Hospitals’ Focus Turns to Lame-Duck Congress

With the presidential election now in the rear view mirror, the American Hospital Association’s (AHA) focus turns to the lame-duck congressional session. The 114th Congress returns today for its final weeks of the session. At the top of the agenda – keeping the federal government open past December 9 when current funding runs out. The AHA is hopeful that legislators will also support crucial must-pass legislation for hospitals and health systems. This legislation would:

- Address the consequences of the Bipartisan Budget Act (BiBA) on Medicare outpatient payment to off-campus outpatient clinics that were under development at the time of passage;
- Adjust the Centers for Medicare & Medicaid Services’ final rule to allow for greater flexibility for off-campus hospital outpatient departments on relocation and other issues;
- Establish a socioeconomic adjustment in the Medicare hospital readmissions program;
- Extend the Rural Community Hospital Demonstration Program;
- Address “25% Rule” relief for long-term care hospitals; and
- Ensure flexibility in physician supervision for critical access hospitals.

Read more about these priorities in the October 27, 2016 letter, which AHA sent to all members of Congress. Click on http://www.aha.org/letters.

Once the 115th Congress convenes in January, there will be a new cadre of people in decision-making positions. While Republicans continue to control the House and Senate, the White House now also belongs to the GOP, after Donald Trump, who has said he would dismantle the healthcare law that has allowed uninsured millions to gain access to healthcare and has accelerated the shift to value-based care and payments, won the presidency. The AHA has expressed that it looks forward to working with the new administration and Congress in advancing the transformation of healthcare, ensuring access to coverage, preserving adequate resources for healthcare, protecting patient access to care, enhancing the quality of care and patient safety, and making healthcare more affordable.

AHA Board Seeking Member-at-Large Interest

During the 2016 Arkansas Hospital Association (AHA) House of Delegates meeting last month, Ron Peterson, president and CEO, Baxter Regional Medical Center in Mountain Home, was elected to serve as Arkansas’ Alternate Delegate to the American Hospital Association’s Regional Policy Board (RPB) 7. His term begins in December. As a representative to the RPB, he also holds an ex officio seat on the AHA board of directors. However, he currently serves on the board as its at-large member. To free up that seat, Peterson has announced his resignation as the at-large representative to the AHA board, making it possible for the board to elect a new at-large member to fill Peterson’s unexpired term. Before making that choice in January 2017, AHA board chairman Darren Caldwell is asking hospital executives across the state who would be interested in filling the at-large seat to contact AHA president Bo Ryall to express that interest no later than December 31, 2016.
AHA Webinar to Review New HOPD Rule

The Arkansas Hospital Association will host a November 17 webinar (1:00 p.m.-2:00 p.m.) entitled “CMS’ First Shot Across the Bow? The ‘Final’ Changes to Medicare’s Payment for Hospital Outpatient Department Services (HOPDs) Under the Provider-Based Rules.” This webinar will review the newly finalized regulatory changes to Medicare’s payment rules for services furnished in provider-based HOPDs, which were included in the Bipartisan Budget Act of 2015. It will also address the practical implications flowing from the final rules, such as how to prepare for implementation in 2017, as well as aspects of the proposed rules that CMS failed to address. Lastly, there will be an update of current legislative proposals targeted at revising Section 603 of the Act.

The target audience for this webinar includes personnel from hospital administration, legal counsel, outpatient department managers, governmental affairs personnel, facility planners and physicians and non-physician practitioners providing professional services in provider based hospital outpatient departments.

Attorneys Bragg Hemme and Ross Sallade will lead participants through this hour-long program, with the objectives of describing the scope of changes to CMS’ final revisions to the proposed rules for services rendered from provider-based HOPDs; identifying practical and operational implications flowing from the final changes to the proposed payment rules for services rendered from provider-based HOPDs; discussing issues that remain unresolved or unaddressed with the release services rendered from provider-based HOPDs; discussing issues that remain unresolved or unaddressed with the release of the Final HOPPS rules to comments posed under the proposed HOPPS rules; and listing issues which CMS failed to address in responding to comments submitted in response to the proposed HOPPS rules.

Registration is $175 for AHA Member Hospitals and includes one internet connection and one telephone connection at one location, but an unlimited number of participants from your organization in one listening room. Full program and registration information are available at http://www.arkhospitals.org/calendarpdf/11-17-16HOPDServicesWebinar.pdf. For questions regarding this webinar, contact Anna Sroczynski at (501) 224-7878 or asroczynski@arkhospitals.org.

AHA Board Highlights

During its November 11, 2016 monthly meeting, the Arkansas Hospital Association (AHA) board of directors covered the following agenda items:

**Special Presentation:** Elizabeth Smith, the Arkansas Medicaid Program Inspector General, reviewed the purposes and objectives of her office, updating the board on the types of reviews being conducted to reduce Medicaid fraud and abuse.

**Washington Update:** Tucker Bonner, the regional executive for the American Hospital Association (AHA), provided the board with a post-election outlook for a Lame-Duck Congress for the remainder of this year and the beginning of the new 115th Congress, which will convene in January 2017. He noted that the AHA will continue to urge Congress to act on hospital priorities, although the prevailing sentiment is that little will be accomplished before Donald Trump is officially sworn in as president. Mr. Bonner also explained the good and bad provisions which were included the off-campus hospital outpatient department site neutral policies contained in the final rule covering Medicare hospital outpatient payments for 2017.

**Medicaid:** Bo Ryall reviewed a work concept paper being used by state Medicaid officials to fully develop a system of provider-led coordinated care organizations to work in conjunction with
Arkansas Medicaid as an alternative to capitated managed care. He noted that under the model, Arkansas would build on its history and tradition of strong provider leadership to improve the care of individuals with severe and persistent mental illness and individuals with intellectual and developmental and disabilities. The proposal is intended to utilize, build upon, and link the existing provider-led service delivery system, not replace or supplant it. Paul Cunningham informed the board that the Medicaid program is finalizing all calculations for the SFY 2017 Medicaid assessment program and said the initial amounts should be available and distributed to hospitals for review soon.

**AHA Council on Government Relations:** The board reviewed and approved recommendations of the AHA Council on Government Relations, which met October 28, to guide the Association’s advocacy agenda for the 2017 Legislative Session. Key elements of that agenda include:

- Pursuing the continued authorization for coverage expansion and implementation of the Arkansas Works program;
- Working closely with healthcare providers and other stakeholders to ensure hospitals are recognized, rewarded and appropriately paid for their use of telemedicine services and improving access to quality patient care;
- Securing laws surrounding third party liens for appropriate recovery of hospital costs incurred when caring for victims of automobile accidents; and
- Developing appropriate language for a legislative referendum that would enable the citizens of Arkansas to vote on the tort reform issue.

**Legislative Review:** Jodiane Tritt reviewed the outcomes of the November 8 general elections and how they could impact the legislative session. She also covered Governor Asa Hutchinson’s proposal for his balanced budget recommendation for state general revenue for both fiscal years of the 2017-2019 biennium. The total estimated funds for the 2017-2019 biennium is $229,453,060. Of note, he emphasized that the budget does not allow for any General Improvement Funds. He also stated that he expects a $50 million tax cut on income taxes in the state that would not begin until January of 2019.

In fiscal year 2018, the budget would increase general revenue to the Department of Human Services (DHS) by $112.8 million (total would be $1.55 billion). The Governor hopes that the legislature will approve a $75.5 million increase to the DHS grant budget, which includes Medicaid (total would be $1.14 billion); a $26.7 million increase to the Children and Family Services budget (total would be $118.2 million). In addition, the Governor proposed an addition $5 million per year to establish three crisis stabilization centers for county jails and prisons that are dealing with mental health patients.

**Approval of Medical Marijuana:** Mrs. Tritt reviewed the implications for hospitals as employers related to the ballot approval of medical marijuana in Arkansas. Under the law, qualifying patients with qualifying conditions have certain workplace protections. However, much remains to be clarified in the rules and regulations that must be promulgated for implementing the law.

**Arkansas Insurance Marketplace:** Open enrollment in the 2017 Health Insurance Marketplace began November 1 and will continue through January 31. For coverage starting January 1, consumers must sign up by December 15. A new American Hospital Association (AHA) video highlighting the importance of health insurance for young people is now available on YouTube in English and Spanish and can be accessed on the AHA website, which also offers a number of enrollment resources, including a playback of an October 27 American Hospital Association-HHS webcast that features several hospital leaders discussing their organizations’ enrollment efforts. All of these resources are available to any hospital, regardless of whether it is a member of the American Hospital Association.

**AHA Education Opportunities:** Lyndsey Dumas covered several upcoming AHA educational programs and webinars. She noted that AHA is working to transition to the Midwest MSD for nurse education accreditation. The South Central Accreditation Program (SCAP) was dissolved earlier
this year and the Arkansas Nurses Association decided to collaborate with the Midwest Multistate Division. The Midwest MSD faculty will come to Arkansas on December 9 to hold training specifically for Arkansas Approved Provider Units for nursing education.

**AHA Quality Program:** The AHA’s Hospital Innovation Improvement Network (HIIN) has begun the HIIN work and is in full recruitment mode. Kickoff meetings around the state have been completed. Hospitals wishing to participate have until November 18 to submit their letter of commitment. To date, 27 of an expected 50 hospitals are participating. Also, November 17 AHA’s HIIN will be hosting a “Nursing Design Day” to introduce the Transforming Care at the Bedside Model and to introduce the 2017 Transforming Care at the Bedside Collaborative.

**AHA Services:** AHA Services is hosting a webinar November 15 for the AHA Managed Care Networking Group titled Understanding the new BCBS Contract. Also, in response to requests from members, AHASI is working to provide a plan for 340B education during 2017 regarding 340B basics.

**AHAA:** Margaret Underwood shared with the board information showing that the combined hospital auxiliaries in Arkansas donated more than $3.7 million and contributed 955,394 volunteer hours to the state’s hospitals in the 2015-2016 operating year.

---

**NewsNotes About Arkansas Folks**

**Harry Hutchison,** vice president of finance and CFO at St. Bernards Healthcare in Jonesboro, has been recognized by *Arkansas Business* as its CFO of the Year for Non-profit Organizations. The award was presented during a November 2 luncheon ceremony at the Embassy Suites in Little Rock. Hutchison has been with St. Bernards since 2005 and worked previously at hospitals in Paragould and El Dorado.

---

**The AHA Calendar**

November 2016

- 15 Managed Care Networking Group Webinar: Helping Arkansas’s Hospitals Maximize Revenue and Improve Payor Outcomes
- 16 Communicating, Networking and Getting Things Done: A How-To Guide, AHA Classroom, Little Rock
- 16 Into the Fire: Antitrust Issues in Mergers, Contracting and Joint Ventures – Webinar MS1116
- 17 Introducing careLearning Webinar
- 17 The MACRA Final Rule: Evaluating the Impact and Opportunities for Critical Access Hospitals – Webinar NE111716
- 17 CMS’ First Shot Across the Bow? The “Final” Changes to Medicare’s Payment for HOPD Services Under the Provider-Based Rules – Webinar T3095
- 17 Transforming Care at the Bedside, Hilton Garden Inn West Little Rock

December 2016

- 1 Psychiatric Coding: Compliance & Documentation – Webinar T3091
- 1 Normalization of Deviant Behavior – Webinar T3092
- 6 Compliance Roundtable & Luncheon, AHA Classroom

_Information on all AHA educational programs and activities is available at [http://www.arkhospitals.org/events](http://www.arkhospitals.org/events)._