



The influential voice of Nebraska's hospitals

2017 Legislative Review

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www.nebraskahospitals.org

2017 Legislative Session

- 90 days
 - Of 667 bills, 122 flagged as bills of interest to the NHA
 - Budget Shortfall (\$1.1 billion gap between projected revenues and spending for the two-year budget period ending June 30, 2019)
 - Biennial Budget
 - Taxes
 - Corrections
 - Health and Human Services

2017 Legislative Session

- Political landscape
 - 18 new senators
 - 11 Republicans
 - 7 Democrats
 - New Speaker, New HHS Committee Chair
 - New Committee Composition

2017 Legislative Session

- Political landscape
 - 32 Republicans
 - 15 Democrats
 - One Independent, One Libertarian
 - 34 Senators started the session with less than two years experience (70% of the legislature)

2017 Legislative Session's BIG ISSUES

- 90 day session turned into 60 day session
- Rules of the Legislature
- Referencing of Bills
- Day 33, 2 bills signed into law (28 in 2015)
- Day 51, 14 bills signed into law (83 in 2015)

2017 Legislative Session

Bills of Interest

Priority Legislation

Support

LB 61 – Interstate Medical Licensure Compact (HHS)

LB 92 – Telehealth coverage (Banking, Commerce & Ins.)

Oppose

LB 327 – Biennial Budget (Appropriations)

LB 368 – Helmet Law Repeal (T & T)

2017 Legislative Session

Biennial Budget (2017-19)

LB 327 – Biennial Budget (2017-2019)

- Original budget reduced provider rates for inpatient and outpatient PPS hospital services, physicians, and other providers such as case management by 3% (amounting to \$12.4 million cut each year of a \$850 million annual appropriations)
- Governor's veto cut an additional \$11.8 million in General Funds for Medicaid each year (described in veto message as expanding the 3% reduction contained in LB 327 to the other provider groups in Medicaid) (i.e. BH residential/non, Dental, AD waiver, AL)

Dual Eligible Change

- It is the intent of DHHS to avoid across-the-board provider rate cuts with the implementation of a new reimbursement model for dual-eligible Medicaid program participants. Under this new reimbursement model, Nebraska Medicaid will no longer reimburse for services utilizing the Medicare rate and will instead reimburse using the lower Medicaid rate.
- Change is estimated to save Medicaid \$11.8 million. Impacts providers in state by \$23 million.
- Have asked DHHS to study the impact and if savings generated exceed the projections, put the dollars back into rate adjustments for providers.

Heritage Health

- Heritage Health is a new health care delivery system that combines Nebraska's physical health, behavioral health and pharmacy programs into a single comprehensive and coordinated system for Nebraska's Medicaid and CHIP clients.
- It is designed to improve access to care, enhance health outcomes and reduce costs by eliminating inappropriate and unnecessary care through the use of preventive services and improved care coordination.
- The Nebraska Department of Health and Human Services implemented this change Jan.1

Heritage Health

- A survey of 30 our association's member hospitals found that more than 10,000 claims with a total value of \$24 million were unpaid by the plans for more than 60 days. Credentialing, the process by which providers become eligible to provide services to Medicaid beneficiaries, has also been identified as an issue.
- The reimbursement problem is also affecting other Nebraska health care providers. The Nebraska Hospital Association is a member of a newly formed Heritage Health stakeholder group which includes behavioral health, mental health, home health, nursing home and assisted living facilities and providers, along with physicians. The total number of unpaid claims from this group when combined with ours is nearly \$27.2 million.

Heritage Health

- Continuing to monitor implementation of program.
- Keep Senators informed
- Continue working with DHHS to get issues resolved.

Policy Recommendations

OTHER POTENTIAL LEGISLATIVE SUBJECTS:

- ☐ Behavioral Health
- ☐ Telehealth
- ☐ Law Enforcement Custody of Patients
- ☐ Opiate Crisis Initiatives
- ☐ Economic Development
 - Housing
 - Workforce

Nebraska Hospitals

- Nebraska hospitals contributed more than \$1.2 billion (\$301 million of that in bad debt) in 2015 to support programs that benefited their communities.
- Nebraska's hospitals are substantial contributors to the state's economy. They are economic engines for our regions, serving as the largest employer in many communities, significantly contributing to workforce development.
- Every dollar spent by a hospital supports roughly \$2.30 of additional business activity. The goods and services hospitals purchase from other businesses create additional economic value for the community.

Nebraska Hospitals

- The majority of people on Medicaid are children, the elderly, and the disabled. It is those populations that will be most harmed by any cuts in Medicaid.
- Medicaid provides health insurance for 124,000 low income children in Nebraska. Children make up 59.5 percent of Nebraska's Medicaid population. An estimated 25,000 of Nebraska's children under 18 are uninsured.

Nebraska Hospitals

- Hospitals serving more rural regions of Nebraska provide vital care to the almost 670,000 people who live in those communities.
- Almost half of all children living in small towns and rural areas receive their health coverage through Medicaid.
- When a hospital closes, the physicians, nurses, administrators leave, along with the health care infrastructure. The schools suffer, the town suffers. There is a whole multiplier effect that really can be the death knell for some towns.

Advocacy

WHAT CAN YOU DO?

- Legislators make decisions based on their core beliefs, on their knowledge of an issue, on input from experts, on personal counsel, and on feedback from their constituents.
- Communicate with your lawmakers. Lawmakers and their staff want to hear from you because you are a constituent. You are an expert that represents an organization that is vital to the well-being of thousands of people in their district.

Advocacy

- Personal visits and meetings
- Phone calls
- Letters and emails
- Political action. Be involved in the NHA PAC and VOTE.

Advocacy

HOSPITAL TOURS

- Number of Employees
- Annual Payroll Expense
- Number of Clinics/Dept.'s/NF-AL Facilities
- Community Outreach Efforts/Partners
- Specialty Services (Most Proud of Overview)
- Recent Awards/Accolades
- Board Member Names/Companies
- Medicaid/Medicare Populations and your Dual Eligible Population
- Charity Care/Bad Debt Totals
- Issues with MCOs ie. Monies owed, issues with pre-auths
- Are there any state regulations you are having issues with that you would like changed

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