



Government Relations Update

April 11, 2017



Pennsylvania Issues

Advocacy

- **Medical Imaging and Radiation Therapy Health and Safety Act**: Recognizing the need to have radiologic procedures conducted by personnel educated in anatomy, positioning, exposure technique and radiation safety, Congress voted in 1981 to adopt the Consumer-Patient Radiation Health and Safety Act. The Act directed the Secretary of Health and Human Services to develop minimum standards for state certification and licensure of personnel who administer ionizing or nonionizing radiation in medical and dental radiologic procedures. However, adoption of these standards was rendered discretionary within each state, and there are no sanctions for noncompliance. As a result, only 43 states have developed regulatory guidelines for radiologic personnel, and standards vary dramatically from state to state. In the District of Columbia and the remaining seven states, including Pennsylvania, any individual is permitted to perform sophisticated radiologic procedures after only minimal training.

On March 16, 2017, Representative Bryan Cutler (R-Lancaster) announced that he intends to introduce legislation to regulate and license medical imaging professionals performing services in Pennsylvania. The legislation would create a Board of Examiners to establish standards to improve medical imaging and radiation therapy procedures. The legislation would also outline the requirements for medical imaging licenses, including for fluoroscopy, diagnostic sonography, radiation therapy and radiologist assistants. The Hospital & Health System Association of Pennsylvania (HAP) is reviewing the proposal and seeking input from its members.

Legislation

- **S.B. 288**: Abuse Deterrent Opioid Analgesic Drug Products Coverage Act. Abuse deterrent opioid drug products make certain types of abuse, such as crushing a tablet to snort the contents or dissolving a capsule to inject its contents, more difficult or less potent. On February 2, 2017, Representative Doyle Heffley (R-Carbon) reintroduced legislation to require health insurance carriers to provide coverage for at least three abuse deterrent opioid drug products if the carrier also provides coverage for standard opioid drug products. In addition, the bill would prohibit a health insurance carrier from requiring that an insured patient first use a standard opioid drug product before providing coverage for an abuse deterrent opioid drug product. Representative Heffley believes that the legislation would help reduce opioid abuse while ensuring access to appropriate treatment for patients in pain. HAP supports the bill, which is co-sponsored by Representative Craig Staats (R-Bucks). The bill has been assigned to the House Insurance Committee. The House approved the bill during the previous legislative session by a vote of 190 to 3, but it was not considered by the Senate before the session concluded.
- **H.B. 125**: Insurer Credentialing Legislation. On January 23, 2017, Representative Matt Baker (R-Bradford, Potter, Tioga) reintroduced legislation requiring health insurers to use the standard credentialing application developed by the Council for Affordable Quality Healthcare (CAQH). In addition, pursuant to the legislation, if a health insurer fails to issue a credentialing determination within 30 days after receiving a complete CAQH credentialing application, a provider would be deemed provisionally credentialed and would be paid for services provided by the provider. According to Representative Baker, hospitals and physicians routinely experience lengthy delays in receiving payments from health insurers as result of the numerous credentialing applications used by various health insurers. On April 4, 2017, the bill was passed by the House Health Committee, and it has been sent to the full House for consideration. HAP, the Pennsylvania Academy of

Family Physicians and the Pennsylvania Medical Society strongly support passage of the bill. The bill was voted out of committee in the previous session, but it not considered before the session concluded.

New Jersey Issues

Advocacy

- **Imputed Rural Floor Wage Index**: Section 4410 of the Balanced Budget Act of 1997 established the rural floor adjustment for Medicare wage index purposes. The adjustment ensures that any wage index in a state must be equal to or greater than the statewide rural wage index in that state. In states without rural areas, like New Jersey, an imputed rural floor is created. The imputed rural floor provision was originally set to expire in 2007, but it has been extended each year on an annual basis. The imputed rural floor is now scheduled to expire on September 30, 2017. On March 22, 2017, SLW, together with several other New Jersey hospitals, sent a letter to the Administrator for the Centers for Medicare & Medicaid Services (CMS) requesting that the provision become permanent in the fiscal year 2018 inpatient prospective payment system rule. The New Jersey Hospital Association (NJHA) supports the request.

Legislation

- **A. 3404**: Performance Based Incentive Payments to Physicians. As reported previously, on December 5, 2016, Assemblymen John Burzichelli (D-Cumberland, Gloucester, Salem) and Craig Coughlin (D-Middlesex) introduced legislation which would permit New Jersey hospitals to provide physicians with performance based incentive payments designed to increase quality of care and reduce costs. A hospital that seeks to implement such a plan would be required to establish a steering committee to: (a) develop institutional and specialty specific goals related to patient safety, quality of care and operational performance; (b) implement an incentive payment methodology that ensures fair and consistent payments that correlate with individual and collective physician performance; and (c) adopt a mechanism to protect the financial health of the hospital. The bill would require that at least half of the members of the committee be physicians. Overall payments to individual physicians under a plan would be limited to 50% of the total professional payments for services related to the cases for which that physician receives incentive payments under the plan. On December 19, 2016, the bill was unanimously approved by the Senate, and, on March 16, 2017, it was approved by the Assembly. The NJHA strongly supported the measure, which has been forwarded to the Governor for his expected signature.

Federal Issues

Advocacy

- **H-1B Petition Processing & Travel Ban**: The U.S. Citizenship and Immigration Services (USCIS) historically has accepted premium processing filings for H-1B petitions for non-immigrant visas, which allows cases to be reviewed within 15 calendar days. However, on March 3, 2017, USCIS announced that it would suspend premium processing for H-1B petitions for up to six months. Without premium processing, processing times for H-1B petitions can range from seven months to a year, thereby jeopardizing the expected July 1st start date for incoming residents and fellows at academic medical centers across the country.
- **American Healthcare Act (AHCA) of 2017**: As reported previously, on March 9, 2017, the House Energy & Commerce and the House Ways & Means Committees approved legislation repealing major portions of the Affordable Care Act on matters within their jurisdiction. House Speaker Paul Ryan (R-WI) planned to bring the bill to the House floor for a final vote on March 24, 2017. However, the floor vote was cancelled after Speaker Ryan confirmed that House Republicans did not have the 216 votes needed to pass the bill. As Congress begins its spring recess, President Trump (R) and Republican leadership continue to consider amendments to the American Healthcare Act (AHCA) designed to gather sufficient support for passage in the House. If the bill cannot be passed, the President and Republican leadership may begin to address other priorities, such as tax reform.