆ Advocate for the adoption of a **national patient identification number** to support patient safety efforts.

## Regulatory Relief and Reducing Unnecessary Administrative Burden

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- ◆ 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.
- ◆ Advocate that **No Surprises Act price transparency regulations leverage existing workflows and appropriate technology** to enable patient access to information **without significant administrative burden for providers**.
- ◆ Reduce regulatory burden by **identifying Conditions of Participation that are unnecessary or could be amended** to allow more effective and efficient health care operations.
- ◆ **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**, known as laboratory-developed tests, to address unmet patient needs and to improve existing diagnostic tests for a wide variety of diseases **without imposing overly burdensome and unnecessary regulatory oversight**.
- ◆ **Ensure public policies are aligned across government regulatory bodies** so hospitals are not held to conflicting regulations.
- ◆ Support efforts to **reduce hospitals' impact on the environment by seeking changes to Medicare Conditions of Participation** that lock hospitals into compliance with outdated and less energy efficient physical plants or deter from efforts to reduce the use of anesthesia gases and inhalers.



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