



AMERICA'S ESSENTIAL HOSPITALS

Strategic Planning Committee Meeting Minutes March 6, 2015 Coral Gables, Florida

Committee Members Present (8): <ul style="list-style-type: none">• Michael Karpf, MD (Chair)• Reginald Coopwood, MD• Eric Dickson, MD, MHCM• Leon Haley Jr., MD, MHSA• George Hernandez Jr., JD• John Kastanis (by phone)• Christine Neuhoff, JD• Jon Pryor, MD	Committee Members Absent (1): <ul style="list-style-type: none">• Mitch Wasden, EdD	Staff Present (4): <ul style="list-style-type: none">• Bruce Siegel, MD, MPH• Beth Feldpush, DrPH• Nneka St. Gerard• Caitlyn Furr
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Agenda Items Minutes

Welcome and Introductions	<ul style="list-style-type: none">• The meeting was called to order at 9:01 am ET.• Committee members introduced themselves and described the issues their hospitals and states face.
Review Strategic Plan and Current State of the Association	<ul style="list-style-type: none">• Bruce Siegel, MD, MPH, reviewed the 2013 strategic plan and noted that it has been used as a roadmap for the association. Staff asked the committee to consider whether the plan needs changes, and if there are opportunities and/or threats that the association has overlooked.• Siegel gave examples of activities that fall within the advocacy pillar, including America's Essential Hospitals' campaign to roll back the Medicaid cuts.• Siegel noted that the association wants to engage members in policy development, which is why the policy advisory committee was formed. He mentioned that the association has been successful in shaping new policies, such as risk adjustment for readmissions.• The association aims to create an environment in which members can share best practices and communicate their value for high quality to the broader world in a policy environment. Siegel sits on the board of the National Quality Forum.• In the wake of the Affordable Care Act, the association is helping members by having a continuing learning environment. The association owns the space on Delivery System Reform Incentive Program waivers and supports member hospitals on the topic in a number of ways, including policy briefs, summit meetings, and distance learning.• Siegel mentioned the association's rebranding, which began in the summer of 2013 as a result of the strategic plan. Committee members commented that the new

	<p>brand has been successful and they believe it has helped with new member recruitment.</p> <ul style="list-style-type: none"> • The committee discussed member engagement. Siegel mentioned that he knows the leadership at every member hospital, but the committee urged the association to engage individuals at all levels at member hospitals. The committee also suggested that the association send emails with a summary of accomplishments, in bullet point format. They told staff that due to the large volume of emails they receive, shorter emails are preferable. All noted that they did not read the CEO Corner newsletter • John Kastanis told staff to pay attention to hospital mergers that are becoming more frequent as priorities and strategies shift. • The committee agreed that the association has been successful in the last two years and is keeping in line with the strategic plan.
Washington Update	<ul style="list-style-type: none"> • Beth Feldpush, DrPH, gave an overview of the political scene following the significant changes resulting from the 2014 elections. • Short-term threats: <ul style="list-style-type: none"> ○ Hospital cuts have been a frequent pay-for in the Medicare sustainable growth rate formula (SGR). ○ The Medicaid disproportionate share hospital (DSH) cuts have been delayed the past three years, and the association hopes they can be delayed a fourth year as part of the SGR. So far, \$2.2 billion has been taken out of the 2014 – 2019 cuts. ○ There is strong bipartisan support for risk adjustment for socio-demographic status in readmissions in both chambers. The advocacy team thinks that legislation will be introduced soon, but unfavorable policies could be attached to it. • Medium-term threats: <ul style="list-style-type: none"> ○ The 340B Drug Pricing Program has been under scrutiny and PhRMA has been pushing for policymakers to limit the program. It seems that PhRMA is currently focused on other big issues, so the association feels confident for now. The Health Resources and Services Administration will likely release guidance on the program this year. ○ Medicare outpatient payments – Policymakers are looking at a policy that would lower outpatient payments to what physicians receive, which would disproportionately hurt essential hospitals. The president's budget this year proposes the largest cuts yet, which will make advocacy on the issue more difficult. The committee members discussed whether or not this policy would force them to close outpatient clinics. • Long-term threats: <ul style="list-style-type: none"> ○ Medicare DSH payments are decreasing over time. As the level of the cuts gets larger, it will be a growing concern for essential hospitals. ○ Graduate medical education is often on the short list of sources for savings, and the administration proposed a significant cut to indirect medical education payments in the president's budget. ○ It is still unclear if the Republicans will try to put forward a new replacement plan for the Affordable Care Act (ACA). They are brainstorming ideas, and the association has been meeting with

	<p>Republican staff. They are considering Medicaid per capita caps, but nothing yet on Medicare.</p> <ul style="list-style-type: none"> ○ King v. Burwell – The administration is more confident than the challengers. The decision will rely on Justices Kennedy and Roberts. Christine Neuheff, JD, explained that the issue is about the language of the ACA. Just looking at the provision, it seems clear that the subsidies are only for state exchanges, but looking at the whole law, it seems the principle says anyone enrolled in an exchange is eligible for the subsidies. • There is a lot of uncertainty around Medicaid expansion, and committee members discussed some of the issues their hospitals face as a result of their states not expanding. • Medicaid incentive programs – Waivers have the potential to shape the future of care. Ultimately, CMS would like to see states taking on more of their share of Medicaid payments, but they don't currently have an alternative policy solution.
Strategic Question #1: Leadership	<p>To what extent should we continue to grow our leadership development product line? Are there unmet needs in our membership?</p> <ul style="list-style-type: none"> • Leadership development has been a longstanding offering of the association and has grown. Members are asking for new types of programming, but should the association take on more? What are the unmet needs in our membership? • Committee members discussed the Fellows Program, which the association has offered for more than 20 years. The committee strongly supported the Fellows Program, and said it has been effective in increasing the number of minorities in leadership positions at essential hospitals. However, the Fellows Program could be improved by engaging participants long-term. Ideas for doing so included requiring that fellows attend VITAL for a certain number of years after the program, and keeping previous fellows up to date on policy/advocacy. The committee also suggested that the association be more selective in choosing fellows. • The committee supported the new Women's Leadership Program, which will be offered through the Institute. • Committee members suggested that the association not offer additional leadership programs beyond the Fellows Program, Women's Leadership Academy, and Government Relations Academy. The committee commented that additional programs would segment participants, and one Fellows Program's strengths is the interdisciplinary team-based aspect. Physicians' leadership programming is already a crowded field.
Strategic Question #2: Policy	<p>What is our comfort level with pursuing federal policy that results in higher accountability for achieving improved care delivery and outcomes related to diverse populations?</p> <ul style="list-style-type: none"> • As the association defines essential hospitals, to what degree do members want to tie in higher accountability either for delivery system change or outcomes? • Committee members told staff that the current system is bad for hospitals and the government because they lose money on the most vulnerable patients. Member hospitals would like to care for these patients in a holistic way, but it is near impossible to do so in the current payment system. The committee members said they are comfortable with new policies that change the payment mechanisms and promote an accountable care organization environment.

	<ul style="list-style-type: none"> • The committee also stressed that, while it is hard to speak out against accountability, hospitals do not get paid for addressing sociodemographic status. Until there is risk adjustment, it is difficult to be accountable in a realistic way because hospitals do not have the necessary resources. • The committee agreed that it is better to be proactive in terms of defining this space, but new policy ideas should be vetted through the board and committees before the association takes action.
Strategic Policy Question #3: Population Health	<p>To what extent should the association take a leadership position in defining and supporting population health interventions?</p> <ul style="list-style-type: none"> • As we look at our membership, there are many different activities aimed at improving population health. For example, members are taking savings and investing in the community for social determinants, such as housing and food insecurity. Committee members discussed the various initiatives in which their hospitals are engaged. • The association will be releasing research briefs on population health. Siegel said that there is no consensus now about what the key measures should be for a community and population health is still a relatively undefined space. • The committee discussed ways that hospitals can engage with community partners on high-leverage projects to make an impact. • The committee challenged the association to study various population health interventions at essential hospitals and evaluate which are effective. Committee members also recognized that hospitals are not paid for keeping patients out of the hospital, so payment reform is necessary to promote population-health based models. • Committee members said that they would find value in a population health summit that allows members to share best practices and learn from each other.
Adjourn	The meeting was adjourned at 2:15 pm ET.