

NDHA

North Dakota
Hospital Association



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VALUE OF MEMBERSHIP



ADVOCACY HIGHLIGHTS

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MESSAGE FROM THE PRESIDENT



I am pleased to present NDHA's 2017 Value of Membership Statement. Have you ever read NDHA's mission statement? It says that NDHA exists to advance the health status of persons served by the membership. Our vision statement affirms that NDHA will take an active leadership role in major healthcare issues in order to achieve that mission. It was a challenging year for us in health care and advancing those goals was tough at times. The Medicaid Expansion program needed

to be reauthorized by our State Legislature and Congress took up numerous attempts to repeal and replace the Affordable Care Act.

These battles are not over with, but I am proud of what we accomplished at the state and federal level this past year. With grassroots support from our members, we were able to secure reauthorization of the Medicaid Expansion program at commercial rates. This was no small feat given the state budget situation. We also communicated to our Congressional delegation our strong opposition to the various health care reform repeal bills. They would have caused too many North Dakotans to become uninsured and they would have slashed Medicaid funding by billions of dollars. Such drastic cuts would have impacted not only patients' access to care but the very financial stability of our hospitals and communities.

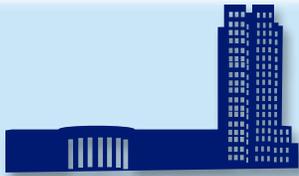
While our advocacy on these issues was successful, we have more work to do to, such as preservation of the 340B drug program, removal of the 96-hour physician certification requirement, and support of general rather than direct supervision for outpatient therapy. We will continue to deliver a strong, effective message to protect the interests of our member hospitals.

We also had a renewed focus on education in the past year to providing high quality, affordable education that is geared toward the issues you currently face. We provided our members with exclusive, North Dakota specific educational programming and informational alerts.

HSISolutions, our subsidiary, also offers services to members such as group purchasing, medical collections, physician recruitment, and physician peer review.

I hope that you will agree NDHA represents the influential and unified voice for North Dakota's hospitals as shown by the fact that, for your dues paid in 2017, NDHA generated over \$650 million of value just in the continuation of Medicaid expansion at commercial rates alone. Together, we can ensure we have strong hospitals that provide access to affordable, safe, high-quality health care, to create a healthier North Dakota.

We value your membership!



STATE ADVOCACY

STATE LEGISLATIVE HIGHLIGHTS 2017-2019

HB 1012

MEDICAID EXPANSION

- North Dakota Department of Human Services appropriation bill included reauthorization of the Medicaid Expansion program for another two years at current commercial rates.
- 2017 – 2019 budget \$633 million

HB 1024

MEDICAID DEFICIENCY APPROPRIATION

- Bill provided a deficiency appropriation to the North Dakota Department of Human Services so that Medicaid claims made during the 2015 – 2017 biennium could be paid to providers.
- Appropriated Amount \$18 million

SB 2312

EMS PERSONNEL

- Bill allows licensed advanced emergency medical technicians and paramedics who are employed by hospitals to provide patient care in the hospital.

HB 1096, 1097, 1157, and SB 2235

LICENSING COMPACTS

- Bills dealt with entering into compacts with other states for the expedited licensing of Advanced Practice Registered Nurses, nurses, physical therapists, and physicians to permit them to practice in all compact states.

SB 2052

TELEMEDICINE

- Bill requires health insurers to provide coverage of health services delivered by means of telehealth. It does not require coverage for health services that are not medically necessary or for services that are not covered if provided by in-person means.



FEDERAL LEGISLATIVE HIGHLIGHTS 2017

Repealing and Replacing the Affordable Care Act

The future of the Affordable Care Act (ACA) dominated the agenda in Washington in 2017.

Throughout this year's repeal and replace debate, NDHA delivered one fundamental message to our North Dakota congressional leaders: if the ACA is to be replaced, we expect coverage levels under a new plan to equal or exceed those we've attained under the ACA. As the healthcare debate continues in the future our focus will be on preserving insurance coverage for North Dakotans.

340B Drug Program

CMS recently finalized a payment reduction for drugs purchased under the 340B drug pricing program to ASP minus 22.5% rather than the current rate of ASP plus 6%. CMS is implementing this policy in a budget neutral manner, redistributing estimated \$1.6 billion in reductions in drug payments to other non-drug services within the OPSS.

NDHA Message: NDHA strongly opposes this policy change. We are concerned; not only with this significant cut, but also that this pricing methodology will set the market with private insurers if they react by following Medicare's example and reducing drug payments.

Direct Supervision of Outpatient Therapeutic Services

For years, NDHA has urged CMS to rescind the requirement for direct supervision of outpatient therapeutic services. Our congressional delegation has supported our efforts.

NDHA Message: The 2018 OPSS final rule reinstates for CYs 2018 and 2019 the moratorium on enforcement of the direct supervision policy for CAHs.

96-Hour Physician Certification Requirement

CMS's condition of payment for CAHs requires a physician to certify that a Medicare beneficiary may reasonably be expected to be discharged or transferred to another hospital within 96 hours of admission.

NDHA Message: The 2018 IPSS final rule makes this requirement a low audit priority, however, the underlying statute still needs to be change to reflect the conditions of participation.

2019-2021 LEGISLATIVE SESSION

Healthcare Workforce

Extend Medicaid Expansion

Medicaid Reimbursement

- Inflation request for PPS hospitals, Physicians, and Nursing Homes
- Maintain CAH payment system (cost-based)

Behavioral Health & Substance Abuse

EDUCATIONAL SERVICES & PROGRAMS

Continuing education is a key service NDHA offers to its members. NDHA provides quality, timely, and cost effective educational programming. In the past year, NDHA hosted more than 200 attendees at 80 educational programs offering a variety of information on important topics such as:

- Patient Rights / Patient Safety
- Cybersecurity
- Telemedicine
- Opioid Epidemic
- Personal Improvement

This past year NDHA was successful in offering several webinars using an internal webinar system. This will continue in the upcoming year covering topics such as fraud and abuse laws, Medicaid presumptive eligibility, and additional information on telemedicine.

HSIsolutions



ACCOMPLISHMENTS

Thank you to all of the facilities that utilize these services of HSI Solutions. Because of your utilization:

- HSI Solutions is the largest contributor to the North Dakota Hospital Foundation, contributing \$40,000 in 2016.
- A dividend is paid to the North Dakota Hospital Association, which equates to 30% of HSI after tax profit. In 2016 this equaled \$120,100.
- Diamond Sponsor for the North Dakota Hospital Association Convention (\$10,000)

