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Tennessee Hospital Association
2018 Legislative Outlook
Mid-South
Medical Group Management Association
October 19, 2017

Agenda

• Federal Update
• Political Landscape
• 2017 Session Recap
• 2018 Legislative Agenda
Federal Update

• ACA Repeal and Replace
• Stability for Individual Insurance Market
• Rural Hospital Extenders
• CHIP Reauthorization
• Debt Ceiling/Budget
• 340B Program
• Area Wage Index

Political Landscape

• Gubernatorial election in 2018
• Seven major candidates
  – Five Republicans
    • State Sen. Mae Beavers
    • Congressman Diane Black
    • Businessman Randy Boyd
    • House Speaker Beth Harwell
    • Businessman Bill Lee
  – Two Democrats
    • Former Nashville Mayor Karl Dean
    • State Rep. Craig Fitzhugh
Political Landscape

• Full House and half of the Senate will be up for election in 2018
• More than a dozen departing, retiring or transitioning legislators
  – Sens. Bill Ketron, Mark Norris, Doug Overbey
  – Reps. David Alexander, Harry Brooks, Brenda Gilmore, Roger Kane, Judd Matheny, Jimmy Matlock, Joe Pitts, Mark Pody, Art Swann

2017 Session Recap

• Health Services and Development Agency
  – On track for three-year extension throughout session
  – Delayed for floor vote in House
  – Denial of FSED application led to broader issues
  – Initially doomed, but revived on the floor and extended one year
• Maintenance of Certification
  – Biggest battle of 2017 with TMA and physician groups
  – Widespread opposition from hospitals and payers
  – Compromise bill restricted Board of Medical Examiners, created study task force for hospital and payer concerns
2018 Legislative Agenda

• THA Bills
  – Hospital assessment
    • Continuing at 4.52 percent
    • Modifications with move to directed payments made in 2017
  – Psychiatric Hospital Data Reporting
    • Update law to require claims data reporting
    • Will enable access to Tennessee Health Information Network data
    • Strengthen dataset with behavioral health utilization
  – Hospital/Payer Credentialing of Physicians
    • Seek parity/reciprocity for insurance credentialing when hospital process is complete
    • Reduce delays for physicians to begin providing services

2018 Legislative Agenda

• THA Bills
  – Corporate Practice of Medicine
    • Working with stakeholder groups – radiologists, anesthesiologists, pathologists and emergency physicians – and TMA to discuss and explore solutions to employment restriction
    • Ultimate goal is to enable hospital employment of these specialists
  – Payment Reform Regulation
    • Caption bill from 2017
    • In the event episodes of care are made mandatory in commercial market, there is a need for state oversight by Department of Commerce and Insurance
2018 Legislative Agenda

• **Priority Issues**
  – Health Services and Development Agency
    • Sunset returns after one-year extension
    • Push for three-year extension as intended in 2017
  – Maintenance of Certification
    • Legislative task force meeting in October and November
    • Possible compromise with Texas model
  – Balance Billing
    • Lots of summer conversation about issue and expectation for legislation in 2018
    • Providers working on possible solution based on 2016-2017 work with TDCI on model legislation

• **Other Items of Interest**
  – Stroke Treatment
    • Recommendations by Stroke Treatment and Best Practices Task Force due to General Assembly
    • Statewide recognition of stroke designation
    • Destination guidelines/protocol
  – Doctor of Medical Science
    • Advanced degree for physician assistants
    • Led by LMU with some physician support
    • Recommendation to remain neutral on issue
Political Landscape

- Gubernatorial election in 2018
  - Five Republicans
    • State Sen. Mae Beavers
    • Congressman Diane Black
    • Businessman Randy Boyd
    • House Speaker Beth Harwell
    • Businessman Bill Lee
  - Two Democrats
    • Former Nashville Mayor Karl Dean
    • State Rep. Craig Fitzhugh
- THA’s Future of Medicaid Task Force
  - Set of recommendations for candidates

Political Landscape

- Full House and half of the Senate will be up for election in 2018
- Growing numbers of departing, retiring or transitioning legislators
- Very different membership in 2019 with new Speaker of the House
- Corker Decides NOT to Run Setting the Stage for Possible Blackburn vs Bredesen Battle
Legislative Recommendations

• Hospital assessment
  – Continuing at 4.52 percent
  – Minimal modifications needed to bill language
  – New Senate sponsor for 2018, new House sponsor coming in 2019

• Psychiatric Hospital Data Reporting
  – Update law to require claims data reporting
  – Will enable access to Tennessee Health Information Network data
  – Strengthen dataset with behavioral health utilization

Legislative Recommendations

• Hospital/Payer Credentialing of Physicians
  – Seek parity/reciprocity for insurance credentialing when hospital process is complete
  – Reduce delays for physicians to begin providing services

• Joint Annual Report Instructions
  – Technical change in statutory language:
    • From “data should be consistent with hospital financials” to “data should be consistent with Medicare cost report”
  – Eliminates ambiguity and errors in reporting
  – Pending formal recommendation from THA Data Policy Committee
Legislative Recommendations

• Corporate Practice of Medicine*
  – Working with stakeholder groups – radiologists, anesthesiologists, pathologists and emergency physicians – and TMA to discuss and explore solutions to employment restriction
  – Ultimate goal is to enable hospital employment of these specialists
  *Decision to move forward with bill pending outcomes of stakeholder meetings

Priority Issues

• Health Services and Development Agency
  – Sunset returns after one-year extension
  – Joint committee recommended three-year extension, as intended in 2017
• Maintenance of Certification
  – Legislative task force met Oct. 5, next meeting Nov. 7
  – TMA wants compromise with Texas model
  – THA Board wants to continue to oppose
Priority Issues

• Balance Billing
  – Lots of summer conversation about issue and expectation for legislation in 2018
  – Providers working on possible solution based on 2016-2017 work with TDC on model legislation
  – Overlap with corporate practice discussion
• Stroke Treatment
  – State recognition of stroke designations
    • Use existing national designations rather than new state-created system
  – EMS protocol and destination guidelines
    • Statewide standards to be implemented within each EMS region

Priority Issues

• Doctor of Medical Science
  • Advanced degree for physician assistants
  • Led by LMU with some physician support
  • Recommendation to remain neutral on issue, but watch closely
CHIP Reauthorization

FQHC Funding