

ADVOCACY UPDATE

December 16, 2019

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AMITA HEALTH®

In sickness and in health®

What's New?

- The U.S. House will vote on two articles of impeachment this week, Senate trial will start in January.
- More than 250 new state laws will go into effect January 1, 2020.
- Candidates in Illinois have filed to run for office in 2020. The primary election will be on March 17, 2020 and the general election on November 3, 2020.
- Vaping legislation did not move forward during veto session, but there will likely be action on this issue in Illinois next year.

HEAL Initiative

- The Chicago HEAL Initiative is an unprecedented collaboration between 10 major Chicago-area hospitals—convened and supported by U.S. Senator Dick Durbin—aimed at reducing violence and improving residents’ health in 18 neighborhoods on the City’s South and West Sides.
- What is unique about the Chicago HEAL Initiative is that each hospital is committing publicly to work together and work with a broad range of community organizations to do more to tackle the root causes of gun violence.
- HEAL is premised on the notion that reducing violence requires more than just world-class health care in the hospital to treat physical wounds. We need a community-focused prevention strategy that recognizes hospitals are often the largest employers and leaders of neighborhood initiatives to address underlying root causes.
- To make a Chicago better for everyone, HEAL is focusing on 18 Chicago neighborhoods most plagued by violence, inequality, and poverty. These 18 neighborhoods have the highest murder rates in the City. They also have the highest rates of poverty and unemployment in the City and the lowest percentage of people with high school diplomas. Residents of these neighborhoods tend to live sicker and die younger than Chicagoans who live, in some cases, just a few miles away.
- As part of the Chicago HEAL Initiative, each hospital commits to individually achieve—or partner together and with other stakeholders to collectively address—key priority targets and best practices over the next three years, including: increasing local workforce commitment to reduce economic hardship; supporting community partnerships to improve the health and safety of public environments; and prioritizing key in-hospital clinical practices to address unmet needs.

City of Chicago & Cook County

City and County Budgets Approved

- President Preckwinkle passed the Cook County's \$6.2 billion budget that included no tax or fee increases with only one 'no' vote.
- Mayor Lightfoot passed her first City of Chicago budget proposal with 11 'no' votes.
- City budget includes increased fees for parking, ride-hailing and restaurant meals downtown.
- Most of the opposition came from progressive and socialist aldermen.
- The City budget proposal did contain a minimum wage increase. AMITA will be ahead of schedule system-wide in increasing our minimum wage.



PILOT Update

- Payment in Lieu of Taxes (PILOT) programs require nonprofit institutions, including hospitals and universities, that do not pay property taxes to pay a separate fee to city to make up for lost revenue.
- While this idea has been introduced as a resolution on the city level, it did not move forward during this budget season.
- Ald. Gilbert Villegas told AMITA that there will be subject matter hearings on the proposal during the spring.
- On the county level, Dr. Jay Shannon was removed as chair of CCHHS. New leadership may not be as focused on blaming other hospitals for increases in charity care.

Illinois Senate President Announces Retirement

- Current President John Cullerton has served as president since 2008, served in the Senate since 1991 and previously served in the House since 1979.
- The Illinois Senate will vote on their new president on 1/19/2020.
- Top two current frontrunners are:
 - Kimberly Lightford from Maywood
 - Don Harmon from Oak Park
- The new president will have to lead the caucus through the remapping process and the 2022 election where every Senator will be up for re-election.



Hospital Assessment Program Phase 2 Design

- Competing Priorities--HFS/CMS, IHA, Legislators, others TBD.
- Most of the work will be behind the scenes until the Senate elects their new president in January.
- IHA needs to get approval from their board for their proposal.
- Both CMS and HFS are indicating that tax mitigation cannot be included moving forward.
- Legislators, especially members of the Black Caucus and Latino Caucus, are highly interested in this issue.
- Transformation – new rumored proposal for the South Side, but support for the idea is unclear.



State Payment Update

ESTIMATED GENERAL FUNDS PAYABLE BACKLOG

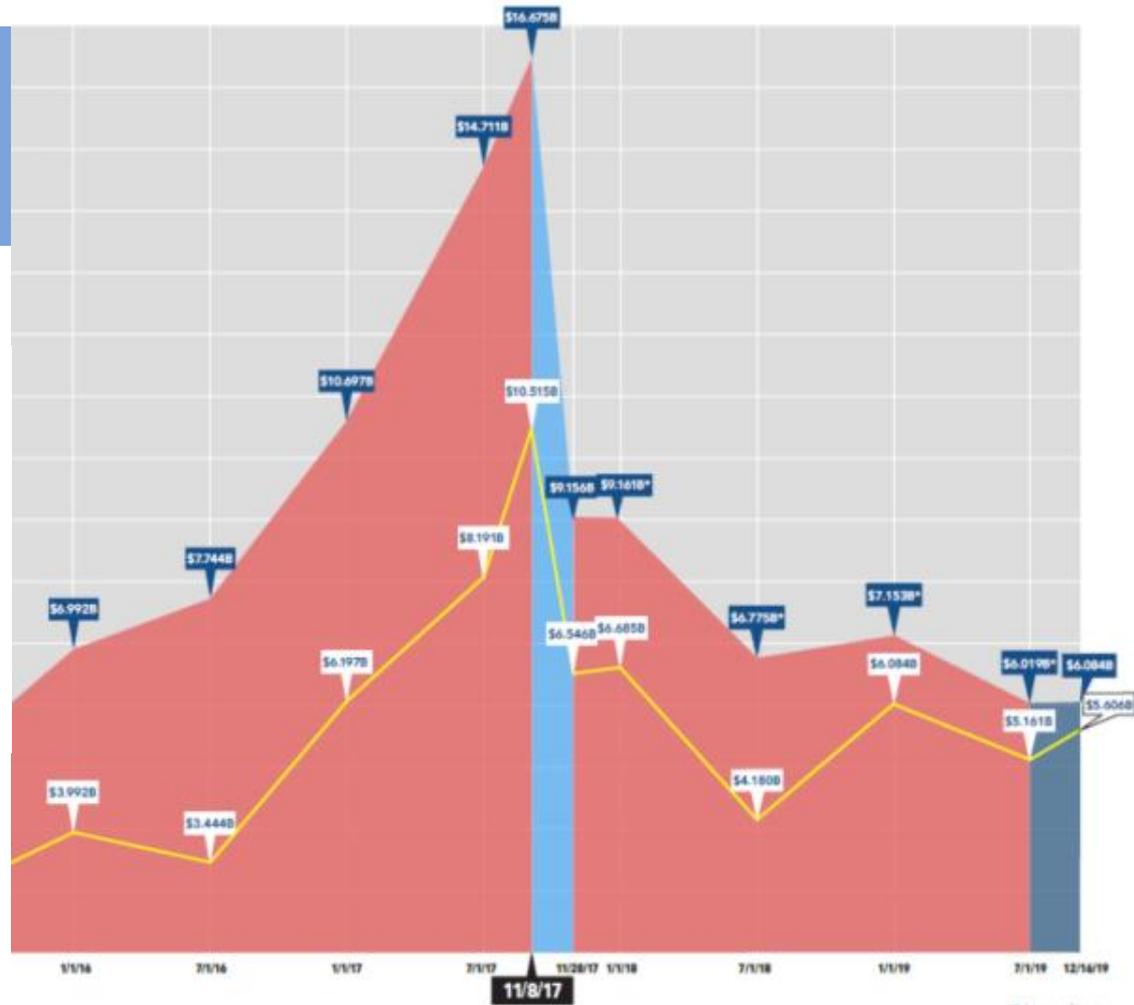
The backlog includes what is currently at the Office of Comptroller and the estimated \$0.478 billion with state agencies.

\$6,083,541,900.80

VOUCHERS BACKLOGGED

Includes vouchers and transfers to other state funds.

130,741



Surprise Billing

- A group of bipartisan, bicameral leaders announced a “surprise medical billing” agreement last week. The bill created new momentum to pass the high stakes legislation as part of the 12/20 government funding package.
- Then House Ways and Means Committee Chairman Richard Neal (D-MA) and Ranking Member Kevin Brady (R-TX) also said they reached a bipartisan surprise billing agreement that let the air out of the balloon holding up the earlier package. The Ways and Means bill calls for an independent mediated negotiation process to resolve billing disagreements, which is more acceptable to healthcare providers.
- With the disagreement as to the best solution, it is now unlikely a surprise medical billing solution gets into the end of the year package. Moreover, if a bill finally gets through, it will be substantially watered down from the bills introduced earlier this year. This is not to say this fight is over, as it will continue to be a major focus over the coming weeks and months.
- AMITA Health is opposed to the proposal that was to be included in the 12/20 funding package because it includes benchmark payment rates. **Please use our Advocacy Hub at advocacy.amitahealth.org to send an email to your members of Congress to ask them to remove benchmark payment rates from any surprise billing legislation.**

Other Federal Issues

Another short-term funding bill

A government shutdown is not expected on 12/20 and instead a short-term government funding bill lasting until late February or early March will likely be passed. This stop-gap measure would also prevent cuts to Medicaid DSH, Community Health Centers and Federally Qualified Health Centers.

House passes prescription drug pricing bill

The House passed by a 230-192 vote Speaker Nancy Pelosi's (D-Calif.) legislation to reduce drug prices by authorizing the federal government to negotiate prices with drugmakers for a minimum of 50 and up to 200 drugs per year. While the bill will fail to pass the Senate, its passage puts increased pressure on the Republicans to pass meaningful reforms, which will likely be included in a 2020 Senate package. Democrats hope to take drug pricing into the 2020 election to differentiate themselves to voters.

Federal Rules and Waivers

- CMS issued a proposed rule entitled *Medicaid Fiscal Accountability Regulation (MFAR)*. CMS is proposing to establish new requirements for states to report provider-level information on Medicaid supplemental payments, clarify Medicaid financing definitions and requirements, and limit certain "questionable" supplemental payment arrangements and Medicaid financing mechanisms. Comments are due January 17, 2020.
- CMS issued a final rule requiring hospitals to publicly post standard charges -- defined to include privately negotiated rates and discounted cash prices -- in a single digital file. Hospitals will also be required to make publicly available, in a consumer friendly manner, standard charge information for 300 "shoppable" services. The final rule is slated to take effect on January 1, 2021. The American Hospital Association and other organizations have filed a lawsuit to block implementation of the final rule.
- CMS issued a proposed rule entitled *Transparency in Coverage*, which would require insurance companies and group health plans that cover employees to disclose negotiated rates, as well as previously paid rates for out-of-network treatment, in file formats that are computer-searchable. Comments are due January 15, 2020.
- Illinois is applying for an 1115 waiver to implement a law passed earlier this year that would expand Medicaid coverage from 60 days postpartum to 12 months. It would also allow Medicaid beneficiaries to be retro-enrolled into prior Medicaid managed care plans within 90 days of losing Medicaid coverage due to late redetermination paperwork. And it would waive a requirement allowing hospitals to make presumptive eligibility determinations. Comments are due December, 27, 2019

Ambassadors in Action



Chicago HEAL Initiative
Hospital Engagement, Action, and Leadership



STATE SENATOR **CRISTINA CASTRO** AND
ELGIN COUNCILMAN **BALDEMAR LOPEZ**
INVITE YOU TO

**HEALTH
FAIR & FLU
SHOT CLINIC**



**NEXT CALL: JANUARY 13, 2020
2:00 PM**