

Government Relations Update – November 2, 2021

Pennsylvania Issues

Legislation

- **HBs 1561 and 1563**: Mental Health Legislative Package. On June 7, 2021, Speaker Brian Cutler (R-Lancaster), Representative Frank Farry (R-Bucks), and Representative Mike Schlossberg (D-Lehigh) introduced a package of bills intended to modernize Pennsylvania’s mental health and substance use disorder laws (i.e., the Mental Health Procedures Act (MHPA) and the Drug and Alcohol Abuse Control Act (DAACA)) to promote “whole person” health care initiatives. The MHPA and the DAACA were originally enacted in 1970 and 1972, respectively, and contain confidentiality provisions that are more restrictive than Health Insurance Portability and Accountability Act of 1996 (HIPAA) standards.

The legislation would also permit targeted data sharing between the Commonwealth’s Prescription Drug Monitoring Program and providers, facilities, and health plans to identify gaps in care and provide better outreach, education, and support. On October 26, 2021, the bills were approved by the House Human Services Committee. St. Luke’s University Health Network (St. Luke’s) and the Hospital and Healthsystem Association of Pennsylvania (HAP) support this legislation.

- **HB 1644**: Medicaid Care Transition Program. On April 29, 2019, Representative James Struzzi (R-Indiana) sponsored a resolution directing the Joint State Government Commission to study the impact of the Commonwealth’s behavioral health needs and possible solutions for better access to care and referrals for treatment. Based on the results of the study, on June 16, 2021, Representative Struzzi introduced legislation directing the Pennsylvania Department of Human Services to develop a statewide process to place patients who are enrolled in Medicaid with behavioral health or other long-term care needs in appropriate care settings in a timely matter. The legislation was referred to the House Health Committee for review. St. Luke’s and HAP support this legislation.
- **HR 142**: Study on Issuance of Nurse Licensing. On September 20, 2021, Representative Doyle Heffley (R-Carbon) introduced a resolution directing the Joint State Government Commission to conduct a comprehensive study and review of the lengthy licensing process employed by the State Board of Nursing. Delays caused by the current process are compounding healthcare workforce shortage issues. The resolution was unanimously adopted by the House on October 26, 2021. St. Luke’s and HAP support this resolution and seek improvements to the Commonwealth’s nurse licensing system.
- **SB 225**: On March 18, 2021, Senator Kristin Phillips-Hill (R-York) introduced legislation intended to streamline and standardize the process for prior authorization of medical services in Pennsylvania. The current prior authorization process is too often inefficient and increases costs for providers and patients. Moreover, it causes significant delays in treatment, which can cause patient harm.

The legislation would improve transparency, accessibility, and consistency by standardizing the definition of “medically necessary” services. It would also significantly streamline the process by requiring insurers to make available an electronic communications network that permits prior authorization requests to be submitted electronically, and authorizations and adverse determinations to likewise be returned electronically. On June 23, 2021, the Senate Banking and Insurance Committee approved the bill. St. Luke’s and HAP support this legislation.

- **SB 869**: On September 17, 2021, Senator Robert Tomlinson (R-Bucks) introduced legislation to allow licensing boards and commissions to make permanent certain waivers issued through the Governor’s COVID-19 Disaster Emergency Declaration, including waivers allowing licensing boards and commissioners to utilize public virtual board meetings, establish quorums through public virtual means, provide licensees with the opportunity to receive virtual continuing education, and permit certain individuals who need clinical or supervision hours to qualify for licensure to be supervised virtually. Senator Lisa Boscola (D-Lehigh) is a co-sponsor of the legislation. The bill is currently in the Senate Professional Licensure Committee. HAP and St. Luke’s support this legislation.

Federal Issues

- **Medicare Payment Cuts**: On October 14, 2021, Congressmen Ami Bera (D-CA) and Larry Bucshon (R-IN) led more than 245 House members in sending a bipartisan letter to Speaker Nancy Pelosi (D-CA) and Minority Leader Kevin McCarthy (R-CA) seeking delays to scheduled Medicaid payment cuts to physicians, therapists, and health care professionals, including the 2% Medicare sequester, the 4% reduction to providers under the Pay-As-You-Go Act of 2010 (PAYGO), and the expiration of the 3.75% payment increase for physicians under the Consolidated Appropriations Act of 2021.

The combined impact of the Medicare sequester, the PAYGO provisions, and the physician fee schedule reduction would result in Medicare payment reductions of at least 9% for many health care professionals. St. Luke’s will be closely following these issues and will continue its efforts to avert these cuts.

- **Healthcare Student Loan Repayment Program**: On October 14, 2021, the United States Department of Health and Human Services (HHS) announced the availability of \$100 million to fund state-run programs that support, recruit, and retain primary care clinicians who live and work in federally designated Health Provider Shortage Areas (HPSAs). The funding represents a five-fold increase to the State Loan Repayment Program (SLRP) administered by the Health Resources & Services Administration (HRSA). Importantly, HHS removed a prior matching requirement for states and allows states to use up to 10% of the award to cover administrative costs incurred by the states in implementing the programs.

The announcement is in response to the loss of 17,500 health care employees across the country in September, and a total loss of 524,000 health care employees since the start of the pandemic, according to the United States Bureau of Labor Statistics. St. Luke’s notified the Pennsylvania Department of Health (DOH) about the program and urged the DOH to pursue funding.