



The Voice of America's Investor-Owned Hospitals and Health Systems





"The hospital,  
along with the firehouse, the school house,  
and the court house, is the very foundation  
of our communities. The Federation is a good  
and constructive voice for their hospitals  
and the people they serve."

-- Tommy G. Thompson  
*Health and Human Services Secretary*

FEDERATION OF AMERICAN HOSPITALS



"Investor-owned hospitals do every day what all health care providers should do: compete to deliver the world's best health care as efficiently as possible. And they are held accountable to a bottom line. That's real world!"

— Representative Bill Thomas (*R-California*)  
Chairman, House Ways and Means Committee



## Who We Are

The Federation of American Hospitals (FAH) is the Washington voice of the nation's investor-owned hospitals. As our members' principal legislative and regulatory advocate with Congress, the Executive Branch, the news media, academia and the public, the Federation promotes member hospitals' interests and philosophy; *that competition and free markets make for a healthier America.*

Our hospitals are located in every corner of the United States, from major medical centers and teaching hospitals in urban centers



to rural hospitals that are the lifeblood of entire regions. They include acute care hospitals, rehabilitation hospitals, long-term acute care hospitals, psychiatric facilities and hospitals that provide advanced cancer care and skilled nursing.

Each year, there are more than four million admissions to investor-owned community hospitals, and nearly 45 million outpatient visits.

With more than 100,000 beds, these hospitals account for 15 percent of the nation's supply of acute-care beds. In addition, there are millions of visits to rehabilitation, psychiatric and other facilities.



Like all community hospitals, the doctors, nurses, and medical professionals in investor-owned hospitals deliver babies, staff emergency departments around the clock, perform life-saving surgery, and help patients recover from serious accidents, injury and illness. They provide necessary care to all, regardless of their ability to pay, including millions of Medicare, Medicaid, and uninsured patients.

Investor-owned hospitals invest in new medical technology and pay for bricks and mortar. Like all hospitals, they are subject to state and federal laws and regulations and are licensed and accredited by state and federal agencies and accreditation bodies. Furthermore, unlike other hospitals, investor-owned hospitals pay taxes that support other services in their communities. The members of the Federation are unified in one, common goal: *giving Americans access to the best, most widely available hospital care in the world.*

**The Federation works closely with other hospital groups to conduct ground-breaking research about important public policy issues.**

"The Federation of American Hospitals is recognized by the Executive Branch, Congress, and the health policy arena as the well-respected voice of America's investor-owned hospitals."

— Mike Bromberg, *Chairman, Capitol Health Group and Vice Chairman, Federation of American Hospitals*





### **Representing Hometown Hospitals in Washington**

From its headquarters on historic Pennsylvania Avenue between the White House and Capitol Hill, the Federation focuses on federal health policy and the impact that decisions made in the nation's capital have on hometown hospitals.

The Federation was founded in 1966, the same year that Medicare began paying hospital bills for America's elderly and disabled. Leaders of investor-owned hospitals foresaw that federal involvement in health care would grow. They understood the need for a strong presence in Washington to help shape both legislation and the regulations that inevitably follow.

With a seasoned staff, the Federation is among the most respected and widely quoted health associations in the nation's capital. Its experts track legislation moving through the House and

Senate, and monitor the development of rules and policies by the White House, at the Office of Management and Budget, at the Centers for Medicare & Medicaid Services, and other Executive Branch agencies.

The Federation speaks out on behalf of legislation important to the future of all hospitals and health care facilities, from how Medicare pays for hospital, rehabilitation and nursing care, to addressing the shortage of registered nurses, to improving health care quality, to safeguarding communities against disease, epidemics and the new threat of bioterrorism.

The news media depend on the Federation to understand how changes in health policy made on Capitol Hill are likely to affect the care delivered back home. Lawmakers and regulators count on the Federation to provide perspective and feedback about how national Medicare policy might affect the care that hospitals deliver.

The Federation has earned the respect of lawmakers on both sides of the aisle.

**Senator John B. Breau (D-Louisiana)** credits the Federation for working "for a health care system that is fairer



**Economist Stuart Altman of Brandeis University offers new projections of future demand for hospital services.**

"The AHA and the FAH work closely together to confront our nation's major health challenges, from assuring quality care to protecting Medicare to fighting to expand health coverage for the uninsured."

— Richard Davidson, *President, American Hospital Association*



and more efficient to all providers and ultimately delivers better medical care to all Americans.”

**Representative Bill Thomas (R-California)**, the Chairman of the House Ways and Means Committee, says investor-owned hospitals “do every day what all health care providers should do: compete to deliver the world’s best health care as efficiently as possible.”



## PHILOSOPHY

Our purpose is to restore patients’ health and keep them healthy. That’s how our hospitals invest in the health of America’s hometowns.

Patients put their lives in our hands. In return, we provide the highest quality care. Our hospitals – from physicians, nurses and therapists to the admitting staff – work tirelessly to deliver that care. We believe that free enterprise works in health care and is the reason why the United States

enjoys the strongest economy and the best hospitals in the world. Competition makes hospitals stronger and more focused on patients.

Our first priority as a hospital association is to work with lawmakers and regulators to make sure that the resources are available to provide high-quality hospital care for all Americans.

We believe that all hospitals are in the public health business. Our hospitals save patients’ lives without regard to whether they have health insurance. We all look forward to the day when all Americans will be insured and support efforts to move as a nation toward that goal.

We also recognize that health care dollars are not unlimited and that it is important to deliver care both efficiently and compassionately.

The Federation is proud of the role that hospitals play in helping Americans recover from illness and injury. Tremendous advances in technology and treatments strengthen the role of hospitals as the cornerstone of our health care system. Hospital work is not merely a job, but a calling.



**The Federation brought academic and industry leaders together to explore challenges that hospitals will face over the next decade.**

"The Federation of American Hospitals is working for a health care system that is fairer and more efficient to all providers and ultimately delivers better medical care to all Americans."

— Senator John Breaux (*D-Louisiana*)



**Public Policy Agenda:** The Federation plays a leading role in important efforts to improve health care for all Americans.

**Adequate Funding:** First and foremost, we work with Congress and the Executive Branch to ensure that hospitals get the resources needed to provide hospital care for all, regardless of their ability to pay the bill.

**The Uninsured:** The Federation is a proud partner in Covering the Uninsured, the Robert Wood Johnson Foundation-backed campaign to address the problem of more than 43 million Americans – mostly in working families – who lack health insurance.

**Quality and Safety:** The Federation is a principal sponsor of The Quality Initiative: A Public Resource on Hospital Performance, a CMS website that reports hospital performance of quality measures. We also support the use of standardized bar codes for drugs to prevent mistakes in dispensing medicine.

**Keeping Medicare Strong:** Medicare accounts for 30 percent of hospital revenues, and it is a lifeline for rural hospitals. The Federation supports efforts to shore up Medicare's finances and ensure that it continues to protect the elderly and disabled from having to worry about hospital bills.



**Liability Reform:** Hospitals, as well as physicians, are feeling the effects of soaring medical liability insurance premiums. This crisis has forced some hospitals to stop delivering babies and interfered with emergency care in other places. The medical liability insurance costs can be solved only with a more rational, less litigious approach to compensating victims of medical malpractice.



**Anti-fraud:** The Federation believes the government needs to work with hospitals as allies, not adversaries, in an effort to ensure that precious Medicare and Medicaid dollars are spent appropriately.

**Privacy:** The Federation understands and supports the need to protect the privacy of medical records, but also is concerned

**The Federation is a principal sponsor of The Quality Initiative: A Public Resource on Hospital Performance.**

“The Federation is an important ally in the struggle to secure health insurance for everyone in this country. The burden of treating the 41 million uninsured Americans falls on all hospitals. The Federation knows that solving this problem is the right thing to do — and makes business sense.”

— Ronald Pollack, *Executive Director, Families USA*



about heavy-handed regulatory approaches that defy common-sense and could impede the smooth delivery of care.

**Bioterrorism and Epidemics:** The Federation is working with the U.S. Centers for Disease Control



and Prevention to better prepare hospitals for public health emergencies, including threats posed by bioterrorism and epidemics such as SARS.

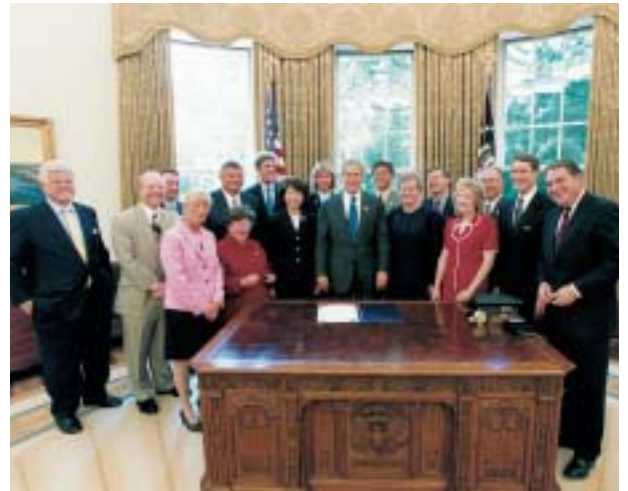
**Workforce Shortages:** Across America, hospitals are suffering serious shortages of registered nurses. The Federation was instrumental in winning enactment of a law allowing nurses to repay federal obligations by working at any hospital, nonprofit or investor-

owned, in a shortage area.

**Parity:** Given the vital role that investor-owned hospitals play in safeguarding community health, we firmly support their right to equal treatment under federal and state programs and regulations.

**Research:** The Federation brought academic and industry leaders together in April 2003 to explore challenges that hospitals face over the next decade. A full report on: "The American Hospital: What Does the Future Hold?" may be found at [www.fah.org](http://www.fah.org).

**Annual Public Policy Forum:** The Federation's Annual Public Policy Conference and Business Exposition brings together hospital executives and leading policy-makers each spring for important discussions. It also affords an important opportunity for suppliers to meet face-to-face with hospital managers and buyers.



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For a complete list of Federation hospitals,  
visit our web site: **[www.fah.org](http://www.fah.org)**.

For additional information, contact the Federation's Washington office at  
**202-624-1500**.

For information about member services  
and the Annual Public Policy Conference and Business Exposition,  
call the FAH administrative office in Little Rock, Arkansas at  
**501-661-9555**.





801 Pennsylvania Avenue, N.W., Suite 245  
Washington, DC 20004-2604  
(202) 624-1500

[www.fah.org](http://www.fah.org)