



American Hospital
Association

HIGHLIGHTS
COUNCIL MEETING

AHA Section for Small or Rural Hospitals
September 12-13, 2019 ★ Washington, DC

Representatives from the Council of the AHA Section for Small or Rural Hospitals met September 12-13, 2019 in Washington, DC. Agenda items for the meeting include policy discussions on national media relations, health plan oversight, price transparency, physician practice acquisitions and antitrust litigation. Members were updated on AHA Board activities and a Washington Update. A [roster of the Section's council](#) is available at www.aha.org.

Meeting with CMS on Health Plan Issues: A meeting with Centers for Medicare & Medicaid Services (CMS), which was attended by several SR Council members preceded our regular meeting. It provided members an opportunity to share their experiences with private health plan utilization management practices, as well as issues related to network adequacy, with CMS. Emphasis was placed on issues related to health plan payment and prior authorization delays and denials, as well as inadequate provider networks.



AHA Board Update: The AHA board met in July in conjunction the AHA Leadership Summit. Members were apprised of the board's activity on price transparency and two new task forces – one on the future of rural health care and another on the changing workforce. Members reviewed progress of the AHA's *Better Health for Mothers and Babies* initiative that aspires to zero maternal deaths. Council members were briefed on AHA's new initiative called "Seizing the Conversation," to influence public conversation about hospitals and health care and call attention to positive stories about our work to advance health in our communities.



Washington Legislative Update: Members were briefed on the status of the fiscal year 2020 budget process, sequester and the debt ceiling. They reviewed the AHA's fall legislative agenda priorities including social determinants of health, surprise medical billing, Medicaid DSH, "Medicare for All," prescription drug spending, 340B and site neutral payments. They were provided the most recent information on the 2020 federal elections. Members offered key insights on the rural advocacy agenda and legislative priorities. They support the work of the AHA Future of Rural Health Care Task Force. Members endorsed the importance of the [AHAPAC](#). Several members took our message to their members of Congress with visits to Capitol Hill. Visit our website to view the full [2019 Rural Advocacy Agenda](#).

Washington Regulatory and Policy Update: CMS published the inpatient prospective payment system (PPS) final rule and members discussed payment updates and the area wage index adjustment. They also considered the outpatient PPS proposed rule with an emphasis on public notice of payer specific negotiated rates as well as migration toward general supervision for all hospital outpatient therapeutic services. Members also considered proposed

rules for the physician fee schedule and 42 CFR Part 2 and a final rule on public charge. Members support the FCC Connected Care Pilot and extensions and expansion of CMMI rural-related demonstrations. Members responded to questions from the request for information from the Health Resources and Services Administration on rural health care services.

Seizing the Conversation: The goal of this AHA Board initiative is to establish a national identity and positioning strategy that will enable AHA to “Seize the Conversation,” to strengthen hospitals’ and health systems’ position in the eyes of the media, policy makers, and our communities. AHA has engaged Statler Nagle LLC to help develop this initiative and Council members responded to their questions on leadership in affordability, adoption and amplification and success and metrics.

Oversight of Commercial Health Plans: In follow up to summer discussions on improving government oversight of Medicare Advantage plans, Council members gave feedback on AHA’s proposed policy and advocacy action plan to improve oversight of private health plans. They reviewed data from an AHA field survey on network adequacy and reviewed AHA policy activities and solutions including health plan oversight, penalties and report cards.



Price Transparency: In response to President Trump’s Executive Order, CMS included several price transparency proposals in its 2020 hospital outpatient PPS proposed rule. Some CAHs present said the rule as proposed would be so burdensome as to be their demise. Council members provided input on potential alternatives

to the price transparency proposals included in the proposed rule. All agreed that the cost and time needed to implement the proposal from CMS far exceeds the CMS estimates.

Settlement Discussions and Antitrust Litigation: Guests from WhatleyKallas described litigation that involves antitrust claims against all of the Blue Cross and Blue Shield entities nationally as well as the Blue Cross Blue Shield Association based upon their refusal to compete with one another. Council members offered input on relief to address rural hospitals’ needs and priorities that could be requested in any settlement discussions in a nation-wide class action lawsuit against commercial insurance companies.



Physician Practice Acquisitions: In recent years, there has been an increase in private equity (PE) investment in physician group practices and several PE firms appear to be working to build capacity in certain specialties. Council members reviewed the issues and implications of physician practice acquisition, especially from private equity plans, and discuss approaches the AHA could take – if any – to address this trend.

Explore our **Resources for Rural Health Services** on our website at <https://www.aha.org/other-resources/2019-08-02-rural-health-services-resources>



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 312-425-6306 or jsupplitt@aha.org.