**AHA’s 2012 Annual Meeting Underway**

The American Hospital Association’s (AHA) Annual Membership Meeting kicks off today in Washington, D.C. The meeting is the single forum during the year where hospital executives, managers and trustees from across the country gather for the opportunity to obtain firsthand knowledge about the significant issues confronting the healthcare field. This year’s meeting also serves to officially launch the AHA’s advocacy campaign for 2012.

While there is a general agreement that the *Middle Class Tax Relief and Jobs Creation Act of 2012*, enacted in February, will be the only substantive legislation affecting hospitals and other healthcare providers until the post-election Lame Duck Congress meets in November and December, several items merit immediate and close attention. One of them is the need to mitigate the growing drug shortages. Congress will be asked to support legislation to help identify critical drugs in short supply and give the FDA more authority and information to address the issue.

Although the Tax Relief Act included some good things for hospitals, such as extending a few key Medicare provisions that help rural hospitals, some of the extensions were put on a short leash and either have already expired or will soon. Expanding those extensions is a key part of the advocacy agenda. Among other issues, legislation is needed to protect the:

- Medicare-dependent hospital program
- Treatment of the technical component of physician pathology services
- Reasonable cost reimbursement for laboratory services in small, rural hospitals
- Hold-harmless for outpatient hospital payments
- Payment adjustment for low-volume hospitals
- Section 508 area wage index reclassifications
- Increase in payments for ambulance services
- Delay on full implementation of the “25% Rule” for all long-term care hospitals (LTCH)
- Preventing program integrity and contractor overlap

Those are a few of the issues that the group of Arkansas hospital representatives will be visiting about with the state’s Senators and Congressmen on Wednesday. They’ll also be pointing out many of the most pressing challenges they are facing. For complete details on those and other items, go to [http://www.aha.org/advocacy-issues/annual-meeting/12-issue-papers.shtml](http://www.aha.org/advocacy-issues/annual-meeting/12-issue-papers.shtml).

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**Webinar Series Focuses on Audit Education**

The American Hospital Association has scheduled a series of webinars for its members designed for audit education purposes. The series will be held over the coming months, beginning May 22. These webinars include:

**Lay of the Land: Audits and Appeals** – This webinar will provide an overview of the types of program integrity auditors, the types of payment errors they target and how you can use the
appeals process to fight inappropriate denials. It will include an AHA program integrity policy update and conclude with a question and answer period. Date/Time: May 22, 1:00-2:30 p.m. CDT.

**Reducing Your Vulnerability to Payment Denial Part I** – Will focus on how to use the Program for Evaluating Payment Patterns Electronic Report (PEPPER) to reduce payment errors. Hear from compliance experts and hospitals who have used PEPPER successfully in their facilities to reduce their payment denial vulnerability. Date/Time: June 19, 1:00-2:30 p.m. CDT.

**Reducing Your Vulnerability to Payment Denial Part II** – Learn about proactive steps for avoiding payment denials, including self-audits, utilization review, patient screening criteria, documentation strategies and physician engagement. June TBD.

**Medical Necessity** – Find out what types of claims auditors are targeting for medical necessity review and hear from CMS about how medical necessity determinations are made. Learn appeal strategies and experience a mock administrative law judge hearing. July TBD.

**Managing in a Prepayment Review Environment** – Will cover the prepay review process, common targets and hospital best practices for managing the audit and appeals process to reduce vulnerabilities to prepay review denials. August TBD.

**Medicaid and Other Program Integrity Efforts** – Medicaid RAC audits are expected to begin this summer. These audits are in addition to those many hospitals are already facing from Medicaid Integrity Program contractors. Learn about what to expect from Medicaid audits and the roles Zone Program Integrity Contractors and the HHS Office of Inspector General are playing in program integrity. September TBD.

Visit [www.aha.org/auditseries](http://www.aha.org/auditseries) to register for the education series. Check the website for newly-announced webinar dates.

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**AHA Board At-Large Position Open**

The recent announcement by Kirk Reamey about his retirement as CEO of Ozark Health Medical Center in Clinton also created a second opening to be filled. Reamey, who serves as the At-Large member of the AHA board of directors, announced his retirement plans to the board during its April 13 meeting. He has served as the At-Large member since 2007. It will be necessary to fill that vacated position for the remainder of the term, which expires in October 2013. Any Arkansas hospital CEO who might be interested in submitting his/her name as a candidate and who would like more information should contact AHA President and CEO Bo Ryall at boryall@arkhospitals.org or by calling (501) 224-7878.

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**Insurance Plan for Hospital Volunteers**

Do you have accident coverage for your hospital volunteers or student nurses? If not, then please consider participating in the Arkansas group plan for Hospital Volunteer & Student Nurse Accident Insurance (Hospital Volunteer Plan). AHA Services has developed a group plan to meet the minimum participation requirements. You can purchase this program as a standalone for your group or you may join the Arkansas group. The plan has a July 1 effective date so act quickly. Contact Tina Creel or Liz Carder at (501) 224-7878 with any questions.
Hospital Collection Practices Get Renewed Scrutiny

Hospital collection practices are in the spotlight once again after the New York Times published an article about the aggressive debt practices employed by one of the nation’s largest collectors of medical debts, Accretive Health. U.S. Rep. Pete Stark (D-CA) sent letters last Thursday to top Health and Human Services officials asking them to investigate hospitals’ debt collection practices and whether the tactics to recoup money from patients are violating federal laws. In his letters to Centers for Medicare & Medicaid Services acting administrator Marilyn Tavenner, Stark urged officials to investigate collection tactics and determine if they violated the Emergency Medical Treatment and Active Labor Act and the Health Insurance Portability and Accountability Act. Stark also recommended a report detailing federal enforcement measures that CMS can undertake.

IOM Seeks Improved Drug Safety Approval Process

A new report from the Institute of Medicine calls for a more systematic and transparent process to collect, assess and act on data about the benefits and risks of prescription drugs from the time they’re approved until they’re no longer marketed. Among other proposals, the report recommends the Food and Drug Administration (FDA) create a benefit-risk assessment and management plan for each drug – a publicly available document that would serve as a central repository of information throughout the product’s life cycle. “It is not possible to know what the full range of a drug’s benefits and risks will be until it is used by many different kinds of patients over time, so it is critical that FDA continue to monitor and learn about the effects of drugs after they are marketed,” said committee co-chair Ruth Faden, executive director of the Berman Institute of Bioethics at Johns Hopkins University in Baltimore. For more information, go to http://www.nap.edu/catalog.php?record_id=13219.

Quality Data Preview

Hospitals participating in Medicare’s inpatient and outpatient quality reporting programs can preview their latest quality data for 30 days by downloading their preview reports at https://www.qualitynet.org/QnetSecurity/login?service=https%3A%2F%2Fwww.qualitynet.org%2Fnav%2Fspring_cas_security_check. The data are scheduled to be added to the Hospital Compare website in July.

The AHA Calendar

May 2012
8 Evaluation and Management (E/M) Coding for Hospitals and Physicians: Best Practices – Webinar T2756
8 Preventing Falls: A Quality and Financial Issues – Webinar T2757
10 Developing an ICD-10 Budget – Webinar T2759
10 The Joint Commission Medical Staff Bylaws MS.01.01.01 – Webinar T2758
11 Arkansas Association for Healthcare Quality (AAHQ) Spring Conference & Business Meeting, Baptist Health Medical Center, Little Rock

Information on all AHA educational programs and activities is available at www.arkhospitals.org/events.
If you’ve followed these Final Thoughts pieces for any length of time, you probably picked up that I am a fan of pop culture. It stems from the fact that I saw a bunch of movies and watched way too much TV in my younger days (and probably still do) not to mention the time and money spent on albums, the vinyl records with a single continuous groove. Remember? The kind with a needle on the tone-arm of a record player. The needle sat in and followed the groove, picking up vibrations and converting them to sound waves as the record rotated on a turntable. I understand that’s just crazy talk to some folks, but it really is the way things worked.

Sad to say, but reading wasn’t my thing, at least not the books I should have been reading. I could barely get into the classics, even when motivated by the need to make a decent grade, a flaw that persists. Rather than Faulkner, Steinbeck and Hemingway, my reading tastes leaned toward Agatha Christie, Ian Fleming, Eric Ambler and Mickey Spillane. Although, I did voluntarily read Harper Lee’s To Kill a Mockingbird when in junior high. It is an American literature classic and remains my favorite novel. Too bad Lee never wrote another.

As for Elizabethan playwrights and poets? I’m sorry. I am sure their plays and sonnets were a must in my 10th grade English Lit class but, while I probably recognize more Shakespearean lines than I think, it would be tough to associate them with specific works. Except for a few.

“All the world’s a stage, and all the men and women merely players.” That one came from As You Like it. It’s a familiar quote that’s also a pretty effective way to frame the way in which the politics of healthcare is unfolding during 2012, a play in three acts.

The staging sets this political drama in a tense environment where Congress is shouldering historically low approval ratings and the President’s rating isn’t much better. The failure of the Deficit Reduction Commission to agree on a plan to cut spending late in 2011 didn’t help and left a number of touchy issues to be addressed before the current Congressional session ends, including tax extenders, a budget resolution, sequestration, the debt ceiling and a Medicare doc fix.

The curtain on Act I came down early in the year with enactment of the Middle Class Tax Relief and Jobs Creation Act of 2012, which heightened the suspense. The law, which will cost $160 billion over 10 years, included only $60 billion in “pay-fors.” About $18 billion is to come from pay cuts for hospitals and other Medicare providers. No mention of the balance.

Act II is currently playing out. The storyline has moved to the Supreme Court and Campaign 2012. How will the Court rule on the individual mandate question related to health insurance, or on the overall law itself? Republicans will likely retain control of the House, but will their majority status grow or will House Democrats pick up some seats? And will Dems give up their tenuous hold on the Senate? The bigger question is who will be the American President for the next four years and what are the long-term implications for healthcare?

It will be a long act, so the catch-your-breath intermissions will be well earned. Expect the first one to come around the July 4 holiday, shortly after the Supreme Court renders a decision on the health reform law and then quickly exits stage right for the year at the end of June. But the final segue to Act III won’t come until late on November 6, 2012.

The third act – titled The Lame Duck – will tie it all together. Members of the post-election Lame Duck Congress will be practically free from political pressure. Either they’ll be on the way home for good or two years away from a re-election campaign. There are likely to be more budget cutting targets than can be found at a state fair shooting gallery.

While Americans may still be split on questions surrounding healthcare, the need to raise or cut taxes and whether defense spending should be subject to sequestration, Congress might actually come together. Expect a lot of harmony between the chambers on deficit reduction matters. At stake are key issues such as what will Medicare and Social Security look like? How much will the wealthy pay in taxes? How will we pay for Medicaid? More importantly for us, how will it all affect the nation’s hospitals?

Come December and the official adjournment of the 112th Congress prior to Christmas, there could be quite a few hospital types who wish they’d spent less time reading Shakespeare or Steinbeck and had concentrated more on a lesser known work – Patrick Geryl’s tome that is loosely linked to the Ancient Mayan prophesies about troubles predicted for this year, How to Survive 2012: Tactics and Survival Places for the Coming Pole Shift.