

Federal legislators representing Iowa:

U.S. Senator Charles E. Grassley
202-224-3744
chuck.grassley@grassley.senate.gov

U.S. Senator Tom Harkin
202-224-3254
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U.S. Representative Dave Loebsack (2nd district)
202-225-6576

State legislators representing

Johnson County:

State Senator Joe Bolkcom (District 39)
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State Senator Robert Dvorsky (District 15)
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State Senator Jim Hahn (District 40)
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State Senator Becky Schmitz (District 45)
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State Representative Nate Willems (District 29)
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State Representative Larry Marek (District 89)
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State Representative David Jacoby (District 30)
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State Representative Jeff Kaufmann (District 79)
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State Representative Vicki Lensing (District 78)
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State Representative Mary Mascher (District 77)
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Our Mission

Mercy Iowa City heals and comforts the sick and works to improve the health of the community in the spirit of Jesus Christ and the Catholic tradition of the Sisters of Mercy.

Our Values

Respect ■ Excellence ■ Compassion
■ Stewardship ■ Collaboration

For more information about Mercy's legislative agenda, please contact:

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Legislative Agenda 2009

*Ensuring Accessible and Affordable
Health Care for All*

*Supporting Medicare's
Value-Based Purchasing*

Strengthening Medicaid

Strengthening Not-for-profit Health Care

Supporting Health Care Transparency



*Exceptional Medicine.
Extraordinary Care.*

Like the rest of the Catholic health ministry, Mercy's advocacy is grounded in its values and in its commitment to a health care future that works for all. With input from the Catholic Health Association, American Hospital Association, and Iowa Hospital Association, Mercy will focus on five significant legislative issues for 2009. You are invited to become informed and advocate for these positions with elected officials.

For more information:

Catholic Health Association (CHA)

www.chausa.org

Iowa Hospital Association (IHA)

www.ihaonline.org

American Hospital Association (AHA)

www.aha.org

Ensuring Accessible and Affordable Health Care for All

This long-term priority remains at the forefront of our advocacy efforts. Catholic social teaching and values view health care not as a luxury or commodity, but as a basic human right to which we are all entitled. Sadly, those without access to health care suffer significant consequences—especially children.

This year the Catholic health ministry will continue to work to ensure that health care coverage and access for all is a national priority and the focus of legislative action. In addition, Mercy supports short-term steps to reduce the number of uninsured individuals, including:

- Health coverage for all children, including measures to enhance the State Children's Health Insurance Program (SCHIP)
- Measures that strengthen Medicare and Medicaid
- Measures that strengthen other safety-net programs for vulnerable populations

Supporting Medicare's Value-Based Purchasing

Since 2003, Medicare has been moving toward value-based purchasing (VBP), with a goal of providing the highest quality of care at the lowest price to Medicare patients. IHA supports this focus, which will ultimately improve the well-being of Medicare patients and the fiscal health of the Medicare program.

Iowa hospitals have been very successful at increasing efficiencies while remaining committed to high-quality care, a fact underlined by the 2007 Commonwealth Fund report, "Aiming Higher." This report ranked Iowa second in the country across key dimensions of health system performance.

Iowa's hospital community believes that Medicare's continued move toward VBP should be guided by principles that include but are not limited to: payment incentives that reward providers for improving quality and providing effective care; payment incentives that are aligned between hospitals and physicians; performance measures based on adherence to quality improvement processes; and performance measures selected to minimize the data collection burden for providers.

Strengthening Medicaid

A series of recent national reports has demonstrated that Iowa hospitals consistently provide high-quality, patient-centered care. Yet, as with Medicare, this ability continues to be challenged by underfunded government payment programs. In 2008, Iowa hospitals lost \$147 million in providing services to Medicaid patients.

Among difficulties created by this underpayment directly are its direct impact on Iowa's ability to stay competitive in recruiting and retaining clinical staff.

Mercy and IHA urge the State of Iowa to stand behind its Medicaid program by paying hospitals and physicians at Medicare levels. Furthermore, IHA urges the Iowa General Assembly to support specific Medicaid initiatives including but not limited to:

- Setting an annual Medicaid payment allowable growth rate at least one year in advance
- Tying Medicaid payments to Medicare levels *or* tying annual Medicaid increases to similar inflationary increases under Medicare

Strengthening Not-for-profit Health Care

Catholic hospitals and not-for-profit community hospitals protect and promote the health of their communities, and they provide many charitable services.

In recent years, however, the tax-exempt status of not-for-profit hospitals has been scrutinized by legislators, particularly in the areas of charity care and financial assistance to patients.

New taxes or fees could jeopardize the ability of not-for-profit hospitals to provide community health care services. For that reason, Mercy supports the leadership of the Catholic Health Association in this area, which works to strengthen not-for-profit health care by:

- Encouraging greater transparency of financial assistance policies and community benefit reporting
- Promoting the current community benefit standard and the tax-exempt status of not-for-profit health care.

Supporting Health Care Transparency

Although health care pricing is complex and can be difficult for consumers to understand, Mercy and Iowa hospitals are committed to public information and accountability. Such transparency can help people make informed decisions about health care services, especially when it is linked to quality data about providers.

In 2007 Iowa hospitals began voluntarily to publicize hospital charge information on the Web site <www.ihaonline.org>. The site also provides access to quality indicators, community benefits, and economic impact information.

In order for health care prices to be fully evaluated by the general public, other indicators need to be explored. These include state and federal underpayment for services, the role of the payer community, the role of other health care providers, and pricing that is out of the control of the community hospital, such as medical devices and medications.