REIMBURSEMENT AND UNCOMPENSATED CARE

To insure that health coverage is available and accessible, individuals, business, insurers and governments must all play a role in both expanding and paying for coverage. Due to the massive TennCare disenrollment and the rising number of uninsured and uninsurable Tennesseans, not-for-profit hospitals continue to absorb a larger amount of charity care and bad debt. While these losses have an impact on all hospitals, they have had a more acute effect on the safety net hospitals, the trauma care network, pediatric facilities and many rural hospitals.

HAT POSITION: HAT will assess the impact of health care safety reform proposals and state budget discussions on not-for-profit hospitals, give input to the administration and the General Assembly on legislative and regulatory issues and initiate legislation as needed.

- Support the enactment of a one-year Coverage Fee to help fill the gap in hospital reimbursement created by the TennCare cuts scheduled to take effect on July 1, 2010.

- Advocate for the use of any available dollars, including reserve funds, surplus and unused federal Medicaid stimulus dollars, to bridge the TennCare funding gap until the federal government approves the Coverage Fee.

- Advocate for accessible and affordable full-coverage health insurance programs for uninsured Tennesseans.

- Continue efforts to articulate and identify the provision of charity and indigent care services, including those charity and indigent cases that are verified after the clinical encounter.

- Advocate that Medicare underpayments and bad debt be considered as community benefits provided by not-for-profit hospitals.

- Monitor and provide input on discussions about financial assistance policies and billing practices for self-pay and/or uninsured patients.

- Monitor and engage on health care reform proposals that would impact not-for-profit hospitals and support equitable solutions with proper reimbursement aimed at reducing costs and improving quality to provide greater value in the delivery of health care.
**GATEWAY TO QUALITY CARE**

Not-for-profit hospitals partner with physicians, nurses, nursing homes and others in working together in teams and with patients and families to ensure the right care is given at the right time, in the right setting. HAT supports legislative and regulatory efforts to ensure cost-effective, high-quality and accessible healthcare and to limit unnecessary duplication of services and increases in healthcare costs due to excess capacity in the state’s health care system.

**HAT POSITION:** HAT will support legislative and regulatory efforts that enable not-for-profit hospitals to effectively operate in a marketplace that recognizes the value of their commitment to their communities through the charitable services and community benefit programs they provide. This includes preserving the CON process, providing input into the development of the state health plan and opposing efforts to approve investor-owned specialty hospitals and diagnostic clinics (which are not directly owned by members) that would financially undermine full-service hospitals.

- Oppose any attempts to sunset, repeal or significantly alter the Certificate of Need process.
- Monitor and provide input on proposals to enhance accountability for participation in charity care, TennCare and other government programs in the CON process.
- Provide input on the development of the state health plan.
- Advocate for changes to the corporate practice of medicine law to address coverage issues arising from a hospital’s inability to employ radiologists, anesthesiologists, pathologists and emergency room physicians.
- Monitor impact on not-for-profit hospitals due to loosening of rules around physician office-based surgery, physician self-referral and physician practice acquisition of diagnostic equipment and resulting impact on hospital/physician relationships.
- Monitor impact of recent changes to Tennessee’s medical malpractice laws.
- Cooperate with THA to develop a unified legislative agenda on issues of common interest to the members of both organizations.
COMMUNITY BENEFIT AND MISSION

As community-owned or private entities that exist solely to serve the health care needs of their communities, not-for-profit hospitals have a long history of providing charity care and community benefit programs that, in many cases, far exceed the value of their tax-exemptions. These community benefit programs address unmet needs of special population and improve the health of the community.

HAT POSITIONS: HAT will oppose any legislation which threatens the tax-exempt status of not-for-profit hospitals, develop coalitions and assist in efforts to block the movement of any measure which has a negative impact on hospitals’ tax-exemptions.

HAT will oppose any legislative or regulatory proposals that challenge the value and role of not-for-profit hospitals.

- Advocate that not-for-profit hospitals are meeting local health care needs for the poor and underserved through their community benefit programs.

- Encourage comprehensive voluntary community benefit reporting to reflect not-for-profit hospitals’ investment in and commitment to improving the health status of Tennesseans.

- Assist members in complying with the new community benefit reporting requirements on the redesigned IRS Form 990 and Schedule H.

- Communicate the value of not-for-profit hospital charity care and community benefit programs to legislators and other state and community leaders.

- Secure resources and training to assist not-for-profit hospital leadership and staff in understanding and applying best practices into their community benefit programs.

- Support initiatives to promote healthy lifestyles through the availability of good primary care and health education to help control costs for health coverage and health care.

- Oppose any legislation that threatens the tax-exempt status of not-for-profit hospitals.

- Monitor legislative proposals that would impose new taxes on health care providers.

- Promote the value of retaining not-for-profit hospital ownership and support legislative measures to protect charitable assets by establishing criteria and procedures that must be followed when a not-for-profit hospital is converted to an investor-owned hospital.
PARTNERS IN HEALTH CARE DELIVERY

Not-for-profit hospitals are uniquely positioned to facilitate efforts among physicians, health care providers, government and private payers and other stakeholders to deliver high quality health care that is effective and cost-efficient. As community assets governed by community leaders, not-for-profit hospitals return earnings to the community by renewing and improving services. In addition, they are multi-purpose organizations, providing medical training and education for future health care professionals; ongoing education for current professionals; and, research which benefits local communities and the national community at-large.

HAT POSITION: HAT will cooperate with other health care provider groups to develop a unified legislative agenda on issues of common interest to the members of both organizations.

- Improve utilization of services and coordination of quality care by seeking support for public funding, such as state matching grants, to build a sustainable infrastructure for health information exchange networks.
- Provide input and assistance to help Tennessee attain its goal to adopt and use electronic medical records and promote their use by all healthcare stakeholders.
- Provide support for measures that address and improve patient safety and quality of care in health care facilities.
- Support measures that address workforce needs in hospitals by developing and funding initiatives to educate, train and employ health care professionals.