

2022 State & Federal Priorities THA Update

THA Fellows Module 1



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Texas Hospital Association

- Founded in 1930, the Texas Hospital Association is the leadership organization and principal advocate for the state's hospitals and health care systems.
- Based in Austin, THA enhances its members' abilities to improve accessibility, quality and cost-effectiveness of health care for all Texans.
- One of the largest hospital associations in the country, THA represents more than 85 percent of the state's acute-care hospitals and health care systems, which employ more than 400,000 health care professionals statewide.



Hospitals are
integral to Texas
communities.



Healthcare and Hospitals in Texas

- 630 hospitals in Texas
- 288 designated trauma hospitals
- Almost 400,000 full and part time employees
- \$144 billion annually economic activity generated by Texas hospital jobs
- 1 in 9 U.S. jobs supported directly or indirectly by hospitals
- \$7.1 Billion annually in uncompensated care
 - Before DSH and UC payments



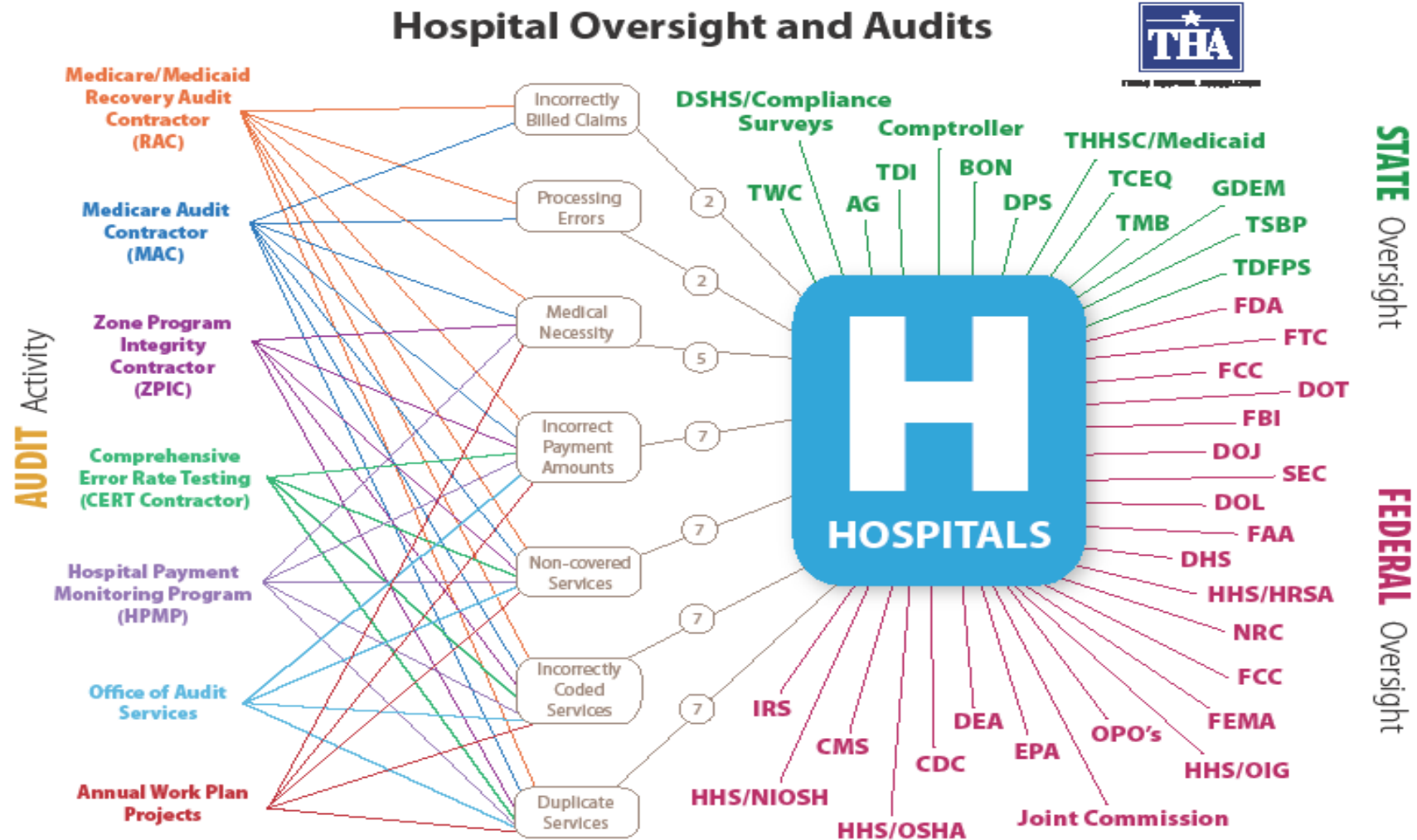
Why Does This Matter to Hospitals?

Why does advocacy matter to hospital executives and trustees? How do elected officials affect my hospital?

- Budget Writers
 - What percentage of your budget is from government payers?
- Policy Makers
 - Regulation of Healthcare Delivery
- Engage with Elected Officials
 - Elections Matter, Rhetoric Matters



Hospital Government Oversight



How Policy is Initiated, Developed, Implemented

The Influenced

- The Texas Legislature – 150 House and 31 Senate members and their staff
- Executive Branch – Governor and his staff
- The United States Congress – 38 House and 2 Senate members and their staff
- State and Federal Agencies – Once the Texas legislature and Congress pass legislation, agencies propose and adopt rules implementing the new laws
- Regulatory Oversight – ongoing operational oversight by a multitude of state and federal entities and/or audit functions
- The Media, the Public



How Policy is Initiated, Developed, Implemented

The Influencers

- Voters / Constituents
- Individual Stakeholders (e.g., businesses, regulated entities, etc.)
- Trade Associations, Stakeholder Groups
- The Lobby
- Interest Groups
- The Media / Press
- Campaign Consultants
- State and Federal Agencies



Why Trade Associations?

Definition: Organization with members involved in a particular business or trade and advocates for protection or advancement of common interests.

- Provide resources and introductions members can't easily get otherwise
- Convene hospitals leaders in various forums that allow for constructive dialogue
- Maintain stance as neutral and education-focused resource when individual hospital politics become challenging
- Offer leadership and educational opportunities – more than 430 available volunteer positions at THA!
- Serve as a go-to source of knowledge for legislative and regulatory leaders which in turn makes participation key
- Political Action Committee - HOSPAC
- Speak as one voice!



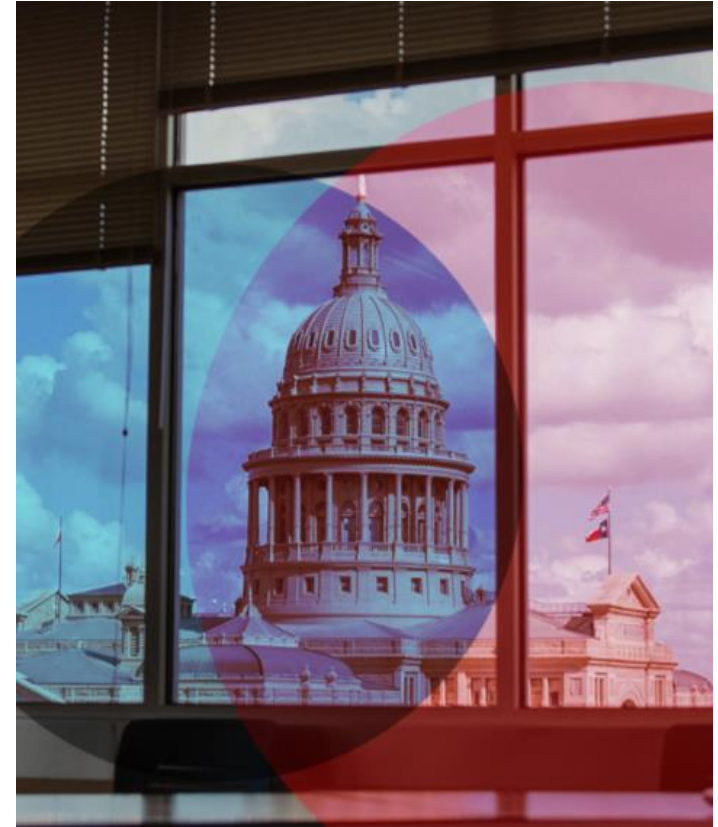
Who has a trade association?

- Texas Medical Association
- Texas Association of Health Plans
- Texas Health Care Association
- Texas Nurses Association
- Texas Dental Association
- Texas Pharmacy Association
- Texas Bankers Association
- Texas Oil and Gas Association
- Texas Apartment Association
- Texas Restaurant Association
- Texas Association of Builders
- Texas Food and Fuel Association
- Texans for Lawsuit Reform
- Texas Association of Business
- Texas Association of Electric Companies
- Independent Insurance Agents
- Texas Association of Realtors
- Texas Society of Architects
- Wholesale Beer Distributors
- Texas Package Stores Association
- Texas Retailers Association
- Texas Council of Engineering Companies
- Association of General Contractors
- Texas Deer Breeders Association



Who is THA?

- THA represents more than 450 Texas hospitals and health care systems that employ nearly 400,000 health care professionals statewide
- THA's members reflect the diversity of the health care environment, representing all sizes and types of hospitals and multi-facility health care systems
- Core Functions:
 - Advocacy/Lobbying
 - Policy Analysis and Development (including Legal)
 - Education Products and Services
 - Patient Safety and Quality
 - Policy set through THA Governance Process



THA Governance

THA Board of Trustees:

- Includes 29 hospital leaders, including CEOs, physicians, nurses, trustees. Set policy and budget direction of THA.

Council on Policy Development:

- Includes 36 hospital or health system executives or administrators, emerging leaders, CFOs, CNOs and trustee reps that serve staggered terms.

HOSPAC Board of Directors:

- Includes 33 hospital leaders that set annual PAC fundraising goals and make candidate endorsement decisions.



THA Policy Committees and Councils

Hospital subject matter experts who support the COPD and THA board with the technical aspects of policy development:

- Hospital Insurance Contracting
- Hospital Reimbursement
- Quality and Patient Safety
- Trauma and EMS
- Behavioral Health Council
- Hospital Physician Executives
- In-House Counsel Group
- Medicaid Task Force



Hospital Advocacy Group

- Comprised of internal and external hospital government relations staff including leadership of other Texas hospital associations (rural, not-for-profit, teaching, etc.)
- Weekly meetings during legislative session and monthly meetings otherwise
- Active email distribution list that allows for prompt communication and response – 135 contacts!
- Helps with the strategy of speaking with one voice



Advocacy Communication Tools

- *Health Care Advocate* - weekly e-newsletter to membership
- Membership Action Alerts
- Membership Information Alerts
- Advocacy one pagers – specific topics, specific regions, education, advocacy.
- Facebook, Twitter, Website
- Digital campaigns including geo-location
- *Texas Hospitals* magazine



Texas Hospitals' Public Policy Priorities to Support Healthy Hospitals, Patients and Communities for 2019-2020



Leading the nation in population and job growth, Texas has one of the country's strongest economies. Yet, no other state has more residents without health insurance, and no other state has experienced more hospital closures in rural communities.

A strong economy depends on healthy residents and communities. And that requires a strong health care infrastructure.

To support a strong health care infrastructure, Texas hospitals advocate for the following:

1. A state budget that protects funding for health care programs and services to meet the physical and behavioral health care needs of a growing population.



- Continue state funding of health and human services programs and services, including adequate Medicaid funding that supports hospital payments that are closer to the actual costs of providing health care services.
- Maintain a dedicated funding source for the state's network of trauma hospitals to compensate for some of their unreimbursed costs of providing life-saving trauma care.
- Continue state funding for educating and training a workforce of physicians, nurses, behavioral health professionals and allied health care professionals in numbers sufficient to care for the state's large, growing and aging population.

2. A fair and equitable system of financing hospital payments.



- Continue the current property tax structure and oppose limiting local jurisdictions' ability to generate revenue for essential services.
- Support locally generated solutions, including local provider participation funds, to generate the required non-federal share of Medicaid supplemental payments and increased hospital reimbursement rates.
- Support maintaining Delivery System Reform Incentive Program supplemental payments within the hospital financing system while working with stakeholders to develop fair and equitable value based payment models that support access to care and good health care outcomes.

Texas Hospital Association

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What Does THA Do In Advocacy?

THA Mission: Serving Texas hospitals as the trusted source and unified voice to influence excellence in health care for all Texans.

- Advocacy Team Components
 - Lobby, Policy, Legal, Communications, HOSPAC, CEO
- Lobby Issues = Affect Legislation impacting hospitals
- Regulatory Issues = Affect Regulation impacting hospitals



Texas Legislature Overview

- Biennial Regular Session for 140 Days
 - “Citizen” Legislature
 - Special Sessions called by Governor
- Second Tuesday of January of Odd Years
 - Texas Constitution
 - 88th Texas Legislature began Jan. 9, 2023
 - 140th Day Sine Die
- March 1, 2022 Primary Election
 - May 24 Primary Runoffs
- November 8 General Election



140 Days Every Other Year

The average legislative office handles the following during the 140-day session:

- 7,000 + bills
- 6,000 telephone calls
- 5,000 drop-in visitors
- 8,000 letters
- 15,000 emails
- 600 event invitations



Elections Impact Policy

November 3, 2020, General Election:

- Blue Wave Did Not Come Ashore in Texas
- No changes in Texas Congressional Delegation
- Texas Senate stays solidly GOP (18-13)
 - Lt. Governor Dan Patrick
- Texas House keeps GOP majority (83-67)
 - Focus was on flipping 9 seats to give majority to Democrats (GOP since 2003)
 - GOP Majority means GOP Speaker of the House
 - Speaker of the House Dade Phelan (R-Beaumont)



Major Issues for State Leaders Today

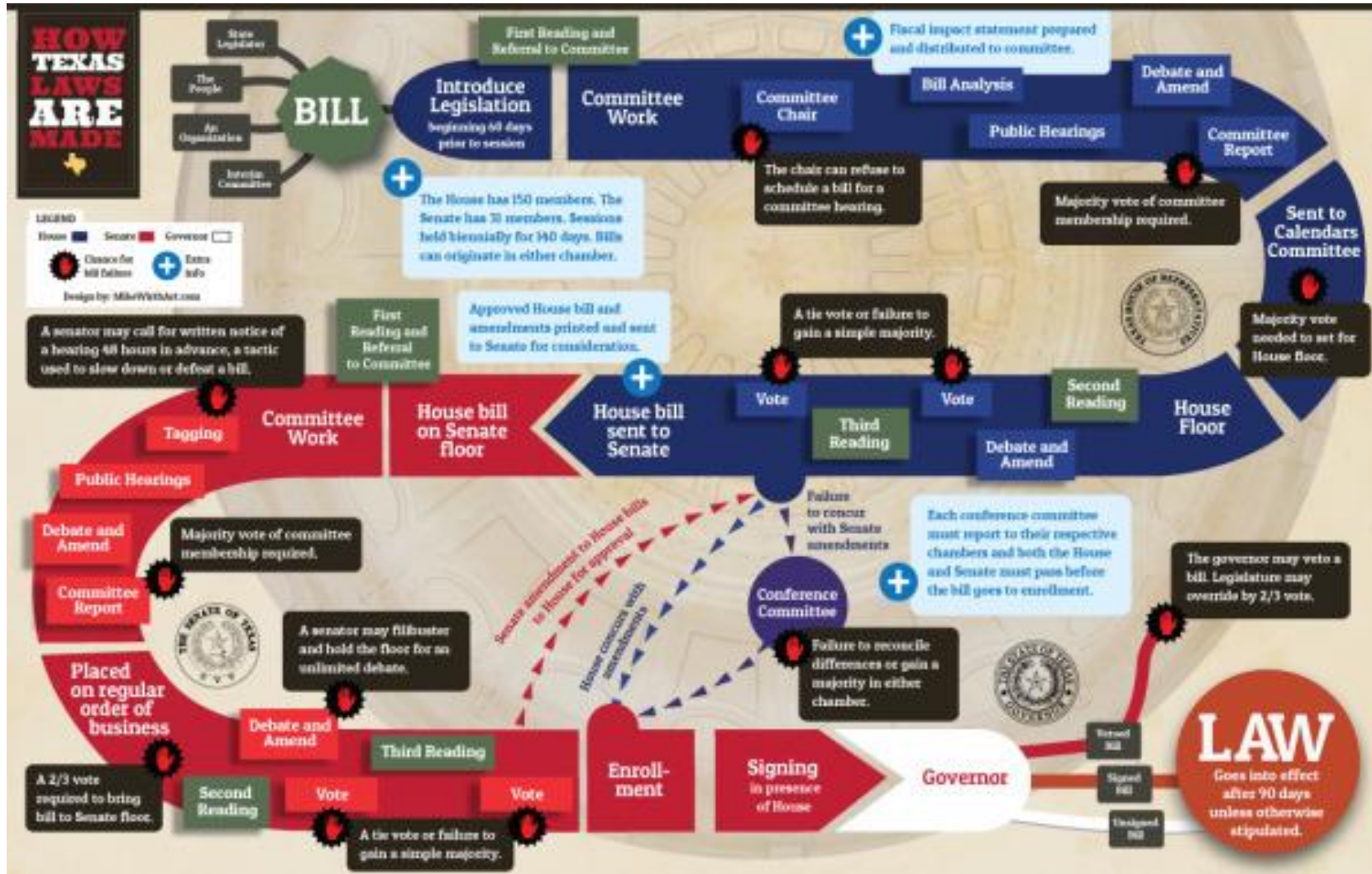
- Economic growth puts pressure on infrastructure
 - 1,000+ people moving to Texas each day
- Political pressure to remain fiscally conservative
 - Pass a Balanced Biannual State Budget
 - Honor the constitutional spending cap & Biennial Revenue Estimate
 - Protect the Rainy Day Fund (>\$10 billion balance)
 - Oil and Gas Revenue, Sales Taxes impacts available revenue
 - Key Voter Issues: Property Taxes, Border Safety
- Campaign Promises to Cut Taxes
- Constant Struggle with costs for Medicaid, ERS, TRS, CPS, Public Education, Higher Education Tuition, Transportation
- Biennial Budget



Legislative Process in Theory



Legislative Process in Reality



2021 Legislative Session

In this session lasting 140 days:

- +7,000 bills filed
 - THA tracking +1,500
 - Affected hospitals'
 - Budget
 - Operation
 - Policy
- + Special Session #1 (Quorum Break)
- + Special Session #2 (Abortions, Bail, CRT)
- + Special Session #3 (ARPA, Redistricting)



State Legislation Impacting Hospitals

- Hospital Licensure Requirements, Surveys, Inspections and Fees
- Physician, Nurse, Allied Health Provider Education, Training, Licensure
- Nurse Staffing Requirements
- Medical and Nursing Peer Review
- Telemedicine Standards, Requirements
- Trauma and EMS Standards, Licensure, Requirements
- NICU Regulation, Certification
- Public Health – Vaccines, Car Seats, Texting While Driving, Cigarettes
- Insurance Network Adequacy
- Mental Health Care Delivery System, Insurance Coverage
- Life Cycle: Pregnant Women, Fetal Tissue, Placentas, End of Life, DNR Orders
- Compliance with Public Information Act
- Open Carry – Guns in Hospitals
- Licensed Freestanding Emergency Centers regulation and billing
- Medical Waste Disposal



2021 Extreme Challenges

- COVID-19
- Winter Storm Uri
- Budget constraints
- Political divisiveness
- Political distractions

Still, THA secured critical funding and policy wins and killed “bad” bills related to guns, end-of-life care and other issues

NEWS // LOCAL

Texas Capitol, shuttered for 10 months, reopens to the public with new safety precautions

Texas winter storm costs could top \$200 billion – more than hurricanes Harvey and Ike

POLITICS & POLICY

The Next Legislature Will Meet Amid an Economic Nightmare. What Could Go Wrong?



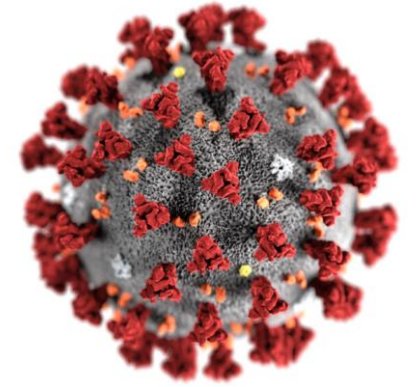
THA Key Priorities

- **Hospital Funding:** Protecting funding for health care programs & services
- **Health Care Coverage:** Increasing the number of people with health insurance
- **Insurance:** Ensuring robust insurance networks and strengthening access to and payment for emergency room care
- **Behavioral Health:** Streamlining access to and payment for inpatient behavioral health services
- **Storm Response:** Ensuring access to dialysis care during emergencies
- **COVID-19:** Legislation related to funding, operations and safety -- telehealth, broadband, vaccines, reporting, relief funding.



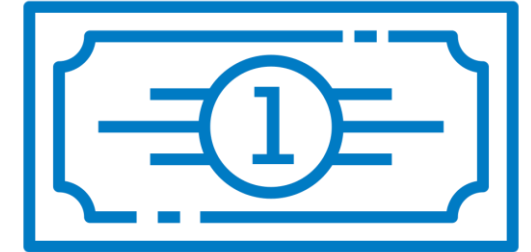
2022-2023 State Budget in 2021 SB 1

- Must-pass legislation – biennial budget
- Grim COVID fiscal outlook in July 2020 meant 5% cuts for most state agencies' operating budgets and upcoming appropriations requests
- Comptroller data showed Texas economy rebounded in 2020 thanks to vaccination and COVID response - revenue estimate improved significantly before and during 2021 session
- Enhanced COVID-19 federal match rate meant no cuts to the Medicaid program
- Federal COVID Relief Funds to the Rescue!



Hospital/Health Care Funding in State Budget

- Maintained existing Medicaid rate enhancements:
 - \$360 million for trauma hospitals
 - \$300 million for safety net hospitals
 - \$90.4 million for rural hospitals' inpatient services
 - \$60 million for rural hospitals' outpatient services
 - \$16 million for rural hospitals' labor and delivery services
- New funding: \$123.4 million for additional rural hospital services
- IMD Exclusion Waiver: directs HHSC to pursue a federal waiver to allow reimbursement beyond 15 days for inpatient psychiatric or residential treatment services - if it nets savings to the state.



Hospital/Health Care Funding in State Budget

- Nearly half a billion dollars for inpatient and outpatient behavioral health care:
 - \$321 million for state psychiatric hospital redesign construction and renovation**
 - \$86 million for new inpatient beds at state psychiatric hospitals*
 - \$30 million to increase psychiatric inpatient beds at community hospitals*
- \$47.5 million to extend postpartum Medicaid coverage from two to six months*
- Maintained level funding for statewide maternal safety initiatives (\$7 million)
- \$199 million to expand GME, a \$42 million increase over last session*
- \$19 million to help reduce the nursing workforce shortage*



Health Care Coverage Expansion

- THA led comprehensive grassroots digital advocacy campaign, educating lawmakers and public about the immediate need for coverage expansion
- THA's work helped garner impressive support by lawmakers early on
 - 67 Democrat co-authors, 10 Republican co-authors
- 1115 Waiver rescission stymied lawmakers' appetite for expansion
- Still, THA helped secure targeted coverage gains:
 - Extended Medicaid coverage for pregnant women from two to six months postpartum
 - Stretched kids' Medicaid eligibility (cut the number of eligibility checks in half, from four to two a year)

Note: In Build Back Better bill, House passed 3-year coverage expansion for the 12 hold out states. Senate did not pass. BBB appears dead in Congress.



Telemedicine – COVID Impact

- Two key bills that will help expand access to telemedicine and telehealth services across the state passed.
- HB 4 makes permanent the telemedicine flexibilities that were put in place during the pandemic to ensure access to care for Medicaid and CHIP clients.
 - Legislation implementing payment parity failed to get out of Committee.
- HB 5 Expands access to reliable broadband internet services to support access to telemedicine.



COVID 19 Legislation

- **Liability:** Passed legislation ensuring liability protections for health care providers acting in good faith during a pandemic
- **Visitation:** Legislation passed requiring one visitor per patient during an infectious disease emergency, with flexibilities for health and safety. Additional legislation requires religious counselors access to patients upon request.
 - THA released updated [guidance](#) on the new hospital visitation law to help hospitals comply during this latest COVID-19 surge.



THA was proud to join the Texas Alliance for Patient Access to recognize @KHancock4TX for his leadership in authoring and passing SB 6, legislation that provides enhanced liability protections for health care workers during COVID-19. Thank you and congratulations, Sen. Hancock!

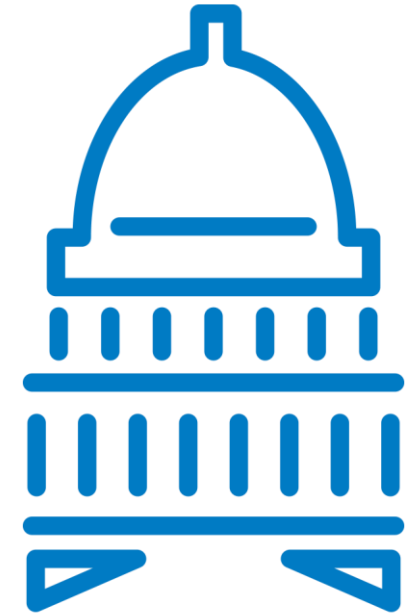


COVID-19 Relief Funds

In addition to Provider Relief Funds being allocated directly to providers:

Relief Funds to the Rescue of the State Budget:

- CARES Act passed on March 27, 2020 = \$12 billion to Texas state government.
 - Included enhanced funds for Medicaid program through 2021
- 2021 American Rescue Plan includes additional funds to Texas ~ \$40 billion.
 - \$16 billion allocated in Special Session #3...



ARPA Funding Allocated in Special Session 3

- **SB 8 ARPA Funding Items of Interest:**

- \$2 billion appropriated to DSHS for surge staffing at state and local hospitals, psychiatric hospitals, long term care facilities, and nursing facilities.
 - Funding helps provide the 26,000 staff supplied to Texas health care providers throughout the pandemic.
- \$75 million for rural hospital COVID-19 grant funding at HHSC
- \$378 million to HHSC for COVID-19 health care worker grants for nursing facilities, assisted living facilities, home health, community attendant, and IDD facilities
- \$237 million to construct a Dallas State Hospital
- \$21 million to increase the number of EMTs and create EMS education, prioritized to rural and underserved areas
- \$7.2 billion to refill the Comptroller's Unemployment Insurance fund
- \$500 million to increase broadband access across the state
- \$113 million to expand the Texas Child Mental Health Consortium and increase capacity to serve pregnant and postpartum women



COVID-19 Relief Funding State Reporting

- **Relief Funds Transparency:** Legislation passed requiring health care institutions, including hospitals, to **monthly** report to HHSC all federal relief funds. HHSC will compile a quarterly report. Licensing agencies may take action for failure to report (SB 809 & Rider 143 SB 1).
- In early November, the state added a new requirement that providers include information in their reports on COVID-19 related costs not reimbursed by federal sources. While the legislation does not authorize collecting data on unreimbursed costs, a feature THA pushed back on, one upside is that HHSC will now be quantifying hospitals' extraordinary staffing costs and other COVID costs accruing without federal relief.
- Please visit the [HHSC Provider Finance Department Communications web page](#) for more information about the report. Click on “Monthly SB 809/Rider 143 COVID-19 Reporting.”
- The list is now updated every FRIDAY, point in time reporting.



What's Next for the Texas Legislature?

- Fourth Special Session?
- Texas House and Senate Interim Hearings
- THA Submitted Suggested Interim Studies
 - 1115 Waiver Impact
 - **Workforce, Nursing Shortage**
 - Workplace Violence
 - Unreimbursed Workplace Costs
 - Availability of Inpatient Behavioral Health
 - Mental Health Care Reimbursement
- Preparation for 88th Legislative Session
- Elections!



Meanwhile, in Washington, D.C.



U.S. Congress Overview

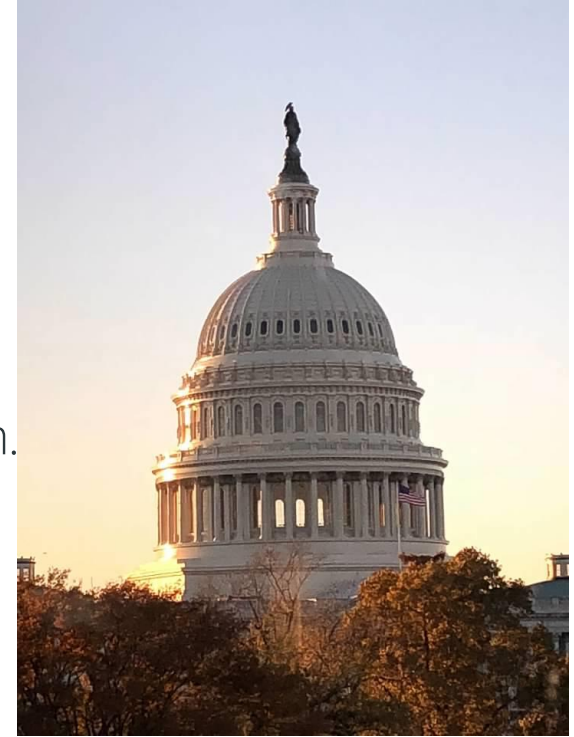
Congress has authority over financial and budgetary matters, through the enumerated power to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense and general welfare of the United States.

- Meets each January 3rd for two years ongoing
- Senate 100 members (6-year terms)
 - Each state has 2 senators, elected different years
- US House has 435 members (2-year terms)
 - Population based – Texas will have 38 members
 - Texas is one of six states that gained following 2020 Census



Provider Relief Funds

- HRSA distributing Phase 4 of the PRF now
 - Processing applications
- As of 12/32/20 Congress has appropriated \$178B to PRF.
 - Funds also used to support COVID testing, treatment, vaccine administration.
- Little dollars remain, no funds for Phase 5.
- Hospitals asking for \$25B more to PRF
 - and flexibility for use of dollars.
- HHS budget requested \$30B COVID funding
 - Only \$3B for COVID care for the uninsured
 - Focus on testing, vaccines, public health preparedness.
- Congressional resistance could mean no new funds.



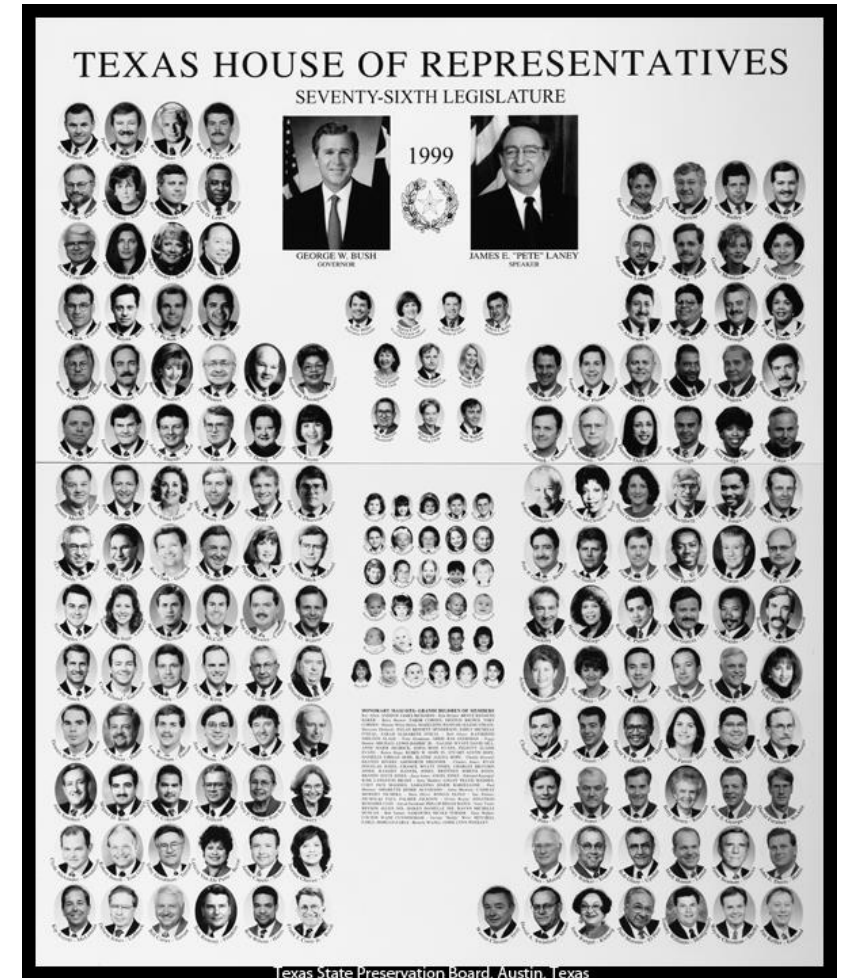
How Can I Be Engaged In Advocacy?



Know Your Elected Officials

140 Days isn't the time to make introductions.

- Give Hospital Tours to Elected Officials
 - Congressional, State and Local Leaders
 - <https://www.tha.org/Public-Policy/State-Advocacy/Resources-for-Hosting-a-Legislative-Visit>
- Engage with Elected Officials
- Attend Local Meetings
- Be a Trusted Resource on Health Care
- Trustees are Critical to the process
- Engage with THA!



VOTE in Elections!

76% of voting age population is registered.

- BUT

- 8% of registered voters voted in 2018 Primary Election;
- 60% of registered voters voted in 2016 presidential election.

Summary:

46/100 voting age Texans vote and decide elections in presidential years.

6/100 voting age Texans vote and decide elections in off year elections.

Your vote does matter*.

*Austin State Rep. Donna Howard won by 4 votes →



Please donate to HOSPAC!

- HOSPAC is an integral part of THA's Advocacy Efforts
- The HOSPAC board works very hard to endorse candidates who will support Texas hospitals
- Elections are expensive.
- Donations helps build relationships so that we can make our case when an issue arises.
- Donors are invited to special events, like the HOSPAC reception at THA Conference in Feb.
- We will put your name on all the donor lists!
- It makes you feel happy!



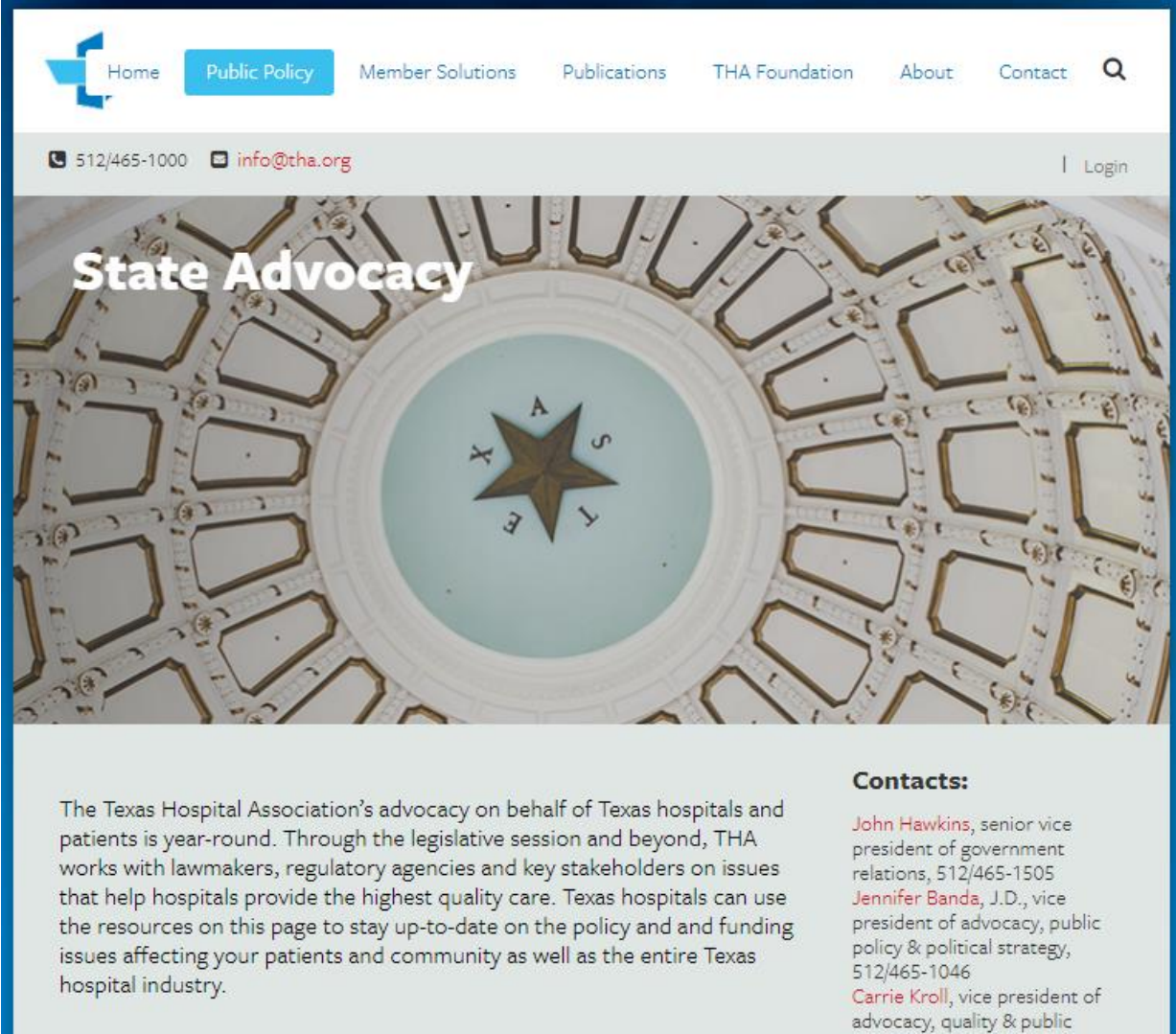
<https://hospac.org/contribution/>



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Advocacy app



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Thank you! Questions?

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