

Government Relations Update – April 9, 2024

New Jersey Issues

Legislation

- **A1255: Ensuring Transparency in Prior Authorization Act.** On January 11, 2022, Assemblyman Sterley Stanley (D-Middlesex) introduced legislation to streamline the prior authorization process for healthcare services by requiring: (1) health insurance carriers and pharmacy benefit managers to respond to authorization requests for (a) medication coverage within 24 hours for urgent requests and 72 hours for routine requests and (b) medical services within 12 days if submitted in writing or 9 days if submitted electronically for patients who will be receiving inpatient services or patients seeking outpatient services; (2) carriers to honor a prior authorization of services for the treatment of chronic or long-term conditions for 180 days; (3) transparency of clinical criteria guidelines used by carriers in utilization management decisions; (4) carriers to honor a prior authorization for the treatment of certain delineated services for 180 days; and (5) new standards for physicians reviewing requests for authorizations and declining coverage. The prior authorization timeframe remains unaltered at 24 hours for patients currently receiving care in inpatient or emergency room settings. On January 16, 2024, Governor Phil Murphy (D-NJ) signed the legislation into law, effective January 1, 2025.

Pennsylvania Issues

Legislation

- **HB1512: Ensuring Telemedicine Access for Pennsylvanians.** On June 26, 2023, Representative Christina Sappey (D-Chester) introduced legislation requiring insurers to provide coverage to members and reimburse providers of telehealth services for medically necessary services. Representatives Mike Schlossberg (D-Lehigh), Bob Freeman (D-Northampton), Maureen Madden (D-Monroe), and Steve Samuelson (D-Northampton) serve as cosponsors for the bill. On March 25, 2024, the legislation was approved by the House Insurance Committee and sent to the House for a vote. The Hospital and Healthsystem Association of Pennsylvania (HAP) and St. Luke's University Health Network support the bill.
- **HB1956: Improving the Patient Test Results Act.** On January 9, 2024, Representative Bridget Kosierowski (D-Lackawanna) introduced legislation requiring providers to notify patients receiving a diagnostic imaging test at the time of the service that the test results will be available through the patients' electronic health record patient portal, except for patients admitted to a hospital or being treated in an observation status, patients being tested for a chronic condition who are already aware of the condition, and patients who receive the test results immediately at the time of the test. The bill would also allow for delivery of pathology or radiology results likely to reveal a serious condition to be delayed for one full business day so the ordering healthcare provider can notify the patient directly before the results appear in the electronic health record. The legislation was unanimously approved by the House on March 25, 2024, and it was sent to the Senate Health and Human Services Committee. HAP and St. Luke's support this bill.

- **HB 1633: Barring Non-Compete Agreements in Healthcare Employment.** On August 29, 2023, Representative Dan Frankel (D-Allegheny) introduced legislation prohibiting non-compete agreements binding any healthcare practitioners, other than within certain rural counties. On March 27, 2024, the Health Committee approved the bill by a vote of 21-4. Representative Tim Twardzik (R-Schuylkill) voted against the bill. HAP and St. Luke’s oppose the legislation.
- **HB 1672: J-1 Visa Waiver Primary Care Physician Grant Program.** On September 13, 2023, Representative Kristin Marcell (R-Bucks) introduced a bill to address physician shortages in designated medically underserved areas and primary care health professional shortage areas in Pennsylvania. The bill would incentivize physicians to work in these underserved areas by providing grants through the J-1 Visa Waiver Primary Care Physician Grant Program administered by the Pennsylvania Department of Health. The legislation is currently awaiting consideration in the House Health Committee.

Federal Issues

Legislation

- **S3770/HR851: Future Advancement of Academic Nursing (FAAN) Act.** On February 8, 2024, Senator Jeff Merkley (D-OR) and Representative Lauren Underwood (D-IL-14) introduced legislation in the Senate and House, respectively, which would provide resources to support nursing students, retain and hire diverse nursing faculty, modernize nursing education infrastructure, and create and expand clinical education opportunities. The bill includes \$1 billion for new Nursing Education Enhancement and Modernization Grants to nursing schools located, or preparing students to practice, in medically underserved areas, health professional shortage areas, and rural areas. The bill is currently awaiting consideration by the Senate Committee on Health, Education, Labor, and Pensions and the House Subcommittee on Health.
- **S3968: The Community Training, Education, and Access for Medical Students (TEAMS) Act.** On March 19, 2024, Senators Bob Casey (D-PA) and Roger Wicker (R-MS) introduced legislation supporting training opportunities for medical students in rural, underserved communities by creating a nationwide grant program for medical schools and community-based clinics to fund training opportunities in these areas. The TEAMS Act would provide eligible institutions with the opportunity to apply for grants administered by the Health Resources and Services Administration (HRSA). The bill is currently awaiting consideration by the Senate Committee on Health, Education, Labor, and Pensions.

Miscellaneous

- **42 CFR Part 2:** 42 CFR Part 2 (Part 2) was instituted in 1975 to protect the privacy of individuals seeking treatment for substance use disorders. However, the enactment of HIPAA and its intersection with Part 2 required patients to authorize consent forms repeatedly, leading to delays in treatment. On February 8, 2024, the U.S. Department of Health and Human Services (HHS) finalized changes to improve the integration of behavioral health information with other medical records. St. Luke’s supports this change, since it streamlines the consent process and makes it more consistent with the protections afforded by HIPAA.