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**STATEMENT
of the
Federation of American Hospitals
to the
U.S. House of Representatives Committee on Energy and Commerce
Full Committee Markup of 16 Bills**

September 18, 2024

The Federation of American Hospitals (FAH) submits the following statement for the record in advance of the House Committee on Energy and Commerce Committee markup of legislation including the Telehealth Modernization Act of 2024 (H.R. 7623) and Providing for Congressional disapproval relating to "Medicare and Medicaid Programs: Minimum Staffing Standards for Long-Term Care Facilities and Medicaid Institutional Payment Transparency Reporting" (H.J. Res. 139) on September 18, 2024.

The FAH is the national representative of more than 1,000 leading tax-paying hospitals and health systems throughout the United States. FAH members provide patients and communities with access to high-quality, affordable care in both urban and rural areas across 46 states, plus Washington, DC, and Puerto Rico. Our members include teaching, acute, inpatient rehabilitation, behavioral health, and long-term care hospitals and provide a wide range of inpatient, ambulatory, post-acute, emergency, children's, and cancer services. Tax-paying hospitals account for approximately 20 percent of community hospitals nationally.

Telehealth Modernization Act of 2024 (H.R. 7623)

Hospitals have been at the forefront of modernizing and redesigning patient care by utilizing technology to modernize and redesign how care is delivered, and hospitals have been at the forefront of making these technologies an integral part of our operations. We recognize and applaud Congress for its swift action and significant efforts made to expand access to telehealth, particularly during the COVID-19 public health emergency (PHE), and maintain telehealth coverage through December 2024 in the Consolidated Appropriation Act of 2023.

Throughout the last four years of telehealth expansion, our nation’s health care system has undergone a large-scale transformation which reflected the strong demand for continued telehealth access among patients. The FAH supports H.R. 7623, the Telehealth Modernization Act, which would make the Medicare flexibilities implemented during the COVID-19 PHE permanent. This bill would ensure that rural and urban patients can access care by removing geographic and originating site restrictions. For rural patients, many of whom must travel over an hour for a doctor’s appointment or further for specialty care, this bill provides a critical solution for improving access. Additionally, telehealth and other remote technologies help alleviate staffing shortfalls and burnout, while helping to recruit and retain qualified staff.

Although we strongly support maintaining access to telehealth services, we are deeply disappointed by the Committee’s decision to offset the cost of this policy by imposing a unique national provider identifier (NPI) on all Hospital Outpatient Departments (HOPDs). This policy would result in significant financial and administrative burdens, requiring hospitals to make significant investments in billing and IT updates – resources that should be focused on patient care. Additional and unnecessary reporting obligations would exacerbate the existing pressures on hospitals, including rising costs associated with inflation. We appreciate the growing recognition of administrative burdens in health care in recent years and urge members of the Committee to avoid compounding the problem with this superfluous mandate.

Providing for Congressional Disapproval relating to “Medicare and Medicaid Programs: Minimum Staffing Standards for Long-Term Care Facilities and Medicaid Institutional Payment Transparency Reporting” (H.J. Res. 139)

The FAH strongly opposes minimum staffing ratios due to their unintended negative consequences on long-term care facilities. While we strongly support the goal of ensuring that residents of long-term care facilities receive safe, reliable, and quality care, we oppose approaches that mandate specific minimum hours per resident day for registered nurses and nurse aides and require a registered nurse be on site and available to provide direct resident care 24 hours a day, 7 days per week. Patient and workforce safety is a top priority. However, imposing nursing staff ratios and mandating the quantity of staffing is a flawed approach that will potentially impede rather than promote facilities’ abilities to deliver quality care and retain a quality workforce.

Mandating nurse staffing standards is an approach that is informed by outdated care models, which are based on staff roles and responsibilities of yesterday. Such thresholds are not reflective of emerging care models that consider the dynamic integration of advanced technology and collaborative interprofessional team-based care and will prevent facilities from advancing and responding to current and emerging practices that may show alternative approaches that are more effective and safer for the patient population and workforce of the facility. Imposing an approach that impedes innovation in care delivery is an approach that will inadvertently harm, and not help advance, our collective goals to improve quality and safe patient care and a safe and sustainable care workforce.

The FAH is concerned a push to focus on numerical thresholds will be to the detriment of care delivery advancement and will hinder facilities' ability to test, evaluate, and incorporate innovative care delivery models that more appropriately and comprehensively respond to the needs of the patients of the facility. We are also concerned that implementation of the proposed standards would ultimately hurt access to care by forcing facilities to reduce their capacity or even close their doors to satisfy staffing mandates. **The FAH therefore urges the Committee to pass H.J. Res. 139 to disapprove of the CMS minimum staffing standards requirement proposal.**

We appreciate the opportunity to work with the Committee on these critical issues. The FAH stands ready to collaborate with the Committee on improving our nation's health care system by continuing to advocate for innovative approaches to care for patients and decreasing the burden placed upon caregivers in our communities.