State Position Paper

Illinois Health and Hospital Association
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Vote No or Present on HB5548 HA1 / HB3840 SA1

Urge Sponsors to Continue Talks with IHA to Address Key Concerns

Issue: Companion bills, *House Amendment 1 to House Bill 5548* and *Senate Amendment 1 to House Bill 3840*, would result in major changes in the state's healthcare system/Medicaid program, some with potential serious negative impacts. IHA has met with key sponsors of the bills to discuss our concerns about several provisions, including those that could put patient safety at risk and undermine more than $1 billion in financing for the state's Medicaid program.

IHA Position: IHA commends the bill's sponsors for their efforts to address important healthcare issues; however, we are disappointed that the proposals do not directly address health disparity/inequity issues nor healthcare transformation. IHA cannot support the bills as currently proposed. Given the broad scope and major impacts of these 228-page bills, the General Assembly should NOT rush to take action on them in the abbreviated, five-day lame duck session but instead allow for further discussions among the stakeholders to clarify and refine the legislation for consideration in the Spring Session. IHA and the hospital community are strongly committed to continue working with the General Assembly on developing solutions and approaches and making real progress on health disparities.

Background

There are approximately 18 provisions in the proposed legislation that would apply to hospitals. Among the provisions that IHA opposes as currently proposed:

A moratorium on hospital and service line closures until the end of 2023, and requiring hospitals to revert their bed capacities back to levels at January 1, 2020.

- This is both unworkable and unreasonable. 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.

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Changes in the Medicaid program to redirect funding to a newly created, narrow category of hospitals – "Community Safety Net Hospitals".

- This proposal would increase Medicaid payments to one narrow category of hospitals, without considering the needs of other hospitals that also serve vulnerable communities.
- IHA has supported added consideration for safety net hospitals for years, through the hospital assessment program, which is agreed to by the hospital community working with the Medicaid Legislative Working Group and the Department of Healthcare and Family Services.
- This provision is being proposed outside of this negotiated process which could disrupt the critically important balance among hospitals.

A provision in the legislation could jeopardize more than $1 billion in financing for the state's Medicaid program from the MCO assessment by imposing new regulations on MCO performance and future procurement of MCO contracts.

Mandate requiring that hospitals provide N95 masks to ALL nurses, Advanced Practice Nurses and physicians who are employed by or providing services for another employer at the hospital.

- This mandate would apply even if the nurse or physician does not actually need that level of protective equipment (e.g., if they do not actually see patients) and even if the masks are not available in the market, as happened during the early phase of the COVID-19 pandemic.
- This mandate would continue to apply even after the pandemic is over.

Provisions that Need Clarification

- Credentialing
- Hospital Report Card Act
- Reporting of COVID data
- Posting of charity care policy
- FQHCs in hospitals
- Legionella testing
- Implicit bias training

Provisions that IHA Supports

- Community Health Workers
- Opioid treatment programs, PMP provisions
- Behavioral health workforce education center
- Sales tax reduction on blood sugar testing material
- Adding Latinx to HIV fund
- Medicaid coverage of home visit and perinatal doula services
- HHS Task Force on healthcare access

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