

AHA Joins WHA Public Policy Council to Discuss 340B Threats, Advocacy State Lawmakers Deliberate Biennial State Budget, Council Receives Update on Advocacy Work

Director of Health Analytics & Policy at the American Hospital Association (AHA), Bharath Krishnamurthy, joined WHA's Public Policy Council to discuss federal activity surrounding 340B and AHA's advocacy and public relations work to protect this critical program for safety-net hospitals across the country.

Krishnamurthy outlined both the allies and opponents AHA faces in Congress, stressing the increased importance of constant engagement by hospitals to tell their story about how 340B is used by hospitals to extend health care to local communities. While drug manufacturers are continuing to increase prices for drugs on both hospitals and consumers, they simultaneously are mounting more aggressive attacks at this vital safety-net program that provides discounts to safety-net health care providers including rural critical access hospitals.



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Krishnamurthy also covered several cases going through the federal legal system regarding Medicare's outpatient payment rule and cases in three different federal appeals courts related to the ability for hospitals to use 340B to benefit their communities while simultaneously providing access to drugs for patients closer to home through contract pharmacies. AHA led a multi-association amicus brief in all three of these cases, but an adverse decision in one of the district courts has resulted in more aggressive pricing practices by drug manufacturers.

Finally, Krishnamurthy encouraged WHA members to work with AHA to help their 340B advocacy effort nationally. The AHA will assist any member interested in placing op-eds or other media in support of 340B in their local community. AHA is also conducting extensive research to further explain to policymakers and the public the benefits of 340B for underserved patient populations in both rural and urban communities.

For more questions or opportunities to engage on 340B advocacy, WHA members can reach out directly to WHA's Vice President Federal and State Relations [Jon Hoelter](#).

Council Receives Update on WHA's Advocacy Work with the Biennial State Budget

WHA's Senior Vice President Government Relations Kyle O'Brien led an update and discussion with council members regarding the

upcoming biennial state budget, which is currently being deliberated by the Legislature's budget-writing Joint Finance Committee.

O'Brien [outlined WHA's ask](#) that members of the Finance Committee cut hospital Medicaid losses in half by investing \$185 million in General Purpose Revenue annually, which includes important hospital reimbursement increases through the Medicaid Disproportionate Share Hospital (DSH) program and the Rural Critical Care supplement. Both programs provide increased reimbursement for hospitals that provide care to a minimum number of Medicaid enrollees. This increase is in addition to several other proposals that hospitals are seeking in the state budget to address a variety of reimbursement challenges including primary care and behavioral health.

Over 100 hospital and health system leaders across the state [signed onto a letter](#) to members of the Legislature's powerful budget-writing Joint Finance Committee echoing the need for these critical investments. The letter discussed difficult decisions that are being made right now by hospitals to limit or close certain services due to inflationary costs increasing at paces that far exceed increased reimbursement from commercial insurance companies or government programs. This letter was covered by [Wisconsin Public Radio](#), [Wisconsin Health News](#), [WisBusiness](#) and nationally in [Beckers](#), in addition to various local radio and television spots.

WHA-led DC Fly-in Focuses on Regulatory Flexibilities, 340B Advocacy

WHA's Vice President Federal and State Relations Jon Hoelter briefed the Council on a litany of issues that WHA members are raising to Wisconsin's Congressional delegation including extending regulatory flexibilities provided to hospitals throughout the COVID-19 public health emergency and defending against policies that cut resources to hospitals. WHA was joined by nearly a dozen members in late April for a fly-in in conjunction with AHA's annual meeting.

Hoelter also reiterated comments made earlier in the meeting about various misguided attacks on hospitals not only on 340B but also on issues like site-neutral payments in Medicare that fail to recognize the safety-net that hospitals provide and the increased regulatory standard for services delivered in a hospital outpatient setting. Hoelter said the House Energy & Commerce Subcommittee on Health has entertained a variety of problematic proposals that would create new restrictions, limitations, or regulations on reimbursement for services provided in hospital outpatient departments.

In addition to WHA's proactive work on regulatory flexibility with members of Congress, WHA will continue to actively engage on the issues of site neutral payments and 340B and discuss how these policies adversely impact Wisconsin hospitals. Expecting that the proposals passed by the Subcommittee on Health could be taken up by House Ways & Means, Hoelter said that AHA is reinstating the site-neutral advocacy alliance and that the issue will remain a priority for WHA's federal advocacy work moving forward.

WHA's Annual Advocacy Day Strong Success with High Satisfaction Scores

WHA Vice President External Affairs Kari Hofer said that WHA's first advocacy day in-person since the pandemic was well received by WHA members, with over 800 registrations and nearly 500 legislative visits by hospital advocates to lobby their respective elected officials during a critical budget season. Hofer stated that attendee satisfaction scores for this year's event remained very strong and that attendees reported they enjoyed being able to spend time understanding issues impacting the entire industry. Council members were asked to hold March 20, 2024 on their calendar for WHA's 2024 Advocacy Day event.

Other Articles in this Issue

- [AHA Joins WHA Public Policy Council to Discuss 340B Threats, Advocacy](#)
- [Wisconsin State Assembly Passes Three WHA-Backed Bills to Expedite Health Care Licensure](#)
- [WHA Hosts Second Stroke Learning Action Network \(LAN\)](#)
- [Resource Spotlight: WHA Information Center Charge Analyzer](#)