



IOWA HOSPITAL
ASSOCIATION

We care about Iowa's health

Legislative and Regulatory Update

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Iowa Hospital Association

Identifying Legislative Priorities

*Disclaimer: These priorities are not final yet

Workforce

Workforce

- Recruitment and Retention
- Workplace Violence
- Medical Malpractice Reform

Hospital Operations

Hospital Operations

- Certificate of Need
- Maternal Health
- Behavioral Health
- Pharmacy Practices
- Cybersecurity

Rural Emergency Hospitals

Rural Emergency Hospitals

- Developed in Dec. 2020 and will go into effect Jan. 2023
- REHs could provide emergency and outpatient care
- Will receive OPPS rate plus 5% and a monthly facility fee
- Rules released at the federal level
- Need state licensure

Hospital Finances

Hospital Finances

- Needed increases in Medicaid rates
- Reducing complexities within Medicaid Managed Care

Federal Update

REH Update

REH- CoPs

- **REH regulations**
 - Comments due August 29th
 - Tracks CAH CoPs
 - CMS requests feedback
 - OB services/surgical services
 - QAPI
 - ED on call requirements

REH-CoPs

- **CAH – change in definition of primary roads for mileage requirements**

- *CAH be more than a 35-mile drive on primary roads, or a 15-mile drive on roads in mountainous terrain or in an area with only secondary roads available, from a hospital or CAH. CMS further defined “primary road” to include either of the following:*

- *A numbered federal highway (including interstates, intrastates, expressways or any other numbered federal highway)*
- *A numbered state highway with two or more lanes each way.*

REH-OPPS

- **REH regulations – payment provisions – OPPS**
 - Applicable OPPS rate plus 5% as well as a monthly facility payment (rate of \$268,294/month or approximately \$3.2M/year)
 - All covered outpatient department services paid at the applicable OPPS rate plus 5%
 - Items and services that are not REH services will be paid under the payment system applicable to the item or service (ie. fee schedule)

REH

- **State Licensure**

- DIA
- Governor's office
- Legislators

- **Other efforts**

- State Hospital Associations
- AHA

Inflation Reduction Act of 2022

- **Extends for three years the expanded eligibility and value of the ACA subsidies**
- **Allows Medicare to negotiate drug prices on a limited set of drugs, including insulin**
- **Addresses climate change through tax changes and spending subsidies**
- **Reduces the deficit**

IPPS Final Rule – Oct. 1, 2022

- **Increases payment rate by 4.3% (1.1% points higher than proposed)**
- **Permanently applies a 5% cap on any decrease in a hospital's area wage index**
- **Use FY18 and FY19 Worksheet S-10 data to determine DSH uncompensated care payments**
- **Distributes %10.4B in DSH payments**
- **Adds 10 new measures to the IQR program, including 3 new health equity measures and 2 maternal health measures**

OPPS Proposed Rule – Jan 1, 2022

- Increases payment rates by 2.7%
- Anticipates paying 340B hospitals at average sales price plus 6%
- Payment, enrollment and quality policies for REH
- Exempts SCHs from site-neutral clinic visit cuts
- Continue payment for remote BH services beyond the end of the PHE
- Revises the IPO list – nothing substantial

Thank you!

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