State Position Paper



Vote No or Present on SB558 - House Amendment 4

Urge House Sponsors to Continue Talks with IHA to Address Moratorium Concerns

Issue: Senate Bill 558 – House Amendment 4 is the House of Representatives version of the Black Caucus's Health Care Pillar legislation.

IHA Position: IHA commends the House bill's sponsors for their efforts to address important healthcare issues and for including many of IHA's recommendations in SB558 – House Amendment 4; however, IHA cannot support the bill as currently amended due to the inclusion of an unworkable and unreasonable moratorium on hospital and service line closures.

Moratorium Concerns

We are deeply concerned with the provision that would impose a three-year moratorium on the closure of a hospital or category of service, as it is unworkable and unreasonable and would jeopardize patient safety:

- Hospitals need financial resources, appropriate staffing, and patient volume to maintain service lines and clinical competencies as well as the hospital as a whole. The proposed moratorium stretches well past the anticipated end of the COVID-19 pandemic, putting in place an arbitrary timeframe of three years.
- Forcing a hospital to stay open or keep a service line open when they cannot afford to do so, they don't have the appropriate staff or they don't have the patient volume to maintain clinical competencies *puts the safety of patients at risk*.
- Requiring hospitals to revert back to bed capacities and categories of service from a year ago would
 be impossible due to changes in staff, equipment and possible changes to the physical structure of the
 facility.
- The proposed moratorium could block healthcare transformation, such as the conversion of critical
 access hospitals or rural hospitals with fewer than 50 beds to Rural Emergency Hospitals under new
 federal legislation enacted in late December.
- Healthcare is changing, which means that hospitals must also change. As care moves from the inpatient to an outpatient setting, the demand for traditional inpatient hospital services has declined.
- Hospitals must have the ability as well as the resources and tools to adjust their services appropriately to meet the needs of the communities they serve.
- It is important to note that IHA and the hospital community support the Senate version of the legislative Black Caucus' healthcare pillar legislation House Bill 3840.

IHA and the hospital community are strongly committed to continue working with the General Assembly on developing solutions to reduce the disparities in health and healthcare experienced by people and communities of color.

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