



## Government Relations Update

May 10, 2016



### Pennsylvania Issues

#### Legislation

- **S.B. 1176:** Mental Health Treatment – Database for Availability of Services. On April 1, 2016, Senator Camera Bartolotta (R-Beaver, Greene, Washington) introduced legislation that would create a voluntary tracking system to identify available psychiatric beds throughout the state. The registry would be administered by the Pennsylvania Department of Health and would: (1) contain contact information and descriptive details for participating psychiatric facilities, including residential crisis stabilization units; and (2) provide updated information regarding the number of beds available at each facility, the type of patient who may be admitted at the site and the level of security available at the facility. According to Senator Bartolotta, available psychiatric beds in Pennsylvania routinely remain unused while hospitals struggle to find appropriate treatment centers for their patients. As a result, emergency rooms become overcrowded and patients experience unnecessary delays in treatment. If the bill is enacted, Pennsylvania will join 22 other states and the District of Columbia with similar registries. Senator Pat Browne (R-Lehigh) serves as a co-sponsor of the legislation, which has been assigned to the Senate Public Health and Welfare Committee. The Pennsylvania Medical Society (PAMED) supports the bill.

#### Miscellaneous

- **2016 Pennsylvania Primary:** The Pennsylvania primary election was held on April 26, 2016. The entire state House of Representatives was on the ballot, together with Senators who represent odd numbered senatorial districts. Senator Argall (R-Berks, Schuylkill), whose district includes St. Luke's Hospital – Miners Campus, did not have a primary election challenger and does not have a general election opponent. Similarly, Representatives Day (R-Lehigh, Berks), Emrick (R-Northampton), Freeman (D-Northampton), Hahn (R-Northampton), Knowles (R-Schuylkill, Berks, Carbon), MacKenzie (R-Berks, Lehigh), Rader (R-Monroe), Samuelson (D-Northampton) and Schweyer (D-Lehigh) were unopposed in the primary election and do not have general election opponents. Representatives Brown (R-Monroe), Heffley (R-Carbon), McNeill (D-Lehigh), Parker (R-Monroe), Schlossberg (D-Lehigh) and Staats (R-Bucks) did not face primary election challengers, but will have contested general elections. Representative Simmons (R-Lehigh, Montgomery, Northampton) defeated his primary election challenger and does not have an opponent in the general election. After 11 terms in office, Representative Julie Harhart (R-Lehigh, Northampton) chose not to seek reelection. Republican Zachary Mako, a helicopter pilot for the Pennsylvania Army National Guard, will face Democrat Phillip Armstrong, a retired school teacher, for the open seat in the general election.

### 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, 2016. On March 17, 2016, SLW, together with 18 other New Jersey hospitals and the entire New Jersey legislature, sent a letter to the Acting Administrator for Centers for Medicare and Medicaid Services (CMS) requesting that the policy remain in effect until comprehensive wage index reform is achieved through the legislative or regulatory process, as contemplated by the Affordable Care Act. Unfortunately, CMS instead proposed to extend the program for only one additional year through September 30, 2017.

## Legislation

- **S.799:** Earned Sick Leave. On January 12, 2016, Senator Loretta Weinberg (D-Bergen) introduced legislation which would require New Jersey employers to provide a minimum number of paid sick days to all employees. As currently drafted, employees would accrue one hour of sick time for every 30 hours worked, or about nine days per year for a full time employee. Supporters of the bill assert that it would benefit those working in lower paying jobs. Business groups have vigorously opposed the bill based on the burden to employers. The New Jersey Hospital Association opposes the bill, since it would increase costs to hospitals, especially for the use of per diem staff. On March 14, 2016, the Senate Budget and Appropriations Committee approved the bill, and it has been sent to the Senate for consideration. If the bill passes, New Jersey would be the fifth state to enact a paid sick time law, following Connecticut, California, Massachusetts and Oregon.

## Federal Issues

### Legislation

- **S. 2758:** Promoting Responsible Opioid Prescribing (PROP) Act of 2016. Patient survey results impact Medicare incentive payments to hospitals and physicians, and some commentators argue that survey questions concerning pain management could pressure physicians to prescribe opioids unnecessarily in order to achieve higher patient satisfaction scores. On April 7, 2016, Senator Ron Johnson (R-WI) introduced legislation which would remove any correlation between pain related questions and Medicare reimbursements. Senator Johnson asserts that the bill would permit physicians to use their best clinical judgements when prescribing pain medications without regard to the survey results. Senator Pat Toomey (R-PA) serves as a co-sponsor of the bill, which has been assigned to the Senate Committee on Finance. The American Medical Association, the American Hospital Association, the Hospital & Healthsystem of Pennsylvania and the PAMED support the bill. Congressman Alexander Mooney (R-2-WV) introduced companion legislation in the House of Representative.

### Miscellaneous

- **Pennsylvania Primary Election:** Katie McGinty won the Democratic nomination for United States Senate in the Pennsylvania primary election, beating former Congressman Joe Sestek by a margin 43.1% to 32.9%. Ms. McGinty briefly served as Chief of Staff for Governor Tom Wolf. She also previously served as Pennsylvania's Secretary of Environmental Protection during the Rendell Administration and as an aide to Vice President Al Gore. She will face Senator Toomey, who is seeking his second term, in the general election. Senator Toomey did not have a Republican primary election challenger.

Brian Fitzpatrick, the brother of current Congressman Mike Fitzpatrick (R-8-PA), easily won the Republican nomination for the 8<sup>th</sup> Congressional District. He is a retired special assistant U.S. Attorney and a former FBI agent. He will face current State Representative Steve Santarsiero in the general election. Representative Santarsiero is an attorney and former Township Supervisor and high school teacher. St. Luke's Hospital – Quakertown Campus is located in the 8<sup>th</sup> Congressional District.

Congressman Charlie Dent (R-15-PA), who is running for his seventh term in the House of Representatives, did not have a primary opponent. In the general election, he will face Rick Daugherty, the Executive Director of the Lehigh County Senior Center and former Lehigh County Democratic Chair. Mr. Daugherty ran unsuccessfully against the Congressman in 2012 and 2014. St. Luke's Hospital - Allentown Campus and St. Luke's University Hospital – Bethlehem Campus are located within the 15<sup>th</sup> Congressional District.

Congressman Matt Cartwright (D-17-PA) did not have a primary election opponent, but he will face Republican Matthew Connolly in the general election. Mr. Connolly is a former race car driver who lost in the primary election in 2014. St. Luke's Hospital – Anderson Campus, St. Luke's Hospital – Monroe Campus and St. Luke's Hospital – Miners Campus are located within the 17<sup>th</sup> Congressional District.