



KEY ISSUES FOR LEGISLATIVE VISITS 2018

ROLE OF ALASKA HOSPITALS:

Hospitals are increasingly blamed for rising health care costs. It is important to remind legislators of the important role Alaska hospitals play in our health care system:

- Hospitals must provide 24/7 access to care, including access to specialized services. Unlike other providers and facilities, hospitals provide emergency care for all patients, regardless of ability to pay.
- Hospitals must be prepared to care for everything from minor injuries to treating victims of large-scale accidents, natural disasters, epidemics and terrorist actions. They must maintain the resources to meet these diverse needs. This role is not separately funded, so costs are spread across all services provided.
- Hospitals today face increasing challenges, such as increasing demands for services, staffing and space constraints, greater expectations for preparedness, below cost reimbursement from government payers, calls for payments equal to other settings of care, and the loss of patients to other settings that do not have the added costs of fulfilling the standby role.

ROLE OF ALASKA SKILLED NURSING FACILITIES:

While SNFs have not received the same negative attention as hospitals, it is important to remind legislators of the important role SNFs play in the continuum.

- Talk about the unique role SNFs play in the health care system and how this cannot be replaced by home and community-based services. Discuss the vulnerable population served by SNFs. Also touch on the need for SNF beds as discharge locations for hospitals.

MEDICAID BUDGET:

There is significant concern in the Senate over the Governor's \$100 million Medicaid supplemental. The supplemental is a result of increased regular Medicaid enrollment due to the weak economy and to a lesser extent Medicaid expansion enrollment. While we understand concerns about Medicaid cost growth, it is critical that the program receive adequate funding in FY 18. Following are suggested talking points on the Medicaid budget:

- Acknowledge the state's fiscal problems and indicate a willingness to work with the Legislature and DHSS on ways to help address the rate of growth of Medicaid.
- Note areas where hospitals have contributed to addressing Medicaid costs or meeting community needs: e.g. the emergency department coordination project, Brother Francis Shelter partnership, other examples from your community.
- Underscore the importance of stable payment. Hospitals and skilled nursing facilities have taken significant reductions in Medicaid rates over the last three years. It is critical that rebasing occur this year and that inflationary adjustments are granted.



- Small facilities and those with a heavy Medicaid payer mix cannot sustain further cuts. Providers have not received inflationary adjustments for three years. Hospitals absorbed a 5% inpatient and outpatient reduction in FY18 and physicians saw a 12-13% cut.
- While the Department will make these decisions, it is important that the Legislature adequately fund the Medicaid budget.

WORKPLACE VIOLENCE/API CAPACITY CONSTRAINTS:

The ASHNHA-supported workplace violence legislation (HB 312), passed the House and currently sits in Senate Judiciary. The first hearing is tentatively scheduled for Friday. Its prime sponsor is Rep. Matt Claman and Rep. Chuck Kopp is also carrying the bill.

- The bill adds a felony aggravator for violence against a health care worker and allows police to arrest for a misdemeanor assault without a warrant in health care facilities.
- In your meetings with Senators, please talk about the issue of workplace violence in health care facilities and the importance of passing HB 312 this session. We ask that you not point to SB 91 (criminal justice reform) as a causal factor. This is a highly contentious topic. If asked about what is contributing to workplace violence, we encourage you to cite a variety of factors (opioid crisis, rising behavioral health needs, changes in policy by Department of Corrections), but not to specifically call out SB 91.
- Please thank House members for passing the bill. It passed 31-1, with eight members absent. The lone no vote was Rep. Eastman.
- Also, please talk to Senators about the impact of API's lack of beds on your hospital. It is important that they understand the critical situation that many hospital EDs face in boarding psychiatric patients.

Key Health Care Legislation 2018

ASHNHA is tracking more than 60 health care related bills. The bills on the following list are the ones you are most likely to be asked about.

HOUSE BILLS

HB 123 (Spohnholz): Health care price transparency

Description: House bill requires that hospitals post prices for the top 50 codes by volume in the lobby and online, along with a description of the service in plain language.

Status: Passed House, no one carrying the bill in the Senate.

ASHNHA position: Support the concept of price transparency. Working with bill sponsor in the House, who is continuing to work on the bill and wants to see the Municipality of Anchorage's price transparency ordinance inserted in the bill in the Senate.

HB 193 (Grenn): Balance billing

Description: Complex legislation that seeks to avoid balance bills in the emergency department.

Status: Introduced last year. First hearing this week.

ASHNHA position: While we understand the concern about balance billing in the emergency department, this bill is too complex and would have unintended consequences for hospitals and the health care system. We do not support the bill in its current form.

HB 215 (Seaton): Public health fees

Description: Gives the Division of Public Health broad authority to charge fees.

Status: Passed House. No hearings scheduled yet in Senate.

ASHNHA position: Initially concerned, but amendment requires the department to engage in a stakeholder process prior to charging fees. Following that amendment, we have been supportive.

HB 268 (Gara): Opioid prescription warning

Description: Requires providers to make certain verbal disclosures to patients before prescribing opioids and to provide a written statement developed by DHSS to patients.

Status: In House HSS. Hearing scheduled 2/22.

ASHNHA position: No position at this time.

HB 312 (Claman/Kopp): Violence against health care workers (See Key Legislative Issues)

HB 313 (Grenn): Recovery of payment by an insurance provider

Description: Provides a statute of limitations so that insurers cannot recoup payment after 18 months except under certain conditions.

Status: No hearings scheduled.

ASHNHA position: Support.



SENATE BILLS

SB 62 (Wilson): Certificate of Need

Description: Repeals CON program.

Status: One hearing in the Senate this year, no further hearings scheduled. There is a companion House bill (HB 153), but it has not received a hearing.

ASHNHA position: Oppose.

SB 63 (Micciche): Regulation of smoking

Description: Prohibiting smoking in the workplace.

Status: Passed Senate. In House Rules Committee.

ASHNHA position: Support.

SB 108 (Giessel): Physician licensure

Description: Expedites physician licensure by expanding authority of Executive Director of the State Medical Board. Also adds a certification process for medical assistants.

Status: Passed Senate Labor & Commerce Committee. Sitting in Senate Finance.

ASHNHA position: Support streamlining of physician licensure but concerned about new certification process for medical assistants. No formal position at this time.

SB 129 (Giessel): Health insurance payments

Description: Repeals 80th percentile regulation through statute and replaces it with 300% of Medicare.

Status: In Senate Labor & Commerce Committee. No hearing has been scheduled.

ASHNHA position: We understand the concern over the 80th percentile, but do not believe that 300% of Medicare is an appropriate replacement. Instead, we believe that the issue should be addressed through regulation, following a stakeholder process to identify alternatives or changes to the regulation.

SB 193/HB 356 (Kelly/Kopp): Medicaid work requirements

Description: Requires DHSS to apply for a waiver to establish work requirements for Medicaid.

Status: Introduced 2/19. In Senate HSS. Companion bill in House (HB 356).

ASHNHA position: No position at this time.