

January 11, 2021

Sent electronically

Dear Member of the Illinois Congressional Delegation:

On behalf of our more than 200 member hospitals and nearly 40 health systems, the Illinois Health and Hospital Association (IHA) congratulates you on being sworn in to the 117th Congress. We look forward to working with you to advance federal policies that ensure all Illinoisans have access to quality healthcare services and that hospitals and health systems have the resources they need to care for patients and communities during the pandemic and beyond.

During the past year, Illinois hospitals responded to COVID-19 swiftly and with extraordinary investment. We are grateful for the resources and flexibilities Congress and the federal government have provided to date, including through the CARES Act, Paycheck Protection and Health Care Enhancement Act and Consolidated Appropriations Act of 2020. However, an ongoing and robust federal response is needed in 2021. And we stand ready work together to solve issues illuminated during the pandemic, such as workforce shortages and generations of health inequities experienced by communities of color. These and other urgent issues demand our resolute response.

As our state labors to recover from dire economic and societal devastation brought about by COVID-19, it is vital that our hospitals — and the critical community care they deliver — are secure. We cannot restore our state's economy without the healthcare safety net that hospitals provide, and accordingly, we urge Congress to pass additional COVID-19 relief.

IHA is eager to partner with you to advance our shared goal of building a better, stronger, more equitable healthcare system so that all individuals have the opportunity to reach their full potential for health. Among our highest legislative priorities are:

1. **Addressing the financial, public health and pandemic response crises** facing hospitals by, among other actions, providing additional financial resources, safeguarding front-line providers with limited liability protections, supporting the healthcare workforce and permanently expanding access to telehealth.
2. **Ensuring fair and adequate reimbursement from Medicare and Medicaid**, which reimburses below the cost of providing care. Additionally, IHA urges increased support for graduate medical education; regulatory flexibility and acceleration of value-based care.
3. **Advancing health equity** by eliminating health disparities in rural and

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underserved communities and ensuring every person has the opportunity to achieve optimal health regardless of, race, ethnicity, gender identity, sexual orientation, neighborhood, employment status, education level or disability.

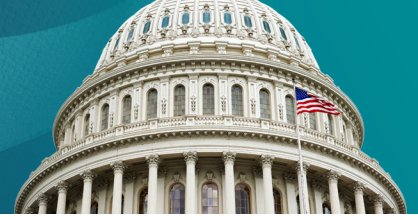
4. **Protecting the 340B Drug Pricing Program**, which is critical to expanding access to lifesaving medicine and comprehensive healthcare services for low-income and uninsured individuals.
5. **Ensuring access to affordable, high-quality care by building on the existing framework of the ACA**, including providing subsidized coverage through the healthcare exchanges and expanding the Medicaid program.

Attached is IHA's 2021 Federal Advocacy Agenda, which provides additional detail on critical legislative priorities for Illinois hospitals and health systems.

Thank you for your continued support and attention to the needs of Illinois' hospitals and the patients they care for. Please contact Sarah Macchiarola, Vice President of Federal Relations at smacchiarola@team-iha.org or (630)276-5645 with any questions or for additional information.

Sincerely,

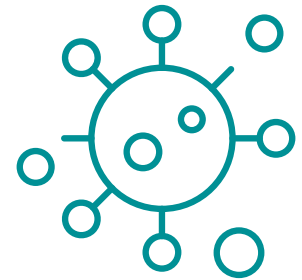
A.J. Wilhelmi



COVID-19

ISSUE

As hospitals and health systems continue to respond to the pandemic, prepare for new outbreaks and look toward the recovery phase, it is critical that federal resources are available to support this effort, and that statutory and regulatory policies promote short-, mid- and long-term recovery.



POSITION

IHA will urge policymakers to provide additional resources for providers and support statutory and regulatory policies that advance the recovery phase for hospitals, communities and individuals. These include liability protections, extending the suspension of Medicare sequestration cuts, increasing health coverage, enhanced Federal Medical Assistance Percentages and federal support for frontline workers.

Affordable Care Act

ISSUE

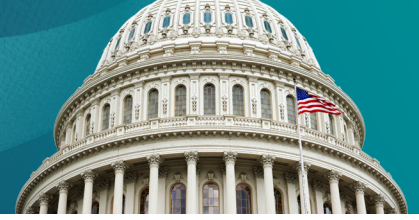
Affordable, high-quality health insurance is necessary for a healthier, more productive Illinois. The ACA has provided insurance coverage to more than 20 million Americans, including nearly 1 million Illinoisans. Yet previous regulatory action and a legal challenge threaten to reverse coverage gains. Meanwhile, other factors, such as job loss and increased costs, have caused an increase in the number of individuals seeking affordable coverage options.



POSITION

IHA will continue to partner with AHA to protect and strengthen the ACA.

As lawmakers evaluate a broad variety of proposals to expand coverage to more Americans, we urge them to focus on the ACA, including enhancing the existing framework of providing subsidized coverage through the healthcare exchanges and expanding the Medicaid program. IHA supports the preservation and enhancement of a robust commercial insurance marketplace.



Telehealth

ISSUE

Expanded coverage and payment of telehealth in the Medicare program benefits Illinois seniors by reducing costs and other burdens associated with in-person appointments, removing barriers to access, reducing unnecessary emergency department and urgent care visits, and limiting exposure to COVID-19. Hospitals and health systems have rapidly increased access to virtual services by investing in new technology, adjusting clinical workflows, and educating staff, patients and clinicians. However, absent changes in statute and regulation, providers will not have the certainty they need to continue to invest in and utilize new care delivery tools, and seniors will abruptly lose access to the telehealth services they have relied on during the pandemic.



POSITION

IHA urges support for policies that provide a sustainable statutory and regulatory and reimbursement framework for telehealth, including lifting restrictions on the location of the patient; aligning payment with in-person services and ensuring payment reflects the differences in cost structure of the entity providing the service; expanding the types of facilities eligible to serve as distant sites; and expanding the types of practitioners eligible to provide and bill for virtual services.

340B Drug Pricing Program

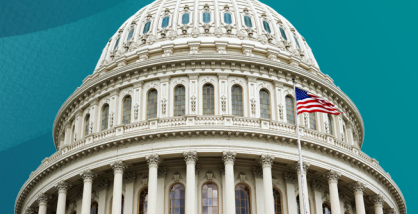
ISSUE

The 340B Drug Pricing Program has been critical in expanding access to lifesaving prescription drugs and comprehensive healthcare services for low-income and uninsured individuals. The program is a lifeline to safety net, critical access and children’s hospitals, along with other providers who care for a large number of low-income and uninsured patients. Yet ongoing cuts to the program, as well as efforts to scale it back, threaten access to services for vulnerable patients and communities in Illinois.



POSITION

IHA opposes any action to scale back the 340B Program. IHA will work with AHA to protect the 340B Program from harmful proposals that would reduce the number of eligible providers and limit access to lifesaving healthcare services for vulnerable patients.



Health Equity

ISSUE

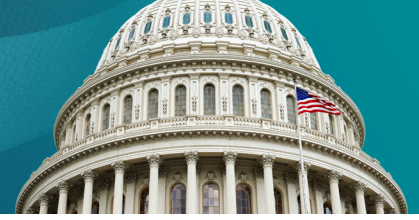
Residents in one Chicago neighborhood have a 30-year lower life expectancy than those in a nearby neighborhood, and in several Illinois counties, Black residents have a five- to eight-year shorter life expectancy than white residents. Individuals living in rural areas have higher incidences of chronic conditions, including diabetes, some cancers and obesity. People and communities of color have faced health inequities driven by systemic racism for generations—a wrong that has been profoundly laid bare during the COVID-19 pandemic. And in recent years, maternal mortality rates have reached a crisis level.



POSITION

IHA's vision for Illinois healthcare is that all individuals and communities have access to high-quality healthcare at the right time and in the right setting in order to support each person's quest for optimum health. To achieve this vision Illinois hospitals and health systems are committed to eliminating health disparities to achieve health equity. Health equity means that every person has the opportunity to achieve optimal health regardless of race, ethnicity, gender identity, sexual orientation, neighborhood, employment status, educational level or disability.

To this end, IHA will work with state and national partners to enact federal policies that ensure essential, high-quality healthcare services are available to all individuals and communities, and are not impacted by socioeconomic conditions, background or ZIP code. IHA will support federal policies to invest resources in underserved communities, enhance access to primary and specialty care, address social determinants of health, and reduce maternal mortality. Through the work of the IHA Committee on Health Disparities, IHA will support hospitals as they redouble their efforts to achieve health equity, including but not limited to overcoming the impact of implicit bias in healthcare and cultivating a culture that values diversity, equity and inclusion.



Maternal Mortality

ISSUE Due to a complex set of challenges—including significant barriers to accessing prenatal, obstetrical and postpartum care—maternal mortality and morbidity rates are significantly higher among women of color and women living in rural areas. Unfortunately, Illinois has seen increased closures of obstetrical units and suspension of services during the pandemic, exacerbating these challenges.



POSITION **IHA is committed to addressing higher maternal mortality and morbidity rates, particularly among communities of color and in rural communities,** and will work with federal policymakers to support policies that address the causes, including lack of consistent access to comprehensive care and persistent health disparities in underserved communities. We will support programs that focus on quality initiatives, improved health outcomes and engaging community partners.

Rural

ISSUE Rural hospitals provide local, timely access to healthcare services and are economic anchors in their communities. Yet persistent, recent and emergent challenges are straining the ability of rural hospitals to maintain access to services. The COVID-19 pandemic has further limited scarce resources and increased workforce challenges for small and rural hospitals.



POSITION **IHA will advocate for Congress and the Administration to update federal policies and invest new resources in rural communities.** Specific examples include creating new payment and delivery models; removing the physician certification requirement from the 96-Hour Rule; investing in broadband and improving reimbursement to better account for low patient volumes and changes in healthcare delivery. Additionally, IHA will work to increase the availability of federal resources to assist with capital costs to enable rural hospitals to make needed updates and improvements to buildings and equipment that align with changes in how care is delivered (e.g., increase in outpatient services), and allow hospitals to better target services to meet the specific needs of their communities.



Transparency

ISSUE

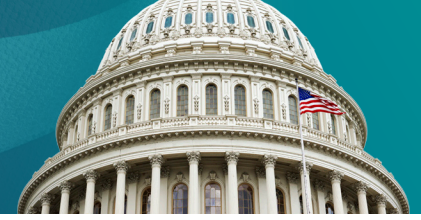
Heightened focus on the cost of healthcare and increasing out-of-pocket expenses for both insured and uninsured patients are motivating federal policy debates about the best approach to reduce costs. Patients deserve access to meaningful information about the cost of their care. Yet recent efforts by the Centers for Medicare & Medicaid Services (CMS), including mandating disclosure of hospitals' privately negotiated third-party payer rates, would result in enormous administrative burden and cost to hospitals, while creating significant confusion for patients and failing to provide clear and useful information about their out-of-pocket obligations.



POSITION

Illinois is a leader in passing legislation to make price estimates, billing, collection and the financial assistance process easier and more transparent for patients.

Hospitals across the state continue to explore how to better serve their patients with comprehensive information. IHA believes patients should have access to meaningful price information, however, we oppose requiring hospitals to disclose privately negotiated rates. Sharing meaningful pricing information can be challenging because the provision of care is complex, and often the exact course of a patient's care is not known in advance. Most importantly for patients, hospital prices do not include how much of the cost a patient's insurance company may cover, as detailed data on health plan benefit and beneficiary cost-sharing amounts are held by insurers. These challenges must be carefully considered in order to prevent undue burden on providers, while failing to provide meaningful information to consumers.



Medicare and Medicaid



ISSUE Medicare and Medicaid are critical sources of health coverage for millions of Illinoisans; however, these public programs reimburse providers below the cost of providing care, and hospitals remain at risk for deeper payment cuts.

POSITION IHA will partner with AHA and other organizations to oppose cuts to Medicare and Medicaid, and promote policies that enable providers to focus on ensuring access and value. Key priorities include:

- ▶ **Ensuring fair and adequate reimbursement** to enable hospitals to continue to care for their patients and communities, including providing 24/7 access to care for all patients, serving as a safety net for vulnerable populations, and responding to natural and manmade disasters.
- ▶ **Investing in the physician workforce** by increasing the number of residency positions eligible for Medicare graduate medical education (GME), and continuing to support indirect medical education (IME), which recognizes the higher costs incurred by teaching hospitals for more clinically complex cases.
- ▶ **Opposing site-neutral payment policies**, which seek to align reimbursement rates for services provided in hospital outpatient departments (HOPDs) with physician clinics.
- ▶ **Extending critical telehealth flexibilities permitted during the pandemic and urging the development of an appropriate statutory and regulatory framework**, including allowing hospitals to code and bill for telehealth services.
- ▶ **Expanding integration and coordination of behavioral health services**, while removing barriers to treatment by amending the Medicaid Institutions for Mental Disease (IMD) exclusion and eliminating the Medicare 190-day lifetime limit on inpatient psychiatric care.
- ▶ **Reducing the volume and complexity of outdated, duplicative and often conflicting federal regulations**, which require hospitals to invest significant financial and human resources without a direct benefit to improving patient care.



Workforce



ISSUE Illinois hospitals and health systems are often the largest employers in their communities. They train tomorrow’s healthcare workforce; build and adjust to keep pace with evolving healthcare trends and technology; respond to natural and manmade disasters; and work to increase care coordination and support diversity and health equity. Hospital leaders face a myriad of workforce challenges, including shortages, burnout and pressure from organized labor.

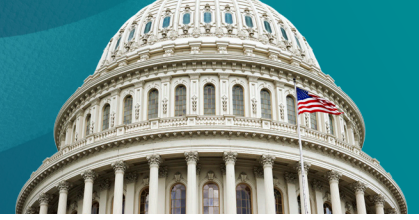
POSITION **IHA will work with AHA to expand programs to reduce workforce shortages,** particularly in rural and underserved communities; support workforce diversity; increase federal support for GME; strengthen workforce programs, such as the National Health Service Corps and Conrad State 30 Program; and support policies that allow healthcare professionals to work at the top of their license. IHA will oppose federal legislation to mandate nurse staffing ratios, which have no correlation to improved outcomes, are a poor use of scarce healthcare resources and would exacerbate nurse shortages.

Health Information Technology



ISSUE Health information technology (HIT) has the potential to improve the quality, safety and efficiency of healthcare. Yet challenges to the interoperability of electronic health records (EHRs) and the secure sharing and exchange of data limit transformational advances in healthcare delivery and operations. Among the challenges to realizing the promise of HIT are privacy issues, upfront and ongoing costs associated with the adoption of HIT, access to broadband, and the adoption of standards that effectively manage the sharing and use of HIT.

POSITION **IHA will advocate for increased investment in broadband and work with our national partners to advocate for the development of an appropriate statutory and regulatory framework to support the role of HIT in care improvement.** IHA will seek opportunities to improve the interoperability of EHRs to ensure secure sharing and exchange of data and protected health information.



Quality/Value-based Care

ISSUE

The healthcare system is changing at a rapid pace and new models of care offer alternative approaches to paying for and delivering care. Illinois hospitals have been at the forefront of improving healthcare quality and patient safety and implementing value-based care arrangements with payers, such as bundled payments, pay for performance, Shared Savings Programs and Accountable Care Organizations. However, existing regulatory framework and payment systems need to be updated and improved to better advance healthcare transformation and align with how care is delivered in the 21st century. Additionally, providers are impeded by complex and often duplicative quality reporting requirements, many of which fail to focus on actual opportunities to improve care.



POSITION

IHA will support efforts to protect federal investment in quality improvement and to streamline and improve quality measurement programs, such as improving the methodology used in the Star Ratings system and Hospital-Acquired Conditions program. IHA will work with policymakers to expand opportunities to test and implement voluntary new models of care that improve quality and value, and ensure access to health services. Specifically, we urge Congress and the Administration to expand opportunities to create and implement new models of care, including targeted models to help maintain access in rural communities; reduce health disparities; address social determinants of health; expand access to behavioral health services and improve population health.

Prescription Drug Prices and Shortages

ISSUE

The skyrocketing price of prescription drugs is preventing patients from accessing the medicine they need and, along with drug shortages, threatens the ability of hospitals to provide the highest quality care to patients.

POSITION

IHA will partner with AHA to support federal policies that address the high cost of prescription drugs and take steps to mitigate future drug shortages, such as improving disclosure requirements for manufacturers and strengthening drug shortage prevention plans.

