

Government Relations Update – March 9, 2021

Pennsylvania Issues

Legislation

- **SB 2:** Legislative Approval Requirement for Future Emergency Declarations. As previously reported, on January 11, 2021, Representative Seth Grove (R-York) introduced an amendment to the Pennsylvania Constitution to limit the power of the Governor when declaring a disaster. The constitutional amendment would limit any gubernatorial emergency disaster declaration to 21 days, a reduction from the current 90 day standard, and would require approval of the General Assembly to renew the emergency declaration thereafter. Representative Craig Staats (R-Bucks) co-sponsored the bill. On January 20, 2021, Senator Kim Ward (R-Westmoreland) introduced an identical bill in the Senate. Senators Dave Argall (R-Schuylkill), Pat Browne (R-Lehigh), Bob Mensch (R-Bucks), Mario Scavello (R-Monroe), and John Yudichak (I-Carbon) co-sponsored the bill. The House and Senate approved the bills on January 26, 2021 and January 27, 2021, respectively, largely along party lines with the Republicans voting in the affirmative. Senator Lisa Boscola (D-Northampton) broke with her party and voted in favor of the bill, citing the importance of allowing the legislature to approve emergency declarations processed by the state.

During the COVID-19 pandemic, the Governor's emergency declaration has been renewed several times since the first one was issued on March 6, 2020. Emergency declarations provide important waivers and extensions for hospitals and healthcare facilities, including expanding Medicaid coverage of telemedicine. Emergency declarations also provide authorization for state agencies to use emergency funding, resources and personnel and initiate consumer protections against price gouging. Emergency declarations do not allow for the Governor to shut down businesses or prohibit elective medical procedures. Those powers are granted to the Pennsylvania Secretary of Health under different statutes.

An amendment to the Pennsylvania Constitution requires the same bill to pass both chambers in consecutive sessions, followed by a referendum approved by the voters. Identical legislation passed both chambers last session, and, on February 5, 2021, the legislation was again passed. An initial draft of the referendum was prepared by Attorney General Josh Shapiro (D-PA) and could appear on the ballot as early as May 2021. The Hospital and Healthsystem Association of Pennsylvania (HAP) is determining its position on the referendum.

- **HB 262:** Right to Refuse Act. On January 26, 2021, Representative Russ Diamond (R-Lebanon) introduced legislation which would prohibit an employer from mandating that an employee undergo an invasive medical test or receive a vaccination as a condition to employment or continued employment. HAP and St. Luke's University Health Network oppose the bill, since testing and vaccination policies help protect healthcare workers, patients and communities from infectious diseases.
- **HB 326:** Pennsylvania National Guard Assistance with Distribution of COVID Vaccine. As previously reported, on January 28, 2021, Representative Timothy O'Neal (R-Washington) introduced legislation directing the Pennsylvania National Guard to establish and operate mass vaccination sites in every county in the Commonwealth. Concerns about the proposal prompted advocacy from stakeholders, including St. Luke's and HAP. On February 4, 2021, in response to these concerns, an amendment was adopted on the House floor. The amended bill permits the Pennsylvania National Guard to work with the Department of Health and the Pennsylvania Emergency Management Agency to develop plans for the establishment and operation of vaccine distribution sites in specific regions of the state. The bill was approved by the both chambers, and, on March 3, 2021, Governor Wolf (D) signed the bill into law.
- **HB 633:** COVID-19 Vaccine Registry Act. On February 24, 2021, Representative Ryan Bizarro (D-Erie) introduced legislation to create a statewide COVID-19 vaccine registry. Representatives Robert Freeman (D-Northampton), Maureen Madden (D-Monroe), and Jeanne McNeill (D-Lehigh) serve as co-sponsors. The registry would allow interested residents to register an indication of interest for the vaccine, and providers would have access to the registry to contact patients to fill vaccine appointments. St. Luke's opposes the bill, since most providers are already utilizing their own registration systems, and this registry would be redundant.

New Jersey Issues

Legislation

- **Hospital Bed Tax.** As previously reported, on January 14, 2020, Assemblyman Craig Coughlin (D-Middlesex) introduced legislation in response to lawsuits filed by New Jersey municipalities challenging the real estate tax exemption status of not-for-profit hospitals. On December 17, 2020, the bill was amended to require hospitals to pay \$3.00 per day per licensed bed to avoid real estate taxes. The New Jersey Hospital Association was in favor of the legislation, since it settles the outstanding lawsuits. St. Luke's opposed the bill, since New Jersey law supports tax exemption when real estate is owned by a not-for-profit organization and used exclusively for charitable purposes. Unfortunately, both chambers passed the bill, and, on February 22, 2021, Governor Phil Murphy (D-NJ) signed the bill into law. Effective immediately, St. Luke's Hospital – Warren Campus will pay \$216,810 annually to Phillipsburg, and Phillipsburg will transfer \$10,840.50 annually to Warren County.
- **A1176: Angioplasty Services.** On January 14, 2020, Assemblyman Andrew Zwicker (D-Hunterdon) introduced legislation requiring the New Jersey Department of Health (DOH) to license certain qualifying hospitals to provide full-service diagnostic cardiac catheterization, primary angioplasty and elective angioplasty services. On December 17, 2020, the bill passed both chambers, and, on February 22, 2021, it was signed into law by Governor Murphy. New Jersey hospitals may now apply to the DOH Commissioner for a license to provide acute or emergent primary angioplasty services if the hospital: (1) has been licensed for at least six months to provide full service adult diagnostic catheterization services; and (2) performs a minimum of 250 diagnostic procedures per year, with each interventional cardiologist performing at least 50 procedures per year. New Jersey hospitals may also apply to the DOH Commissioner for a license to provide elective angioplasty services if the hospital is: (1) already licensed by the DOH to provide primary angioplasty services; and (2) prepared to perform a minimum of 200 angioplasty procedures per year, with each interventional cardiologist performing at least 50 procedures per year by the second year of licensure. St. Luke's Hospital – Warren Campus is licensed to provide diagnostic catheterization services.

Federal Issues

Legislation

- **H.R 1319: American Rescue Plan Act.** On February 27, 2021, the United States House of Representatives passed the American Rescue Plan Act, advancing President Joe Biden's \$1.9 trillion budget reconciliation package to the United States Senate. Key provisions in the House bill included: (1) direct payments of \$1,400 for individuals earning up to \$75,000 per year; (2) \$7.5 billion in spending for vaccine administration, \$46 billion for COVID-19 testing and tracing, \$2 billion for personal protective equipment and supplies, and \$10 billion for Defense Production Act supply needs; (3) \$128 billion in grants to help reopen schools; (4) \$15 billion in grants for child care, including \$1 billion for Head Start programs; (5) extension of unemployment benefits of \$400 per week through the end of August; (6) \$25 billion in rental assistance; (7) a \$300 per child per month tax credit increase from July 1, 2021 through December 31, 2021 for eligible families; (8) an expansion of the Earned Income Tax Credit program for low income workers without children; (9) \$25 billion in grants for restaurants and bars and \$1.25 billion for Small Business Association grants; (10) \$7.25 billion in additional Paycheck Protection Program loans; (11) \$30 billion in transportation funding, including \$8 billion for airports; (12) \$50 billion in FEMA disaster relief reimbursements to state and local governments; and (13) the introduction of a \$15 per hour federal minimum wage.

On March 6, 2021, the Senate passed the bill, but not before making material changes to the House version, including: (1) removal of the federal minimum wage provision; (2) increasing the gross income requirement for the \$1400 payment from \$75,000 to \$80,000 per year; (3) reducing the unemployment benefits from \$400 per week to \$300 per week; (4) adding \$8.5 billion in spending for rural hospitals financially impacted by the pandemic; and (5) increasing COBRA reimbursement to help people maintain health coverage following job loss to 100% of the premium amount. Passage in both the House and the Senate was strictly along party lines. The bill will now be reconsidered by the House.