

Government Relations Update

March 15, 2016



Pennsylvania Issues

Advocacy

• Telemedicine Legislation: On March 10, 2016, Senator Elder Vogel (R- Beaver, Butler, Lawrence) circulated a co-sponsorship memorandum requesting support for proposed legislation intended to expand the use of telemedicine services in the Commonwealth. The bill would define which services could be provided through telemedicine and would require that insurers reimburse providers for these services. Senator Vogel asserts that increased use of telemedicine would allow patients in rural communities to receive specialized care without traveling long distances. It would also ameliorate access issues created by an aging physician population and a significant increase in the number of insureds in Pennsylvania. The Hospital & Healthsystem of Pennsylvania (HAP) strongly supports the proposed bill and has asked members to contact their legislators to request their co-sponsorship.

Legislation

• <u>H.B. 1841</u>: Perfusionist Permits. Fewer than 150 individuals graduate annually from 16 accredited perfusion training programs nationwide. As a result, there is 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 March 16, 2016, the House Professional Licensure Committee will consider the bill. The committee is chaired by Representative Julie Harhart (R-Lehigh, Northampton) and includes Representatives Rosemary Brown (R-Monroe), Joe Emrick (R-Northampton), Jerry Knowles (R-Berks, Carbon, Schuykill), Gary Day (R-Berks, Lehigh) and Dan McNeill (D-Lehigh, Northampton). HAP supports the bill.

• H.B. 1800: Workers' Compensation Treatment Guidelines. On December 18, 2015, Representative Ryan MacKenzie (R-Bucks, Lehigh) introduced legislation to amend the Workers Compensation Act. As currently drafted, the bill would require that patients receiving care through the workers' compensation system receive treatments, services, products or accommodations consistent with treatment guidelines selected by the Department of Labor and Industry. According to Representative MacKenzie, treatment guidelines mitigate the frequency of surgery and reduce the use of addictive pharmaceuticals prescribed to injured workers. He also asserts that the use of evidence-based treatment guidelines leads to lower costs and better patient outcomes.

Opponents to the bill argue that it will prevent injured workers from receiving individualized healthcare and benefits only the insurance companies seeking to reduce costs. Similar legislation has been successfully implemented in Texas, New York, Colorado and Massachusetts. Representatives Doyle Heffley (R-Carbon) and Dan McNeill (D-Lehigh, Northampton) serve as co-sponsors of the bill, which has been assigned to the House Committee on Labor and Industry. The bill is supported by the Pennsylvania Chamber of Business and Industry and the Insurance Federation of Pennsylvania. It is opposed by the Workers' Compensation Section of the Pennsylvania Bar Association. HAP is still reviewing the legislation.

Miscellaneous

• <u>Legislative Visit</u>: On March 8, 2016, United States Congressmen Lou Barletta (R-11-PA), Matt Cartwright (D-17-PA), Charlie Dent (R-15-PA), Mike Fitzpatrick (R-8-PA) and Leonard Lance (R-7-NJ) visited St. Luke's Center to participate in a Lehigh Valley Chamber of Commerce meeting, which included a taping of the Business Matters television program. Several members of the Network attended the meeting, including Richard Anderson, Pat Bower, Frank Ford, Jane George, Dr. Jeffrey Jahre, Carol Kuplen, Mariella Miller, Bill Moyer, Rochelle Schaller, Ken Szydlow and Robby Wax.

New Jersey Issues

Advocacy

• Request for Hospital Financial Information: On March 9, 2016, New Jersey Senate President Steve Sweeney (D-West Deptford, Salem) requested that every hospital and health care system in the state forward to him their financial results for the past 10 years so that he can better understand the key health care cost drivers in New Jersey. The request came following a committee hearing on proposed legislation that would strictly regulate insurance plans offering tiered networks, including the OMNIA plan from Horizon Blue Cross Blue Shield of New Jersey. During the hearing, Senator Sweeney announced that he would not support legislation that deprives consumers of cost-cutting options in tiered networks. As the Senate President, he has the ability to stall or prevent the introduction of any bill in the Senate. The New Jersey Hospital Association (NJHA) has advised members to comply with the request, since the information is already publicly reported annually to the New Jersey Department of Health. St. Luke's Hospital – Warren Campus plans to comply with the request.

Federal Issues

Advocacy

• Medicare Payment Reform: On March 10, 2016, the Centers for Medicare and Medicaid Services (CMS) announced that it had achieved its goal of tying 30 percent of traditional, fee-for-service Medicare payments to value, instead of volume, 10 months before its self-imposed deadline of December 31, 2016. According to Dr. Patrick Conway, Chief Medical Officer for CMS, approximately \$117 billion of the projected \$380 billion Medicare payments for 2016 are based on alternative models, such as bundled payments, advanced primary care medical homes, value-based payments and affordable care organizations. CMS has announced its goal to tie 50% of traditional, fee-for-service payments to alternative payment methods by the end of 2018.

Legislation

• <u>S. 524</u>: Comprehensive Addiction and Recovery Act (CARA). On February 12, 2015, Senators Sheldon Whitehouse (D-RI) and Rob Portman (R-OH) introduced legislation that would authorize \$78 million from federal fiscal year 2016 through 2020 in funding grants to states to address the national prescription opioid and heroin addiction epidemics. The bill would also direct the United States Department of Health and Human Services to convene an interagency task force to develop best practices for pain management and use of pain medication, expand law enforcement and first responders' access to naloxone and begin an evidence-based opioid and heroin treatment and intervention program. Senator Pat Toomey (R-PA) secured an amendment to the legislation designed to prevent the practice of doctor shopping by forcing patients seeking certain frequently abused drugs to select a single provider to fill those prescriptions. On March 10, 2016, the Senate passed the bill by a vote of 94 to 1, and it has been sent to the House for consideration. The legislation is supported by the National Association of Attorneys General, the Fraternal Order of Police, the National District Attorneys Association, the National Association of State Alcohol and Drug Abuse Directors, Faces and Voices of Recovery, the National Council for Behavioral Health and the Major County Sheriffs' Association.