



Washington State
Hospital Association



Critical State and Federal Issues and the 2017 State Legislative Session

What Does it Mean for Hospitals and Health Care?

Zosia Stanley, JD, MHA
Policy Director, Access, WSHA

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Objectives

- Discuss important state and federal issues WSHA is currently working on
- Provide an overview of issues that may come up during the 2017 session



WSHA 2016 Policy Priorities

Successes:

- Telemedicine
- Pharmacy
- Mental health
- Appropriate opioid prescribing
- Rural flexibility
- Reasonable regulatory environment
- Public district hospital issues



Continuing Work:

- Interstate medical licensure compact



Issues We Successfully Opposed

- ASC “hospitals” without rules
- Banning or severely limiting non-compete clauses
- Barriers to hospital partnerships
- Requirements on staffing
- Unintentional over-regulation of hospital blood services
- Dozens of others opposed or amended

Other Key Bills WSHA Supported - Enacted

- **HB 2335:** Provider credentialing
- **HB 2530:** Statewide database to track sexual assault kits
- **HB 2711:** Study to increase availability of Sexual Assault Nurse Examiners
- **SB 6534:** Maternal mortality review panel
- **HB 2362:** Law enforcement body camera recordings

Things to Watch For in 2017 Session

- Interstate physician and/or nurse licensure compact
- Sharing mental health information for care coordination purposes
- Loan repayment for mental health professionals
- Further work on state mental health hospitals
- Mental health funding
- Decision makers for incompetent patients
- Further work on opioids/heroin
- Your ideas?



What You Should Be Doing Now

- Educate your legislators about impact of inadequate mental health treatment options
- Adopt and launch WSHA's model charity care application and communications
- Analyze your community benefit and consider regional coordination
- Analyze your opioid prescribing practices and PMP policies and consider changes
- Analyze whether you “surprise bill” – when and why

Surprise Billing

- Insurance Commissioner's bill was defeated in 2016, but another bill is planned by OIC and legislators for the 2017 session
- Bill may include:
 - Hospital responsibility for communication to patient of physician contracted status with plans
 - Mediation process for payment disputes
 - Default payment rate for out-of-network services
 - Application beyond emergency services

Prior Authorizations

- OIC is developing rules governing prior authorization processes.
- WSHA has formed a prior authorization work group and is active in the rulemaking process
- More information can be found at <https://www.insurance.wa.gov/current-issues-reform/surprise-billing/>
- The Robert Bree Collaborative is considering adopting prior authorizations as a 2017 area of focus. Supports this and believes it may ultimately lead to greater standardization.

Medicare Outpatient Observation Notification (MOON)

- Federal NOTICE Act passed August 2015 requires hospitals to provide verbal and written notice to Medicare patients placed in observation status
- CMS to finalize MOON, hospital requirements will be effective about 90 days after form is finalized
- WSHA plans member bulletin on requirements and a webcast to share best practices for implementation

CMS “Site-Neutral Policies”

- CMS Proposed rule stops Medicare provider-based payment for new clinics and services that were not licensed and billing as hospital services as of September 2015
- AHA, WSHA and others submitted comment letters that CMS rule goes beyond Congressional intent and will have serious negative impact on access.
 - Services and clinics already under development
 - Services unavailable through independent clinics
 - Change in location of existing clinics due to natural disaster or other issues.

MACRA Implementation

- CMS proposed rule requires physicians to be paid under either Medicare Incentive Payment System (MIPS) or under an approved alternative payment model (APM).
- WSHA comment letter:
 - EHR MIPS requirements penalize many small rural providers and hospitals
 - APM requirements exclude most existing value-based models and require significant financial risk for providers
- WSHA has MACRA webinars available on its web site and is coordinating MACRA information for members with the Washington State Medical Association

Healthier Washington



www.wsha.org.healthierwashington.cfm



Global Medicaid Transformation Waiver

Rural Health Care Flexibility



- Option for smallest critical access hospitals authorized by Senate Bill 2450
- Encourages participation and development of state pilot to demonstrate a new payment and delivery model
- Allows participants to rejoin the Critical Access Hospital program if the new model does not work

FQHC and Rural Health Clinic Alternative Payment Model

- HCA seeks to pilot with a set of FQHCs and RHCs effective January 2017
- WSHA is part of RHC stakeholder group
- Goals: incorporation of quality-based payment, support flexibility in care delivery, simplified reconciliation process
- Main remaining issues to be resolved:
 - Calculation of pmpm rates
 - Protection from reductions due to changes in care delivery
 - Selection and measurement of quality measures
 - Reconciliation process

Thank You!

Questions? Comments?

Andrew Busz
Policy Director, Finance
(206) 216-2533
andrewb@wsha.org

Zosia Stanley
Policy Director, Access
(206) 216-2511
zosias@wsha.org