



Pennsylvania Issues

Advocacy

- **State Budget:** As previously reported, Pennsylvania has been operating without a budget since July 1, 2015, and the stalemate has impacted school districts, counties and social and human services organizations. A partial budget was passed on December 29, 2015 providing limited emergency funding for schools and human services, but it did not include a final spending plan. Although the prior budget has not passed, Governor Tom Wolf (D-PA) delivered the Commonwealth's 2016-2017 budget address to the Pennsylvania General Assembly on February 9, 2016.

The Governor's proposed \$33.3 billion spending plan seeks higher taxes on workers, smokers and natural gas drillers and would include new taxes on some consumer purchases, such as cable television and movie tickets. Funding for public schools, early childhood education and state-related universities and community colleges would increase. The proposed budget would negatively impact funding for critical access hospitals, obstetrical services, neonatal care and burn centers. Leaders in the House and Senate immediately responded that the budget has no chance of passing, given its \$2.7 billion proposed tax increase. The Hospital & Healthsystem Association of Pennsylvania (HAP) expressed its disappointment and warned that health care access for all patients would be jeopardized by the plan.

Legislation

- **S.B. 717:** Modernization of the Professional Nursing Law. Nurse practitioners performing services in Pennsylvania may treat patients and prescribe medications only through collaborations with physicians. As previously reported, Senator Pat Vance (R-Cumberland, York) reintroduced legislation on April 10, 2015 which would allow nurse practitioners to perform these tasks independently and without the requirement to collaborate with a supervising physician. Twenty other states and the District of Columbia have passed similar legislation. HAP was originally neutral on the proposed legislation. However, the Pennsylvania Coalition of Nurse Practitioners and HAP drafted a proposed amendment to the bill to require that nurse practitioners successfully complete course work and practice hours with a physician as a condition to practicing without a collaboration agreement. On January 29, 2016, HAP announced its support for the amended bill. Several physician groups, including the Pennsylvania Medical Society and the Academy of Family Physicians, still oppose the amended bill. Senators Dave Argall (R-Schuylkill, Berks), Bob Mensch (R-Bucks) and Mario Scavello (R-Monroe) serve as co-sponsors of the bill, which has been assigned to the Senate Consumer Protection and Professional Licensure Committee. Companion legislation has been introduced in the House, where Representative Bob Freeman (D-Northampton) serves as a co-sponsor.

Miscellaneous

- **Pennsylvania Primary Election:** The Pennsylvania Primary Election will be held on April 26, 2016. Voters will select party candidates for President and the United States Congress, as well as the entire Pennsylvania House of Representatives and Pennsylvania Senators who represent odd numbered districts, which includes Senator Argall. Candidates who desire to be included as part of the primary ballot must file nominating petition papers with the Board of Elections by February 16, 2016. Following the certification process by the Board of Elections, a complete list of candidates seeking election will become available. The last day for voters to register, switch party affiliation or change address prior to the primary is March 28, 2016. Absentee ballots may be requested before April 19, 2016 and must be received by April 22, 2016.

- **HAP:** Ed Nawrocki, president of St. Luke's Hospital – Anderson Campus, has been appointed to the Board of Directors of HAP. The Board includes 27 health care leaders from across the Commonwealth.

New Jersey Issues

Advocacy

- **Tiered Health Insurance Networks:** As previously reported, Horizon Blue Cross Blue Shield of New Jersey (Horizon) announced that it would begin 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.

In response to Horizon's announcement and its anticipated impact on patients and providers, members of the state Assembly and Senate have introduced more than 12 legislative bills designed to regulate tiered insurance products, including a bill from Senator Joseph Vitale (D-Woodbridge). The bills seek to increase transparency and oversight of newly introduced tiered health insurance networks and require that these plans adhere to network adequacy rules and establish standards for health benefits. Legislators plan to conduct committee hearings and review testimony on the bills in March. On January 28, 2016, representatives from St. Luke's met with staff members for Senator Vitale to express support for the Senator's bill.

Federal Issues

Advocacy

- **Off-Campus Provider-Based Hospital Outpatient Departments:** As previously reported, on November 2, 2015, President Barack Obama (D) signed into law a federal budget agreement which included a new Medicare site-neutral payment policy. The site-neutral payment policy prohibits payments at hospital outpatient rates for services performed at off-campus hospital sites, unless the location was previously billing as a department of a hospital. New sites will be reimbursed under a freestanding fee schedule, principally the Medicare physician fee schedule or the ambulatory surgical center prospective payment system, which are generally significantly lower than Medicare's outpatient hospital prospective payment system (OPPS) rates. In December 2015, the American Hospital Association, HAP, the New Jersey Hospital Association, Premier and hospital providers throughout the country sought a technical amendment that would allow off-campus, provider-based hospital outpatient departments (HOPD) that were "under development" as of November 2, 2015 to qualify for OPPS payment rates. Despite strong advocacy efforts, the site-neutral HOPD technical amendment language was not adopted by Congress.

On February 5, 2016, the House Energy and Commerce Committee Chairman Fred Upton (R-6-MI) and Health Subcommittee Chairman Joseph Pitts (R-16-PA) released a letter soliciting input from the healthcare community regarding the site-neutral payment policy.

Legislation

- **S. 2484:** Creating Opportunities Now for Necessary and Effective Care Technologies (CONNECT) for Health Act. On February 3, 2016, Senators Brian Schatz (D-HI), Roger Wicker (R-MS), Thad Cochran (R-MS), Ben Cardin (D-MD), John Thune (R-SD) and Mark Warner (D-VA) introduced legislation that would expand telehealth services and increase the use of remote patient monitoring services through Medicare. Specifically, the legislation would: (1) expand the use of remote patient monitoring for patients with chronic conditions; (2) increase telemedicine services in community health centers and rural health clinics; and (3) provide basic telemedicine benefits through Medicare Advantage plans. The bill has been assigned to the Senate Finance Committee for consideration. Companion legislation has been introduced in the House of Representatives, where Congressman Matt Cartwright (D-17-PA) serves as a co-sponsor.