

# Health providers dig into reform at Sun Valley confab

By Zach Hagadone

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About 550 community hospital representatives, volunteers, vendors and hospital trustees are in Sun Valley last week for the 76th annual Idaho Hospital Association convention, and according to Rich Umbdenstock, president and CEO of the American Hospital Association, the conversation is understandably dominated by health care reform.

"Certainly at the national level, it's all about health care reform all the time," said Umbdenstock,



Rich Umbdenstock

who's at the conference representing the national group and serving as keynote speaker.

"It's been quite a bit of a political challenge to define what reform looks like, especially considering the fiscal challenges the nation faces," he added. "At the moment most people expect there will be some expansion of coverage - that's one of the top priorities for the Democrats and those of us from the health care provider perspective."

He pinpointed several areas that the AHA would like to see addressed by whatever reform package ends up being considered, including insurance reform but also a simplification of the payment process, standardization of data sharing systems and malpractice reform.

"Insurance reform is really only part of reform," Umbdenstock said. "We've got to find ways to bring these separate elements of the system together to drop out some of the costs of connecting these disparate parts."

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He said breakdowns in communication are responsible for much of the ballooning cost of care. With a "world of thousands of codes" for billing from insurance companies, hospitals must employ vast departments to handle the complexities. Often patients are left totally confused by what they're being charged for, he said.

"It used to be straight out of pocket from one party to another. You put a third party in there - and in some states they're dealing with hundreds of insurance providers - and then you get differences not so much in codes but in

processes among insurers," he said. "All of a sudden you've gotten into exponential administrative complexity that isn't going to any direct patient care."

Better connecting providers with insurance carriers, patients and hospitals is especially difficult in rural states like Idaho, but Idaho Hospital Association President Steve Millard said big strides are already being made through projects like the Idaho Health Data Exchange, which was started over a year ago.

"Idaho is perfect for that kind of program," he said, especially given the state's shortage of physicians, long distances and small population.

"There's quite a bit of telehealth in

Idaho, and in eastern Idaho a big project is under way for telepsychiatry, which is kind of the low hanging fruit," he said.

"I think the hospitals see the need for adding infrastructure in that area and they are adding it, but it's hard in this economic climate."

Specifically, Millard said, Idaho hospitals are strained by rising bad debt and declining patient volumes.

"It's a financial downward spiral for those two reasons," he said. "We're looking very closely to Washington to help fix it for us."

That includes seeking stimulus funding for health data exchange.

"That's where everybody is reaching toward," he said.

Umbdenstock said the national hospital association is looking very closely to Washington for some kind of action, too, and it couldn't come soon enough.

"I don't think it's moving too fast. I think that's the argument of some who may not want to see these things happen," he said. "But as much as they want to get this done quickly, we're looking at a long, laborious process on the floor (of Congress)."

He added: "Are we going to get everything? No. This will be narrowed down to the fiscal realities and the political realities. Will we be back with the second chapter of reform in two or three years? Yes. The challenges will still be with us. We're going to be at this for a while."