

# Government Relations Update

April 12, 2016



## Pennsylvania Issues

#### Legislation

- <u>H.B. 1219</u>: Assault of a Health Care Practitioner. On February 9, 2016, State Representative Judy Ward (R-Blair) introduced legislation which would escalate criminal penalties against persons who assault health care practitioners. Pennsylvania law treats simple assaults against police officers, firefighters, judges, teachers and certain other individuals as aggravated assaults. The bill would add healthcare workers to the list, thereby elevating the charge from a misdemeanor of the second degree to a felony. According to Representative Ward, health care workers are twice as likely as those in other fields to experience an injury from a violent act at work and should be entitled to additional protections. Representatives Julie Harhart (R-Lehigh, Northampton) and Peter Schweyer (D-Lehigh) serve as co-sponsors of the legislation, which the House of Representatives passed unanimously on February 10, 2016. It has been assigned to the Senate Judiciary Committee for consideration. The Hospital & Healthsystem Association of Pennsylvania (HAP) and the Pennsylvania Medical Society support the bill.
- H.B. 1841: Perfusionist Permits. As reported previously reported, fewer than 150 individuals graduate annually from 16 accredited perfusion training programs nationwide, resulting in a shortage of qualified perfusionists. The situation is even more tenuous in Pennsylvania, where an individual seeking to be licensed as a perfusionist receives a temporary permit to work under the direct supervision of a licensed perfusionist for two years, during which time the trainee must pass several licensing exams. If the trainee fails one of the required exams for licensing, the temporary permit is revoked, and the trainee is ineligible for licensing. These stringent licensing requirements make it much more difficult for Pennsylvania hospitals to hire persons interested in pursuing a career as a licensed perfusionist. On February 18, 2016, Representative Thomas Killion (R-Delaware) introduced legislation which would allow trainees to retake the licensing exams during the two year training period. On April 4, 2016, the House of Representatives unanimously approved the bill, and it has been forwarded to the Senate for consideration.

#### Miscellaneous

• HAP Regional Meeting: On April 1, 2016, St. Luke's University Health Network hosted the 2016 HAP regional meeting at St. Luke's Hospital – Anderson Campus. Senator Lisa Boscola (D-Lehigh, Northampton) and Representatives Joe Emrick (R-Northampton), Marcia Hahn (R-Northampton), Doyle Heffley (R-Carbon), Ryan MacKenzie (R-Berks, Lehigh), Steve Samuelson (D-Northampton), Mike Schlossberg (D-Lehigh), Harhart and Schweyer attended the meeting. Participants from Sacred Heart Hospital, Blue Mountain Health System, Good Shepherd Rehabilitation Network and Kids Peace also attended. Dr. Robert Dolansky Jr., Medical Director of St. Luke's Care Anywhere, and Ray Midlam, Vice President of Network Development, demonstrated the Network's telemedicine initiatives. HAP discussed its support for telemedicine payment parity legislation, which would ensure that all payors reimburse hospitals for services provided through telemedicine in a manner equivalent to payments for in-person visits.

# **New Jersey Issues**

#### Legislation

• A. 888: New Jersey Task Force on Tiered Health Insurance Networks. As previously reported, Horizon Blue Cross Blue Shield of New Jersey (Horizon) recently began offering tiered health insurance policies to consumers through the formation of the OMNIA Health Alliance. Tiered insurance networks generally limit or constrain the number of providers a patient can select for treatment, in exchange for lower premiums and

out-of-pocket costs. Since the announcement by Horizon, many excluded providers have argued that the selection process for assigning tiers has lacked transparency, accountability and fairness.

On January 27, 2016, Assemblywoman Elizabeth Maher Muoio (D-Trenton) introduced legislation that would create a 21 member taskforce to ensure that new tiered health insurance networks operate in the public's best interest. The taskforce would analyze the competitiveness of the state's health insurance market and study the impact of any proposed tiered networks on the health provider market. The taskforce would also assess the transparency of tier designations and gather information about consumer enrollment. On April 7, 2016, the bill was unanimously approved by the State Assembly, and it has been sent to the State Senate for consideration. The New Jersey Hospital Association is currently monitoring the bill.

## **Federal Issues**

## **Advocacy**

• Hospital Compare Star Rating System: On March 18, 2016, the American Hospital Association (AHA), the Association of American Medical Colleges, America's Essential Hospitals (formerly known as the National Association of Public Hospitals and Health Systems) and the Federation of American Hospitals sent a joint letter to the Centers for Medicare and Medicaid Services (CMS) calling for a delay to the release of new star ratings through the Hospital Compare Star Rating System. The Hospital Compare Star Rating System was first introduced in 2015. It was intended to assist consumers choosing a hospital by highlighting the quality of care achieved by hospitals. However, many hospitals and their associations are concerned that the new star rating measures are inappropriately risk adjusted and that institutions that care for patients with low socioeconomic statuses or multiple complex chronic conditions will receive unfair ratings. Senators Bob Casey (D-PA) and Rob Portman (R-OH) share the concerns raised by the AHA and others and are circulating a bipartisan letter urging CMS to delay the release of the star ratings. The Hospital Compare Star Rating System data is currently scheduled to be released by CMS on April 21, 2016.

#### Legislation

• <u>H.R. 4771</u>: Help Efficient, Accessible, Low-cost, Timely Healthcare (HEALTH) Act of 2016. On March 17, 2016, Congressman Trent Fransk (R-8-AZ) introduced a comprehensive tort reform bill to address the nation's medical liability crisis. The bill would: (1) limit noneconomic damages to \$250,000; (2) institute a federal "fair share rule" limiting a party's share of damages to its percentage of liability; (3) cap contingency fees payable to personal injury lawyers; and (4) prevent the award of punitive damages against companies arising from products approved by the Food and Drug Administration.

Supporters of the bill, including the AHA, assert that the legislation will reduce health care costs and promote access to quality, affordable health care. The American Bar Association (ABA) opposes the measure and argues that it will prevent injured parties from recovering appropriate compensation for their injuries. The ABA also asserts that states should have the autonomy to regulate medical liability actions within their own borders. On March 22, 2016, the House Judiciary Committee held a meeting to discuss the bill. Congressmen Ted Poe (R-2-TX) and Louie Gohmert (R-1-TX) voiced their opposition at the meeting, which forced the committee to temporarily abandon the bill. Although the House Judiciary Committee has not yet rescheduled the meeting, the bill is a priority of the House Republican leadership. According to the Congressional Budget Office, the bill would save about \$40 billion over 10 years.

## Miscellaneous

• <u>Legislative Visits</u>: On March 28, 2016, United States Senator Pat Toomey (R-PA) toured St. Luke's Hospital – Anderson Campus. In addition, on April 4, 2016, Senator Casey held a press conference at St. Luke's Hospital – Allentown Campus to discuss his support for the Drinking Water Safety and Infrastructure Act (DWSIA). If passed, DWSIA will provide over \$700 million to cover lead remediation, support education efforts and fund prevention programs. Senator Casey was joined by Dr. Jennifer Janco, St. Luke's Chairman of Pediatrics, Dr. Bonnie Coyle, St. Luke's Director of Community Health, and Dr. Rachel Levine, Pennsylvania's Physician General.