



# Health System Alliance of Arizona

## 2017 Policy Priorities

### **Strengthening the Safety Net**

As healthcare providers and advocates, the Alliance supports efforts to ensure there is a strong health care safety net to keep Arizonans healthy and maintain their access to care. To that end, we continue to engage our policymakers in discussions on the potential Repeal/Replacement of the Affordable Care Act and are committed to a deliberate, thoughtful policy solution that strengthens our healthcare system, drives innovation and quality for the benefit of our patients and our delivery system. We also continue to support Medicaid Restoration and Expansion, the hospital assessment and protecting coverage for low income, working families.

The Alliance supports the provisions in the recently approved AHCCCS Waiver, which establish the AHCCCS Care program in Arizona. This program promotes personal responsibility and self-reliance, and prepares the Medicaid population to transition from Medicaid into private healthcare coverage as they re-enter the workforce. We also support the AHCCCS Administration's efforts to build a more integrated, quality-driven healthcare system. To that end, we look forward to partnering with AHCCCS on the continued promotion of integration, and the implementation of Delivery System Reform Incentive Payments (DSRIP) and Value-Based Purchasing initiatives.

### **Protecting Reimbursement**

The regulatory environment for healthcare providers is constantly changing, with increasing regulation. As the largest providers in the state, we understand our responsibility to continue to drive the needle on efficiency, innovation and quality of care. We are actively working to achieve these goals, even in light of the fact that AHCCCS provider reimbursement rates have remained unchanged since the reductions and freezes enacted in the Great Recession. Complicating matters, there are pending policy changes at both the state and federal level that will continue to chip away at this reimbursement. Individually, these policy changes may appear to have a minimal fiscal impact, but in the aggregate, these regulatory changes threaten our systems' ability to continue to provide the same level of efficient, quality-driven care that Arizonans expect and deserve. As an Alliance, we are poised to partner with policymakers to continue to identify ways to achieve our collective policy goals, while also ensuring the short and long-term financial viability of the healthcare delivery system.

The Alliance supports discussions on how to protect and increase support for Critical Access Hospital (CAH) and Disproportionate Share Hospital (DSH) funding streams, which both provide critical support for safety net hospitals. CAH hospitals serve large Medicare and Medicaid populations in Arizona's small rural communities. Rural areas face higher barriers to care, higher medical treatment costs and lower patient volume. Meanwhile, hospitals that receive DSH funding face financial pressures that are unique to their payor mix because a large proportion of their patients are either covered by Medicaid, Medicare or are uninsured. Arizonans rely on these safety net hospitals for highly specialized care and clinical training. It is important

that we engage in discussion on how we can protect these critical funding streams and identify ways to increase them in the future.

### **Ensuring a Strong, Sustainable Healthcare Economy**

Healthcare represents a significant part of the economy in the State of Arizona and the organizations comprising the Alliance are some of the State's largest employers. The Alliance looks forward to working with decision makers to identify policies that ensure the sustainability of this critical industry, while also promoting an economic environment that will allow it to continue to grow and innovate, and create meaningful jobs without the need for unnecessary and burdensome mandates and regulation.

We are committed to working with policymakers and stakeholders to identify ways to grow a strong, sustainable healthcare workforce for the benefit of Arizona's healthcare economy. We need to plant the seeds for growing medical professionals in the early years of a student's education. To accomplish this, we look forward to opportunities to engage on ways we can work to improve and support our K-12 and higher education systems so that we can help develop tomorrow's healthcare workforce.

As the healthcare industry in Arizona continues to grow, so too does the need to attract and retain qualified healthcare providers. Thanks to Governor Doug Ducey, the AHCCCS Administration, and our local partners, many teaching hospitals in Arizona will be able to fill and draw down additional matching dollars for existing residency spots in their Graduate Medical Education programs. We look forward to continuing these efforts to grow and sustain a qualified workforce by identifying mechanisms to expand and establish new residency programs.

We must also assure that we have a regulatory environment that supports these providers in the community. Accordingly, the Alliance supports efforts to establish timely licensure requirements and streamline the process for these providers to become established in the Arizona healthcare delivery system.

### **Improving Care for Arizona: Behavioral Health**

The Alliance supports the continuing discussions on how to improve care for individuals who are diagnosed with a serious mental illness (SMI), or who are suffering from general mental health disorders or substance abuse. We believe these individuals and their loved ones should receive quality and timely care in a setting that is most appropriate to meet their individual healthcare needs. We look forward to engaging in discussions on how to ensure that providers are trained on privacy laws and understand how to appropriately apply and communicate privacy regulations when communicating with patients and their families about their rights.

There also needs to be better partnerships and corridors for care across the continuum between medical and behavioral health. We look forward to continuing in dialogue and expanding partnerships with care professionals in the community to identify ways to increase capacity in the behavioral health system and reduce the number of patients who are held unnecessarily in acute hospital placement settings.

### **Providing Quality Care to Arizona Communities**

A healthy Arizona is a strong Arizona. The Alliance membership prides itself on the innovative, quality-driven care that they provide to Arizona communities around the state. We know that the path to wellness doesn't begin and end in a doctor's office. It begins in a person's own neighborhood, with the availability of healthy food and markets; access to parks, bike paths and hiking trails; and strong community supports and provider networks. We look forward to the opportunity to partner with other healthcare, community and business organizations to continue to build healthier neighborhoods, communities and residents.