

NDHA

North Dakota
Hospital Association



Est. 1934

VALUE OF MEMBERSHIP



ADVOCACY HIGHLIGHTS

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MESSAGE FROM THE PRESIDENT

Since its inception in 1934, NDHA has provided a number of essential services to our members. Advocacy has been one of NDHA's most important – and successful – core services. We continued that tradition in 2015, compiling a solid record of accomplishments at both the state and federal level.

Education is another core service we provide; it becomes even more critical in today's ever-changing health care environment. It's our goal to provide high quality and affordable education that meets your needs.

Group purchasing, medical collections, and physician peer review are other valued services provided by our for-profit company, HSIolutions.

Health care is changing quickly and dramatically, and we will face many challenges in the years ahead. Your continued strong support will enable us to meet these challenges and ensure that North Dakotans continue to have access to high quality and affordable health care.

Thank you for your past support. I look forward to working with you in the year ahead. As always, don't hesitate to contact me if you have questions or comments.

We value your membership!

NDHA

North Dakota Hospital Association  Est. 1934

1622 E. Interstate Ave.

Bismarck, ND 58503

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STATE LEGISLATIVE ACCOMPLISHMENTS 2013-2015

SB 2012

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICE BUDGET PROVIDED A 3% INFLATOR FOR EACH YEAR OF THE BIENNIUM. PLEASE SEE SERVICE LINES AND FINANCIAL IMPACTS BELOW:

PPS Hospitals - IP & OP	\$9.8 million
Physician Services	\$5.5 million
RHC's	\$0.6 million
Total	\$15.9 million
CAH's	100% of Medicare Allowed

HB 1014

MEDICAL FACILITY INFRASTRUCTURE PROGRAM

1.5% | 1.5% capital loans from Bank of North Dakota

\$32 million | \$32 million available for medical facilities to improve infrastructure.

HB1176

UNCOMPENSATED CARE GRANT FUNDS

\$10 million

- \$10 million for Critical Access Hospitals in oil-producing counties and contiguous counties to address the effects of oil and gas related economic development activities.



STATE LEGISLATIVE ACCOMPLISHMENTS 2013-2015

HB 1049 & HB 1396

STUDENT LOAN REPAYMENT PROGRAMS FOR HEALTHCARE PROFESSIONALS

- Intended to increase healthcare workforce in North Dakota
- Ex. Physician, RN, OT, PT, Lab Techs, Behavioral Health, etc.

HB 1376

PROVIDES POLITICAL SUB-DIVISIONS THE AUTHORITY TO DONATE FUNDS TO NON-PROFITS HEALTHCARE FACILITIES FOR CONSTRUCTION PROJECTS.



NDHA PLATFORM 2017-2019 LEGISLATIVE SESSION

Healthcare Workforce

Extend Medicaid Expansion

Medicaid Reimbursement

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

Potential funding for hospitals in Rural Areas

Behavioral Health & Substance Abuse



FEDERAL LEGISLATIVE ISSUES

MEDICARE PHYSICIAN PAYMENT FIX - SGR

NDHA applauds the congressional action from March 2015 that permanently replaces the flawed Medicare sustainable growth rate (SGR) system for reimbursing physicians with one that moves towards rewarding value and quality of care.

Moving from a system that rewards volume of services to one that incentivizes quality of care is a major step toward bringing greater value to the dollars spent on health care. NDHA and the American Hospital Association worked very closely to avoid hospital payments cuts as a source of funding for the new system.

PREDICTABLE MEDICARE PAYMENTS

Hospitals are leading the transformation in the delivery of health care, helping drive greater care coordination, improved quality of care and patient safety, wringing costs out of the health care system and developing a system that rewards quality of care and not quantity of care.

Yet, we are doing this without a predictable revenue stream. Every time Congress faces a budget crisis, hospitals face additional cuts and even greater uncertainty. In the past years alone, Medicare and Medicaid payments for hospital services have been cut by nearly \$122 billion.

NDHA Message: We urge Congress to reject further cuts to Medicare and Medicaid funding. We need long-term solutions to strengthen our nation's health care system, not arbitrary cuts that undermine hospitals' ability to provide care for North Dakota's seniors and low-income residents.

In the past few years, a number of harmful proposals have been considered by lawmakers as they debated ways to reduce the deficit. They were ultimately rejected, but still have some support and will almost surely be considered as offsets in the next round of deficit reduction talks. They include:

- + Site-neutral payment policies for hospital outpatient departments
 - Estimated ND annual impact \$29 million
- + Reductions in payments for graduate medical education
- + Additional Medicare Bad Debt reductions
- + Additional across-the-board cuts to Medicare inpatient hospital rates through coding adjustments
- + Payment reductions to rural hospital programs



FEDERAL LEGISLATIVE GOALS

MEDICARE DIRECT SUPERVISION POLICY

In 2010, the Centers for Medicare & Medicaid Services (CMS) rules mandated “direct supervision” of outpatient therapeutic services. In response to concerns raised by critical access hospitals, CMS and Congress have delayed the implementation of the policy until January 1, 2015.

Direct supervision requires that a physician or non-physician practitioner (NPP) be immediately available to furnish assistance and direction through the performance of a therapeutic procedure.

NDHA Message: We are deeply disappointed that CMS has ignored the concerns voiced by CAHs about the impact of the direct supervision policy. We believe it is unnecessary, not warranted by clinical evidence and are concerned that it will result in reduced access to care. NDHA strongly supports the legislation our ND congressional delegation has cosponsored that would extend the enforcement moratorium through December 31, 2015. NDHA would also support a bill that would permanently establish “general” supervision as the standard.

96-HOUR PHYSICIAN CERTIFICATION REQUIREMENT

The Centers for Medicare & Medicaid Services (CMS) has indicated it will begin enforcing a condition of payment for CAHs that requires a physician to certify that a beneficiary may reasonably be expected to be discharged or transferred to a hospital within 96 hours after admission to a critical access hospital.

NDHA Message: The 96-hour requirement for payment threatens access to medical services for North Dakota’s seniors. NDHA strongly supports the legislation our ND congressional delegation has cosponsored that would set the standard at an average annual length of stay of 96 hours.

RAC REFORMS

Recovery Audit Contractors (RAC), which were created to foster improved accuracy in claims, have become an administrative burden for hospitals. Because they are paid on a contingency basis, RACs are incentivized to deny claims – even though hospitals successfully challenge an overwhelming majority of those denials. The backlog of appeals has left millions of dollars of hospital claims unresolved.

The increasing number of audits and challenging inappropriate denials drain hospitals’ time, funding and resources that could be more effectively focused on patient care.

NDHA Message: Hospitals take seriously their obligation to bill properly for the services they provide to Medicare and Medicaid beneficiaries and are committed to working with CMS to ensure the accuracy of Medicare and Medicaid payments. NDHA strongly supports RAC reform measures, Senate legislation aimed at reducing the backlog of appeals, and recent proposed rules that reform the two-midnight rule.



FEDERAL LEGISLATIVE GOALS

PRESERVE THE 340B DRUG PRICING PROGRAM

The 340B program is a federal drug pricing program that requires pharmaceutical manufacturers participating in the Medicaid program – to sell outpatient drugs at discounted prices to taxpayer-supported health care facilities that care for uninsured and low-income people.

The pharmaceutical industry has mounted a major effort to weaken this critical program, alleging inadequate oversight by HRSA and abuses in the operation of the program.

NDHA Message: The 340B program is essential to helping safety net providers stretch limited resources to better serve their communities. We certainly support adequate oversight of the program, but we strongly oppose efforts to scale it back.



EDUCATION

CONTINUING EDUCATION

Continuing education is a cornerstone to NDHA's service to its members. It is NDHA's goal to provide members with quality, timely and cost effective programming designed to meet their educational needs.

- From October, 2014 to September, 2015 over 100 webinars were offered.
- By partnering with other state associations, educational opportunities have increased.
- Continuing education is offered for specific disciplines such as nurses, licensed nursing home administrators, and others as the need arises.
- Education registration fees have stayed affordable over the last several years; NDHA members receive a significant discount from non-member fees.
- The NDHA annual convention & trade show is held every October and is a great opportunity for networking with your peers, earning continuing education, and seeing the latest and greatest in products and services from vendors during the trade show.
- NDHA wants your input on educational topics! You are encouraged to submit suggestions for consideration. NDHA's goal is to meet your educational needs. Email Pam Cook at pcook@ndha.org if you have any questions, suggestions, or are interested in participating on the NDHA Education Committee.

HSIsolutions



GROUP PURCHASING

- Partnered with Amerinet
- Access to cost saving contracts & solutions
- HSI solutions territory includes ND, SD, MN



MEDICAL COLLECTIONS

- Recovering medical debt for over 50 years
- Experienced staff
- Excellent recovery



PHYSICIAN PEER REVIEW

- Business Linx serves as the clearinghouse for confidential record review
- 23 CAHs currently participate in this program
- Low cost to participate

2015 ACCOMPLISHMENTS

Thank you to all of the facilities that utilize these services, the results of this utilization benefited all NDHA members:

- HSI solutions is the largest contributor to the North Dakota Hospital Foundation
- A dividend is paid to the North Dakota Hospital Association, which equates to 30% of HSI after tax profit.
- Diamond Sponsor for the North Dakota Hospital Association Convention (\$10,000)