

# NDHA STATE LEGISLATIVE PRIORITIES 2019



# ***2019 Legislative Positions***

## ***Medicaid reimbursement***

### **Overview**

- ❖ ND Medicaid hospital reimbursement has not had an inflationary increase since 2015.
- ❖ The Governor ordered agencies in February 2016 to reduce 2015-2017 budgets by 4.5%, which was a 33% cut to professional fee reimbursement and a reduction of \$30.5 million for the biennium.
- ❖ It also eliminated the budgeted 3% inflationary increase in the second year of the biennium, which was an additional \$6.5 million cut to hospitals.
- ❖ For every \$1 cut in traditional Medicaid reimbursement, ND loses an additional \$1 in federal funds.

## ***2019 Legislative Positions***

### ***Medicaid reimbursement***

#### **NDHA Position**

- ❖ Adequate provider payment rates protect access to necessary medical services for those who rely on Medicaid to get health care.
- ❖ When Medicaid doesn't cover the cost of care, hospitals absorb it in the form of bad debt and charity care, which result in a cost-shift driving up health insurance costs and negatively impacts hospitals' ability to meet public health needs and invest in community services.

# 2019 Legislative Positions

## *Medicaid Expansion*

### **Overview**

- ❖ Medicaid Expansion was authorized by the ND legislature in 2013 and will expire on July 31, 2019, unless reauthorized.
- ❖ Medicaid Expansion currently covers 22,600 North Dakotans.
- ❖ If it is not reauthorized, childless adults would be ineligible. These individuals do not qualify for premium tax credits to purchase coverage through the exchange, so most are likely to be uninsured as they have limited access to employer coverage and unsubsidized coverage is prohibitively expensive.
- ❖ Bad debt and charity care in ND hospitals rose from \$102 million in 2008 to \$274 million in 2014—a nearly threefold increase. After Medicaid Expansion, bad debt dropped nearly in half to \$150 million in 2016.
- ❖ Medicaid Expansion will bring in roughly \$90 in federal matching funds for every \$10 of state general funds invested in the program.
- ❖ The budgeted amount for the 2017-2019 biennium was \$633 million.

## ***2019 Legislative Positions***

### ***Medicaid Expansion***

#### **NDHA Position**

- ❖ NDHA supports legislation to reauthorize Medicaid Expansion.
- ❖ NDHA supports Medicaid Expansion processed by a third party administrator at commercial rates.

## ***2019 Legislative Positions***

### ***Medicaid managed care***

#### **Overview**

- ❖ NDHA is supportive of innovative transformation within the Medicaid program that seeks to improve quality, lower cost, expand access to health care for North Dakota's Medicaid population, and preserve adequate payment to providers for those services.
- ❖ Providers will work with the State to implement an innovative Medicaid managed care approach that promotes quality patient care, controls cost, and uniquely serves the needs of North Dakotans.
- ❖ It will be inclusive; one that recognizes the varying ability of hospitals to bear risk, the need to protect our most vulnerable communities including our Critical Access Hospitals, and the need to work across organizational barriers.

## ***2019 Legislative Positions***

*Medicaid  
managed care*

### **NDHA Position**

- ❖ NDHA supports a collaboration between the State and hospitals to design a provider-led Medicaid managed care program that will create incentives that encourage enrollees to take personal responsibility for their health, offer administrative simplification, promote cost certainty, and in-depth data, and support practice innovations that further efficient, patient-centered care delivery and lead to improved health outcomes.

# 2019 Legislative Positions

## Workforce

### Overview

- ❖ Workforce challenges threaten access to health care services and quality of care. With approximately 1,000 unfilled nursing positions, ND health care providers are forced to hire expensive, temporary staff or limit access to services.
- ❖ Hospitals unable to recruit and retain core staff increasingly are forced to divert patients out of town or even out of state.
- ❖ Healthcare operates on a fixed reimbursement system, so providers cannot increase charges to offset increasing labor costs.
- ❖ Reimbursement rates must be equitable to the cost of care in order for healthcare providers to pay the salaries necessary to recruit and retain staff.



# ***2019 Legislative Positions***

## ***Workforce***

### **NDHA Position**

- ❖ NDHA supports legislation:
  - To implement fair reimbursement rates,
  - Adopt interstate licensure compacts for health care professionals, and
  - Increase slots in nursing and other healthcare education programs.

# 2019 Legislative Positions

## *Physician Licensing Compact*

### **Overview**

- ❖ The Interstate Medical Licensure Compact, which has been adopted in 18 states including MN, MT, and SD, is model legislation that streamlines the physician licensing process in multiple states.
- ❖ The compact requires physicians to be licensed in the state where the patient receives care.
- ❖ The benefit is substantial in a rural state such as ND with multiple border communities. Recruitment of physicians takes place in an increasingly national market and has been made more difficult in ND because of high workforce demands and a growing population.
- ❖ The continued development of telemedicine services makes such legislation important as providers work to meet increased demand and provide better access closer to home.

### **NDHA Position**

- ❖ NDHA supports adoption of the Interstate Medical Licensure Compact to assist in physician recruitment, promote telehealth services, and better manage health care services in markets that cross state lines.

# 2019 Legislative Positions

## *Behavioral Health, Substance Use Disorder*

### **Overview**

- ❖ An estimated 91,912 ND adults experienced some form of mental illness and 51,950 had a substance use disorder in the past year.
- ❖ ND's behavioral health system has critical gaps: a lack of early identification and intervention , difficulty in accessing services, lack of consistent screenings, and lack of or barriers to community-based recovery.
- ❖ ND does not have enough providers and those we have are not evenly distributed across the state. Hospitals, jails, and prisons become the safety net for patients with nowhere to go.
- ❖ Good mental health is associated with higher productivity, better performance, more consistent work attendance, and fewer workplace accidents. It supports healthy relationships, maintains physical health and well-being, and enables good life choices, which reduces the burden on law enforcement and judicial system.

### **NDHA Position**

- ❖ NDHA supports legislation to increase access to early prevention and intervention services as well as expanded treatment and recovery programs.

# ***2019 Legislative Positions***

## ***State concerns to monitor***

- ❖ **Medicaid IHS 100% FMAP.** This project was started to improve care coordination and federal reimbursement for healthcare services provided to American Indians at non-IHS facilities so the State is reimbursed 100%.
- ❖ **AARP–Caregiver bill.** AARP has lobbied multiple times in ND and other states for passage of the CARE Act, which would require hospitals to train lay caregivers for care required for a patient being discharged to home. NDHA continues to oppose this mandate because hospitals are already required to comply with discharge planning requirements of Medicare COPs.
- ❖ **Air Ambulance.** NDHA will monitor bills regarding air ambulance providers. A bill was passed last session to alleviate large bills that patients receive from out of network providers.
- ❖ **Marijuana.** The legislature may revise the current medical marijuana law and legalization of recreational marijuana is on the November ballot.

## ***2019 Legislative Positions***

### ***State concerns to monitor***

- ❖ **Certificate of Need** . NDHA will monitor any attempts to reinstate a hospital certificate of need process.
- ❖ **Construction Project Reviews and Fees**. The cost and time delay associated with review of hospital construction projects is a concern. NDHA will monitor efforts to make the process more efficient and less costly.
- ❖ **Pharmacy Benefit Managers (PBM)**. NDHA will continue to monitor any bills that may be introduced relating to PBMs.
- ❖ **Telehealth**. In 2017, the Legislature passed a bill requiring health insurers to provide coverage of health services delivered via telehealth. NDHA has also worked with ND Medicaid to update its telehealth policies. NDHA will continue to support consistent payment structures across payers that will foster telehealth services.



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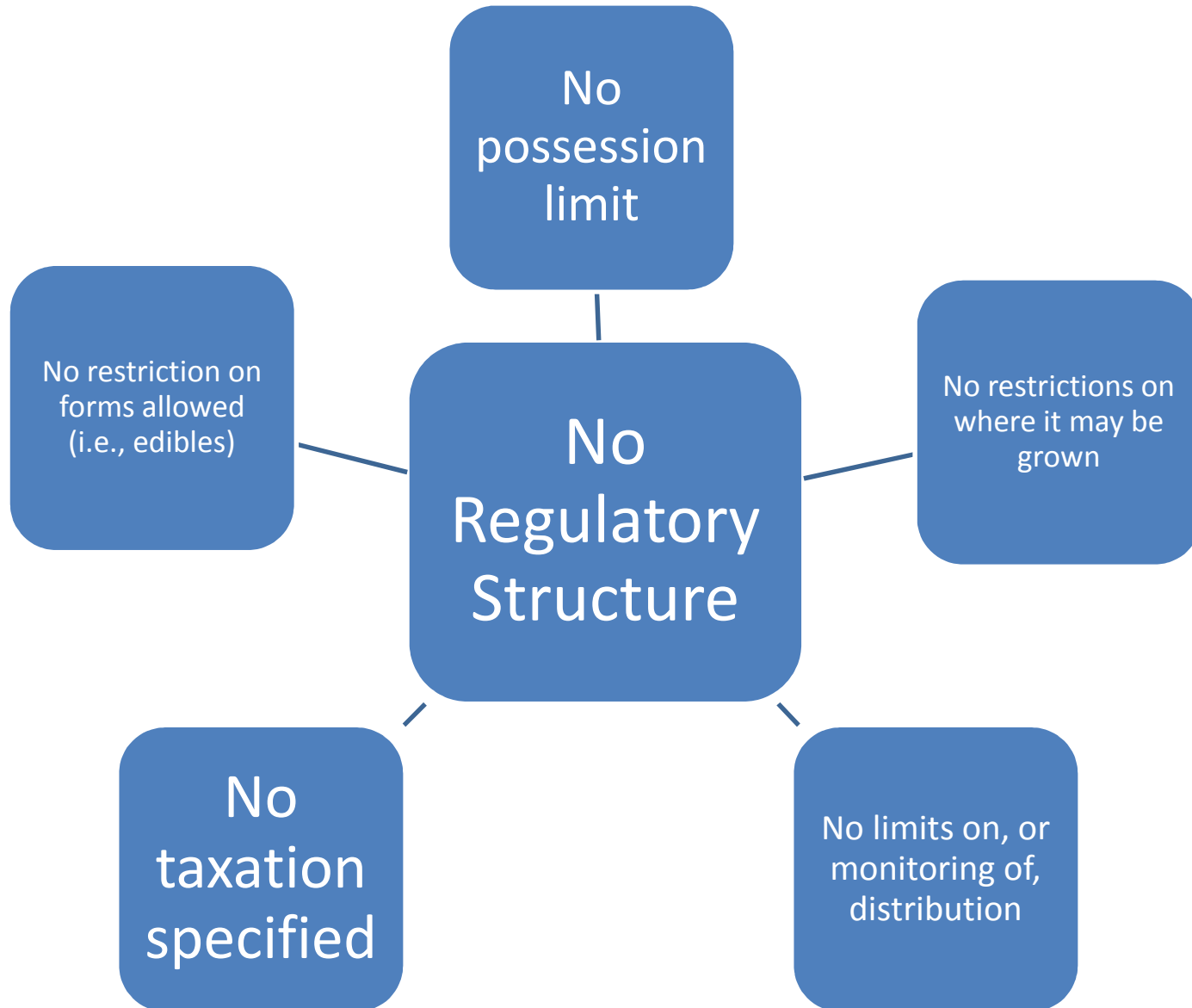
Hospital  
Day at the  
Capitol

January  
29, 2019

# Recreational Marijuana Measure



## *Measure No. 3*







QUESTIONS?

(701) 224-9732  
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