

## Government Relations Update – September 12, 2023

### Pennsylvania Issues

#### Legislation:

- **HB 849: Adult Mental Health Program Funding.** As previously reported, on July 11, 2022, Governor Tom Wolf (D) signed Act 54 of 2022 into law, which established the Behavioral Health Commission for Adult Mental Health. The Commission was charged with allocating \$100 million in American Rescue Plan Act funding for adult behavioral health needs. On April 10, 2023, Representative Mike Schlossberg (D-Lehigh) introduced legislation to appropriate the funding in accordance with the recommendations of the Commission, as follows: (1) \$40 million would be allocated to ensure the stability and expansion of mental health services; (2) \$34 million would be spent to retain existing behavioral health staff and providers and to help them develop additional skills; (3) \$25.5 million would be dedicated to expand criminal justice and public safety programs; and (4) \$500,000 would be used for a study to evaluate the overall impact of the appropriations. On June 7, 2023, the legislation was passed by the House of Representatives and sent to the Senate Health and Human Services Committee for consideration.

The Hospital & Healthsystem Association of Pennsylvania (HAP) and St. Luke's University Health Network support this bill. On July 27, 2023, Dr. James A. James III, Chairman of the St. Luke's Department of Psychiatry, participated in a press conference in Harrisburg hosted by Representative Schlossberg urging the Senate to pass the bill or appropriate the funds.

#### Miscellaneous

- **Pennsylvania Fiscal Year 2023-24 Budget.** On August 3, 2023, Governor Josh Shapiro (D) signed into law the Pennsylvania budget for the fiscal year ending June 30, 2024. The \$45 billion spending plan includes \$20 million for county mental health services, a \$50 million hospital and health system emergency relief fund, and ambulance transportation reimbursement rate increases. The budget maintains Medicaid supplemental budget lines for obstetric/neonatal intensive care, burn units, and trauma centers.
- **Quality Care Assessment (QCA) Reauthorization.** The QCA is a state program designed to leverage federal Medicaid funding to help increase payments to hospitals. Pennsylvania hospitals pay an annual assessment that totals more than a billion dollars, based on inpatient and outpatient revenues. Pennsylvania retains an amount set by law (currently \$300 million) and the remainder (currently about \$700 million) is used, along with federal matching funds, to help pay hospitals for care delivered to Medicaid patients. The QCA program ended on June 30, 2023. HAP advocated for a new five-year renewal of the QCA. On August 30, 2023, the Senate passed a bill to renew the QCA for five years, but it awaits approval by the House.
- **Nurse Licensure Compact.** As previously reported, on March 22, 2021, Senator Lisa Boscola (D-Northampton) introduced legislation for Pennsylvania to join nearly 40 other states in the Nurse Licensure Compact (NLC) to expedite the nurse licensing process. The bill was passed by the House and Senate, and it was signed into law by Governor Wolf on July 1, 2021. The compact should have been implemented immediately, but there were issues with the background check language in the bill.

On April 24, 2023, the Senate Professional Licensure Committee held a hearing on professional licensing delays in health care. Sarah Biggs, St. Luke's Assistant Vice President of Talent Acquisition, testified on behalf of St. Luke's and urged the Commonwealth to address the issues with the previously approved NLC legislation. On August 22, 2023, Governor Shapiro issued an executive order implementing the NLC to permit registered nurses and licensed practical nurses who hold a multistate license through the NLC to practice in the Commonwealth, which should significantly expedite the onboarding process for new nurses.