

Advancing Health in America

2025 Advocacy Agenda

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INTRODUCTION

America's hospitals and health systems are unwavering in their commitment to delivering safe and quality care to every patient, in every community. The blue and white "H" symbol is a beacon of healing, hope and health in every community nationwide.

Despite this steadfast commitment, hospitals and health systems face formidable challenges. They continue to grapple with significant workforce shortages, escalating costs of care, inadequate government reimbursement and a heavy regulatory burden.

In 2025, the American Hospital Association (AHA) will engage with Congress, the Administration, regulatory bodies and the judiciary to shape public policy to advance hospitals' efforts to provide quality patient care. The AHA also will focus on ensuring the long-term viability of hospitals to serve their communities and promote health and wellness.

By addressing these challenges head-on, the AHA supports hospitals and health systems in their crucial role of caring for patients and advancing health, ensuring that the promise of the "H" symbol remains strong and reliable.

Our 2025 Advocacy Agenda is focused on:

- * Ensuring Access to Care
- Strengthening the Health Care Workforce
- Advancing Quality and Health Care System Resiliency
- Leading Innovation in Care Delivery
- * Reducing Health Care System Costs for Patient Care

The following includes a detailed list of our advocacy priorities and key highlights. Please visit our website (<u>aha.org/advocacy-agenda</u>) for more resources and information on the priorities in this document and our latest advocacy campaigns.

KEY HIGHLIGHTS

- Extend the Enhanced Premium Tax Credits to ensure millions of Americans can continue to access health insurance and prevent hospitals from shouldering an even greater financial burden.
- Ensure essential health care services are available in all communities by safeguarding federal funding for Medicare, Medicaid, the Children's Health Insurance Program and the Health Insurance Marketplaces.
- Reject additional payment cuts that do not recognize legitimate differences among provider settings (so-called site-neutral or facility-fee payment policies).
- Protect the 340B Drug Pricing Program to ensure hospitals can maintain vital patient services and expand access to care.
- Ensure Medicaid is fully funded to allow hospitals to continue to serve the Medicaid, uninsured and marginalized populations in their communities, including through support of the current FMAP rates, the Medicaid Disproportionate Share Hospital program, Upper Payment Limits and Directed Payments, and the financing sources that sustain them.
- Bolster support for hospitals and health systems so they can prepare for and respond to natural and man-made disruptions, including natural disasters, cyberattacks and supply chain failures.
- Hold commercial health insurers accountable for ensuring appropriate patient access to care, including reducing the excessive use of utilization management programs, ensuring adequate provider networks, reducing account receivables and limiting inappropriate denials for services.
- Bolster the health care workforce by enacting important protections against violence in health care settings, eliminating federal restrictions that limit the ability of providers to practice at the top of their license, and increasing funding for clinical training programs.
- Enact regulatory and administrative relief from burdensome policies that take caregivers away from providing patient care and increase costs for patients and the health care system.



Advancing Health in America

2025 Detailed Advocacy Agenda

ENSURING ACCESS TO CARE

Financial Stability of the Health Care System

- Ensure essential health care services are available in all communities by safeguarding 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.
- Ensure patient access to critical 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 or facility-fee payment policies) and policies that restrict patient access to certain sites of care (also known as site-of-service policies).
- Preserve the gains in health coverage made over the past decade, including by extending the Enhanced Premium Tax Credits for coverage through the health insurance marketplaces.
- Protect the 340B Drug Pricing Program to ensure hospitals can maintain vital patient services and expand access to care by reversing harmful policies and holding drug manufacturers accountable to the program rules, especially community pharmacy arrangements.
- Ensure Medicaid is fully funded to allow hospitals to continue to serve the Medicaid, uninsured and underserved populations in their communities, including through support of the current FMAP rates, the Medicaid Disproportionate Share Hospital program, Upper Payment Limits and Directed Payments, and the financing sources that sustain them.
- Pursue a new "metropolitan anchor hospital" designation for certain hospitals that provide critical health care services to marginalized and underrepresented communities.
- Ensure the Federal Emergency Management Agency follows through on its commitment to reimburse hospitals appropriately and timely for the resources they provide during public health emergencies and other disasters.
- Mitigate Medicare payment reductions to ensure patient access to physicians.
- Rein in rising drug costs by taking steps to increase drug manufacturer competition, improve drug pricing transparency and hold pharmacy benefit managers accountable for illegal practices that increase costs and reduce coverage for patients and providers.
- Enact regulatory and administrative relief from burdensome policies that take caregivers away from providing patient care and increase costs for patients and the health care system.
- Protect not-for-profit hospitals' tax-exempt status so they can continue providing community benefits tailored to their communities' unique needs, demographics and policy realities.
- **Protect access to clinical laboratory services in hospital-based laboratories.**
- Protect access to care by preserving the existing ban on the growth and expansion of physician-owned hospitals.

Coverage and Access

- Ensure access to care for veterans by working with the Department of Veterans Affairs as it implements the next generation of comprehensive community care for veterans.
- Support policy and federal oversight changes to ensure the appropriate use of donated organs in time for a successful transplant, the ability to effectively use new strategies for harvesting and preserving organs until donated and coordinated, and rational regulation of transplant centers, donor hospitals and organ procurement organizations.

Rural Hospitals

- Protect rural communities' access to care by making permanent critical programs, including the Medicare-dependent Hospital designation, Low-volume Adjustment and ambulance add-on payment.
- Improve rural health programs by reopening the necessary provider designation for Critical Access Hospitals (CAHs), reversing cuts to Rural Health Clinic payments, removing the 96hour 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 it 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, considering the volume of Medicare Advantage enrollment in those communities.

Post-acute Care

- Bolster patient access to post-acute care by establishing appropriate network adequacy requirements for long-term care hospitals, inpatient rehabilitation facilities, skilled nursing facilities and home health agencies.
- Eliminate the proposed minimum staffing requirements for skilled nursing 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 those with high acuity levels.

- Ensure Medicare Advantage beneficiaries have access to the same post-acute care benefits as Traditional Medicare beneficiaries by holding plans accountable through robust oversight and enforcement.
- Reduce administrative burden for post-acute care providers by eliminating unnecessary data reporting requirements.

Behavioral Health

- Implement policies to better integrate and coordinate behavioral health services with physical health services, including developing alternative payment models and bundled payments that incorporate behavioral and physical health services and financially supporting the implementation of team-based care models.
- **Solution** Eliminate Medicare's 90-day lifetime limit for inpatient 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.
- 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.
- Increase targeted funding for facilities that provide specialty mental health services (including pediatric, geriatric and multi-substance use disorders) and invest in the behavioral health workforce by creating dedicated Medicare-funded graduate medical education slots for these specialties.
- **Make permanent the Certified Community Behavioral Health Center demonstration program.**
- Eliminate or amend outdated and unnecessary Conditions of Participation for psychiatric facilities related to emergency care and treatment planning documentation.
- Strengthen enforcement through significant penalties for health plans that violate the Mental Health Parity and Addiction Equity Act and subsequent rules.

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, 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.
- Ensure stronger enforcement of federal rules related to Medicare Advantage through increased oversight and insurer scrutiny.
- 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, and reporting on using algorithms and artificial intelligence in utilization management programs.
- Establish a prompt payment standard for Medicare Advantage to ensure timely claims payment.
- Apply guardrails to insurer algorithms and artificial intelligence use to ensure these tools do not inappropriately create barriers for patients to access medical care.
- 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.
- 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

- 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 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 prior authorization use and 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 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 National Nurse Corps.

Workplace Safety

- 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 additional federal workplace violence regulations that would be duplicative of the rigorous accreditation requirements hospitals already face and that would add administrative burden.
- Protect health care workers from threats against them in their homes by permanently removing the requirement that practitioners rendering telehealth services from their homes report their home addresses on Medicare enrollment or claims forms.

- Support efforts to allow non-physicians to practice at the top of their licenses.
- Allow 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.

ADVANCING QUALITY AND HEALTH CARE SYSTEM RESILIENCY

Quality

- Advocate for streamlined Conditions of Participation and other regulatory standards that promote safe, high-quality care without increasing administrative burden.
- Pursue strategies and support public policies aimed at improving maternal and child health access and outcomes.
- Enhance the effectiveness and lower the burden 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 appropriate performance comparisons and payment adjustments.
- Advocate for measures that matter in advancing quality and patient safety and that help hospitals and health systems identify important opportunities to ensure all patients achieve the best possible outcomes for their conditions. Work to ensure federal, state, and payer performance assessments use these same measures in order to reduce measurement burden.
- Advocate to discontinue 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 meaningful changes in federal funding of research 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 and experience of care.

- Advocate for increased annual appropriations for the Hospital Preparedness Program to ensure that the health care infrastructure is ready to respond to crises. Continue efforts to ensure that most of this funding is awarded to hospitals and health systems to enhance emergency preparedness and surge capacity.
- Support federal incentives and investments to improve hospitals' disaster preparedness and operational resiliency.
- Prevent and address shortages of critical medical drugs, devices, blood and blood products, and supplies, including working with Congress and the federal government to bring about policy changes that will avert future shortages by strengthening the medical supply chain.
- 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.
- 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 push back on any new cybersecurity regulation not inclusive of the entire health sector.
- **Advocate for increased accountability of third-party technology vendors in HIPAA.**
- Support regulation of artificial intelligence that enables continued innovation while providing reasonable guardrails to ensure patient safety and improved outcomes for all patients.
- Support clear minimum privacy standards in HIPAA that account for how data is used, shared and created in hospitals and health systems.
- Support the continued development of clinician burden reduction technologies to help caregivers reduce administrative requirements to spend more time on direct patient care.
- Advocate for the adoption of a universal patient identification number to support patient safety efforts.
- Continue to support federal investments in improving broadband infrastructure, especially in rural and underserved areas of the country.

LEADING INNOVATION IN CARE DELIVERY

- Support the move to value-based care, with a particular focus on solutions for the longterm financial viability of hospitals and health systems by offering some level of predictable, up-front payment.
- Advocate for incentive payments to support hospitals and health systems' transition to taking on higher levels of risk.
- Advocate for implementing new voluntary payment models so hospitals are not forced to bear the expense of participation in these complicated programs if they do not believe it will benefit patients.
- Create a permanent CMS hospital-at-home program, shown to be a safe and innovative approach to caring for patients in the comfort of their homes that leads to high patient satisfaction and, for some patients, results in shorter recovery times.
- Remove barriers to cross-sector and interagency coordination and support investments to provide accountable care.
- Make permanent coverage of certain telehealth services made possible during the COVID-19 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 for telemedicine providers to ensure access to telemedicine prescribing of controlled substances for practitioners who register with the Drug Enforcement Agency. Preserve pandemic-era waivers until the special registration process begins.

REDUCING HEALTH CARE SYSTEM COSTS FOR PATIENT CARE

- 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.
- Reduce the prevalence of individuals faced with unaffordable medical bills by addressing the root causes of medical debt, such as skyrocketing deductibles and other benefit designs that push costs onto consumers.
- 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 unnecessary costs in the system by pursuing medical liability reform.
- Reduce regulatory burden by identifying and advocating for the repeal of unnecessary and duplicative Conditions of Participation that increase hospital inefficiency and reduce the time providers can spend caring for their patients.
- Mitigate unreasonable proposed changes to the False Claims Act and related enforcement practices.
- Preserve the ability of hospital and health system clinical laboratories to develop new and innovative diagnostic tests, known as laboratory-developed tests (LDT), to address unmet patient needs and improve existing diagnostic tests without imposing burdensome and unnecessary regulatory oversight.
- Ensure public policies are aligned across government regulatory bodies so hospitals are not held to conflicting regulations.
- Reduce regulatory barriers to hospitals improving the environment, such as 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.
- Prevent the imposition or increase of tariffs on vital medical supplies, including drugs, devices and raw materials used to manufacture devices and drugs in the U.S., as these will further raise medical services costs and potentially force hospitals to use less effective alternatives that could increase the patient harm risk.



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Please visit aha.org/advocacy/action-center

to get involved and learn more about the American Hospital Association's 2025 public policy advocacy agenda.

aha.org